

Subject: Transfer of Ownership of Pine Street and Highland Avenue

Watermains

To: Council

From: Public Works Department

Report Number: 2023-68

Meeting Date: April 11, 2023

Recommendation:

That Public Works Department Report 2023-68 be received; and

That the Mayor and Acting City Clerk be authorized to execute the indenture to assume ownership of the Pine Street and Highland Avenue watermains with the Regional Municipality of Niagara; and

That the By-law to authorize entering into the indenture, attached as Appendix C, be brought forward.

Purpose:

The purpose of this report is to seek Council authorization for the Mayor and Acting City Clerk to execute the by-law and indenture agreement.

Background:

In April 2016, the Regional Municipality of Niagara (Region), updated the Water Servicing Memorandum of Understanding (MOU) with all of the Local Area Municipalities (LAMs).

The MOU states that the Region's ownership of trunk watermains extends to the first valve off of the watermain. It was determined that there were watermains on two streets, Pine Street and Highland Avenue, where the first valve off the Region's watermain was at the other end of the block, meaning that under the MOU, the Region owned these watermains, not the City.

The Region approached the City about transferring ownership of these watermains, as they did not form part of their trunk watermain distribution network, and all of the homes on Pine and Highland were serviced by the watermains. The Region proposed simply installing a valve on their trunk watermain on Fielden Avenue for each watermain and transferring ownership.

Staff of the day requested that prior to assuming ownership, that the watermains, both cast iron installed in the 1960s, be replaced. The Region agreed, and in April 2017, the City's Director of Engineering & Operations issued a letter to the Region committing the City to own and maintain the watermains on Pine Street and Highland Avenue, once they were replaced. This letter is provided as Appendix A.

The Region replaced the watermains on Pine Street and Highland Avenue in 2017. City staff reviewed and approved the regulatory approvals and watermain designs before they were issued for tender, were involved in all project meetings and approved and witnessed all of the regulated testing and sampling requirements.

Discussion:

The ownership transfer has worked its way through the Region's departments, and they have issued an indenture agreement for the City's representatives to sign to formally transfer the watermains on Pine Street and Highland Avenue to the City.

Staff are confident that the watermains were installed to the City's specifications, and there have been no operational issues with the watermains in the last 5+ years. Therefore, staff recommend that Council proceed with authorizing the ownership transfer.

Financial Implications:

Formally transferring ownership of the Pine Street and Highland Avenue watermains to the City will allow these watermains and appurtenances to be added to the City's asset inventory.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Service and Simplicity Quality and Innovative Delivery of Customer Services
- City-Wide Investments in Infrastructure and Recreational/Cultural Spaces
- Value: Financial Management to Achieve Financial Sustainability

Governance: Communications, Engagement, and Decision-Making

Conclusion:

The partnership between the Region and the City provided two new watermains at no direct cost to the ratepayers. Authorization to sign the indenture agreement will formalize the ownership transfer and allow the Pine Street and Highland Avenue watermains to be added to the City's asset inventory.

Appendices:

- a. Commitment of Ownership and Maintenance by the City of Port Colborne
 pending the Watermain Replacement on Pine Street and Highland Avenue in the
 City of Port Colborne by the Region of Niagara letter dated April 11, 2017
- b. Indenture between the Regional Municipality of Niagara and the Corporation of the City of Port Colborne
- By-law to authorize entering into an indenture with the Regional Municipality of Niagara to transfer ownership of the watermains on Pine Street and Highland Avenue

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.