

**DATE:** 01 May 2019  
**TO:** City Council  
**FROM:** Dave Foley, Administrative Review Officer  
**SUBJECT:** Complaint 2018 – 2  
Cast Iron Watermain Replacement Project Phase 1 Billings  
**FINAL REPORT AND RECOMMENDATIONS**

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As we have recently discussed, I have completed my investigation of the above-noted complaint and have prepared this final report and recommendation to bring the matter to a close. I understand that it requires a review by City Council before the recommendation can be approved, and this document will be my report to Council, as well.

### **COMPLAINT**

The complaint relates to billings to property owners under Phase 1 of the City's Cast Iron Watermain Replacement Project. Seven property owners (out of 33) are disputing their invoiced amounts. City Council referred the matter to the Administrative Review Officer for investigation and recommendation.

### **SUMMARY OF FINDINGS AND CONCLUSIONS**

I have reviewed the wealth of documents provided by City Administration as the background to the complaint. This includes material relating to the several iterations of the policy and procedures relating to the 2016 Cast Iron Phase 1 Local Improvement Program. Program advertising and information relating to that LIP model were provided to me, as well as samples of all documents provided to 33 affected property owners. After the 2016 municipal election, of course, the LIP model was changed by the new City Council, and, again, all of the relevant program materials and documents for property owners, was included for my review.

At this point in time, there are more questions than answers about some of what transpired, what was said to whom, and what verbal transactions might have taken place outside the written record. However, I am convinced that the information provided by the City to the affected property owners, read in its entirety, makes clear the obligations of the property owners as it relates to the costs being billed. This is supported by the fact that 27 (or 80%) of the affected owners accepted their invoices and have made appropriate arrangements to pay them. It must also be noted that the property owners would have to pay significantly more if they were required to pay under the terms and conditions in place today. I took one random property and determined that the property owner would have to pay 17% more than they were billed.

The City has made efforts to clarify and explain any confusion experienced by the seven property owners, and has held, in abeyance, the payment of the invoices while the matter has been subject to review, clarification and investigation.

This matter has been under consideration for almost three years and I believe it is advisable to take action to resolve the matter on a "go forward" basis, recognizing that both sides in the dispute might have to make some concessions in order to bring the matter to a satisfactory conclusion.

I have found no evidence to suggest that there should be any assignment of blame to anyone. All staff I have had cause to contact have been cooperative, professional and respectful. In particular, the City Manager, Jim Puffalt and the Director of Engineering Services, Josh Mickleborough, have expedited all of my requests for information or clarification. Any delays experienced are entirely my responsibility.

#### **RECOMMENDATION**

**That all of the property owners affected by this matter, be offered a "good will" discount of 10% of the amount owing for the work which was originally billed. This offer is made as full and final settlement of the dispute.**

Thank you for referring this matter to me.

Submitted respectfully,

David E. Foley, BSW, ARM®  
**Administrative Review Officer**