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The Corporation of the Town of Niagara-on-the-Lake Information Report to Council

SUBJECT: Service Line Warranties Coverage Update
DATE: 2024-04-16
REPORT #: OPS-24-017
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DEPARTMENT: Operations Services

BACKGROUND INFORMATION

The purpose of this report is to update Council on program coverage changes to residents utilizing the Service Line Warranties of Canada (SLWC) warranty program.

The warranty program provided by SLWC was first introduced to the Town in 2015 through Local Authority Services (LAS) which was created by the Association of Municipalities of Ontario (AMO) in 1992.

The SLWC Sewer, Water Line and In-home Warranty Program provides residents with the opportunity for a low-cost warranty program that will help repair, replace, or restore critical sewer and water line laterals located on private residential property that connect to the municipal system.

The Town initially signed an agreement on September 21, 2015, for a three-year term with automatic annual renewals for one year on the effective date unless either party provided written notice to terminate 90 days before the end of the term.

Included in the agreement under external sewer lines was coverage for grinder pumps at requested by the Town to assist original property owners that were equipped with grinder pumps to lift sewage into the St. Davids Sanitary System.

In February 2024 Town staff were contacted by representatives of SLWC to advise that grinder pump coverage would no longer be included in the program.

Reasons noted by SLWC for discontinuing the coverage for grinder pumps included:

- Financial sustainability of the program no longer feasible based on the current fee structure.
- Grinder pump supply and cost issues.
- Contractor availability challenges.
- Frequency of replacements in Niagara-on-the-Lake compared to other jurisdictions.

NEXT STEP / CONCLUSION

SLWC has indicated that they will continue to offer coverage to those residents under contract whose policies remain in effect; but they will be advising them 60 days before the expiry of those policies that coverage for properties employing grinder pumps will not be available for renewal.

Although Town Staff are disappointed by the decision of SLWC, Staff believe that there is still value in the program offered by SLWC to the residents of Niagara-on-the-Lake. Staff will work with SLWC to update the agreement between the Town and SLWC to reflect the coverage that remains available to residents, and bring a report to Council later this year to update the agreement.

PREVIOUS REPORTS

- **OPS-15-031** (St. David's Low-Pressure Collection System – Grinder Pumps)
- **CS-16-032** (Local Authority Service – Sewer and Water Line Warranty Program for Grinder Pumps)
- **Information Report** – December 15, 2016 (Local Authority Service – Sewer and Water Line Warranty Program)
- **Information Report** – March 16, 2017 (Local Authority Service – Sewer Line Warranty Program)
- **Information Report** – December 14, 2017 (Sewer Line Warranty Program Update)
- **Information Report** – February 15, 2018 (Sewer Line Warranties of Canada Update)
- **Information Report** – June 10, 2021 (Service Line Warranties Mailout and Update)
- **Information Report** – June 20, 2023 (Service Line Warranties Update)

ATTACHMENTS

- N/A