



POLICY No. 2015-06 Municipal Drain Billing

Originating Department CS-FI-01-2015

SMT Approval: [Click here to enter a date.](#)

Council in Committee: 2015-01-13

Recommendation #: 18

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Revision History: [Click here for revision history](#)

1. PURPOSE

To establish parameters and guidelines to be followed for the billing of construction and maintenance work completed on Municipal Drains.

2. POLICY

IMPLEMENTATION PROCEDURE

Construction:

As stated in the *Drainage Act*, the costs related to the construction of a Municipal Drain are to be recovered by all lands, roads, and utilities that are within the watershed, as determined by the Engineer's report, net of any grant monies received under the Agricultural Drainage Infrastructure Program, as administered by the Ministry of Agriculture, Food and Rural Affairs. The County is required to pass a levying by-law to assess costs as per the requirements of the *Drainage Act*, R.S.O. 1990. Assessments are billed to the current property owners at the time of bill preparation.

Maintenance:

All lands, roads, and utilities that are within the watershed of a Municipal Drain are responsible for the costs of the maintenance of that drain. Haldimand County is responsible for maintaining all Municipal Drains on behalf of the community of property owners. The County has authority through the *Drainage Act* to bill for maintenance work completed on Municipal Drains.

The Ministry of Agriculture Food and Rural Affairs provides a grant under the Agricultural Drainage Infrastructure Program of up to one-third of the cost of maintenance for qualifying lands. The Municipality applies for the grant on behalf of the landowners and the qualifying

landowner is responsible for the remaining costs. The County's apportioned cost is funded through the Drain Fund Account (G.378.1110.9900.9913) that is contributed to annually through the operating budget to offset the County's cost of maintenance on Municipal Drains. The County is required to pass a levying by-law and assess costs as per the requirements of the *Drainage Act*, R.S.O. 1990. Assessments are billed to the current property owners at the time of bill preparation.

As there is a current backlog of billing for the recovery of maintenance on Municipal Drains, staff devised a regular billing schedule to eliminate this backlog. As a result, additional billings will be brought forward on an annual basis each Fall/Winter.

Once work is completed and all grants are received for a maintenance or construction project, a By-Law will be presented to Council to give authority to bill based on the assessment schedule. Properties assessed at \$500 or greater will have the option of signing up for a five year payment plan (Financing Option outlined below). If a property is assessed an amount of lower than \$500, or if the landowner decides not to partake in the payment plan, then the assessment will be added to the interim billing, to be paid over four equal installments in the year of billing.

Financing Option

Property owners assessed an amount of \$500 or greater may choose to have the amount owing debentured, including interest at an annual rate set by OMAFRA (based on that set for the Province's tile drainage loan program), for a period of 5 years with annual payments being levied on the property owner's tax account. The County must be notified by the property owner, with 30 days of notification of the initial billing, as to which option they prefer. If notification is not received by the County, the property will default to full billing of the amount owing on the current year's tax account.

In the past, the interest rate applied to those who participated in the financing option was not clearly documented. In order to place standardized parameters around the rate that is being utilized, the interest rate will be consistent with the annual rate set by OMAFRA with respect to land owners who participate in the Ministry's tile drainage loan program, which has very similar characteristics to the Municipal Drain maintenance and construction process. The interest rate will change with any amendments made by OMAFRA to the tile drainage loan rate. Landowners have the option of avoiding these financing costs by paying 100% of the cost over four equal installments in the year of billing.

3. ATTACHMENTS

1. Timeline of Municipal Drain Maintenance Billing Procedures
2. Notification Letter
3. Post Construction/Maintenance Letter
4. Municipal Drain FAQ Sheet

REVISION HISTORY					
REPORT	CIC		COUNCIL		DETAILS
	Date	Rec#	Date	Res#	
	Date	Rec#	Date	Res#	
	Date	Rec#	Date	Res#	
	Date	Rec#	Date	Res#	

Attachment #1 – Timeline of Municipal Drain Maintenance Billing Procedures

Drain Maintenance Billing Cycle (best case scenario)



Attachment #2 – Notification Letter



**Haldimand
County**

OFFICIAL NOTICE

According to the provisions of The Drainage Act, R.S.O. 1990, Chapter D.17, all Municipalities are responsible for the maintenance and repair of drainage works constructed under a by-law passed under this Act, and are required to:

1. Inspect every Municipal Drain periodically
2. Maintain in good repair according to the last revised Engineer's Report every Municipal Drain, if said drain so requires.

The _____ Municipal Drain has been inspected and has been found to be in an unsatisfactory condition to provide drainage in accordance with the last revised Engineer's Report and therefore requires cleaning and repairing to again be useful as a drainage works.

The maintenance work will be undertaken during _____, and may stretch through to the new year depending on the weather.

Tile drain outlets, survey stakes, gas lines, utility lines, buried telephone or electrical cables, tree or fruit plantations or any property which could be damaged, should be clearly marked by you, so that the machine operator is aware of these obstructions, since the Municipality shall not be responsible for damages.

Description of proposed maintenance work: brushing, bottom cleaning, level spoil.

Upon completion of the cleaning and repairing of the drain, you will be notified of your share of the cost, net of any grants. If the amount owing is under \$500, it will be added to your taxes, to be paid over four instalments. If the amount owing is over \$500, you will have an option of financing your costs over five years at a prescribed interest rate of **X%**. If financed, the annual amount due, including interest, will be distributed over the four annual instalments for a period of five years.

If you are contemplating transferring your property, previous to the payment of your costs of the maintenance of this drain, it is recommended that you advise the new owner and his solicitor of the impending drainage levy, in order to avoid any misunderstanding to the Agreement of Sale.

Should you have any questions, concerns or preferences, please contact either **Enter contractor name here** or **Enter name of Supervisor, Projects & Municipal Drains (Drainage Superintendent) at (905) 318 5932 ext. xxxx** as soon as possible, otherwise, the Municipality will assume that you have no concerns over the maintenance of the aforementioned drain.

Attachment #3 - Post Construction/Maintenance Letter



OFFICIAL NOTICE

Roll Number: _____

Re: Final Assessment – _____ **Municipal Drain**

Maintenance of the _____ Municipal Drain was completed as part of the Municipal Drain Maintenance program, in accordance with Section 74 of the Drainage Act R.S.O. 1990. Based on the actual final costs the assessment to your property is as follows.

The Final Total Assessment to your property is \$ **xxx.xx**

If the Total Assessment is **less than \$500.00** it will be added to your 20XX taxes, payable in four equal instalments and will appear on your interim and final billings. If the Total Assessment is **over \$500.00**, you have the option of financing your costs over a five year period at a prescribed interest rate of **X%**. The annual costs, including interest, will be added to your taxes, with the annual amounts due in four equal instalments.

The Municipal Drain Billing report can be found on the county's website, please refer to:

<http://www.haldimandcounty.ca>.

Please review the insert with this Invoice; if further questions are required you may direct them to xxxxxxxx, Supervisor, Projects & Municipal Drains (Drainage Superintendent) at 905-318-5932 ext.xxxx.

Attachment #4 – Municipal Drain FAQ Sheet



FACT SHEET

Q: What is a Municipal Drain?

A: A municipal drain is constructed to improve the drainage of agricultural lands. It is used primarily in rural areas to discharge excess water from the private agricultural tile drainage systems, roadside ditches, residential lots, churches, schools, industrial lands, commercial lands and any other properties. Municipal drains have been part of the local infrastructure since the 1800's. Without these artificial drainage systems in place, many of the County's rural areas would be flooded on a regular basis causing decreased farm production on the land and increase public health risks.

Q: Are roadside ditches Municipal Drains?

A: There are cases where Municipal Drains run in part or in whole along roadsides, however this is not typical. Roadside ditches are maintained by the Roads Operations Division. Should you have questions regarding roadside ditches or maintenance of roadside ditches please call Roads Operations at (905) 318 5932.

Q: What is the Drainage Act?

A: The Drainage Act provides for a Municipal Drain to be created. Not all ditches and buried pipes in the County are considered municipal drains. The County must first pass a by-law adopting an engineer's report to class a ditch or pipe as a municipal drain.

The process of designating a municipal drain contains three key elements:

1. Community Project - Landowners who need to solve a drainage problem may request a municipal drain by submitting a prescribed petition under the Drainage Act to Haldimand County. If the situation meets certain criteria, the County will appoint an engineer to prepare a report to identify the proposed solution to the problem and how the costs will be shared among the landowners in the watershed of the municipal drain. There will be a number of meetings where landowners can receive more information, voice their desires and their concerns about the municipal drain. There are also several appeal stages where landowners can voice their objections. The result - an engineering report for a "communally accepted" project.
2. Legal Existence - Once the project has been "communally accepted", the County will pass a by-law to adopt the engineering report. The County now has the authority and the responsibility to construct a municipal drain. The cost of the work is then assessed to each property within the watershed using the same ratio identified in the engineering report.

3. Municipal Infrastructure - Once a municipal drain has been constructed under the Drainage Act, it becomes part of the County's infrastructure. The County is responsible for repairing and maintaining the municipal drain at the expense of the watershed.

Q: How does a municipal drain benefit my property?

A: Benefit will vary between different lands, according to their differences of elevation, the quantity of water to be drained from the land, the distance from the municipal drain, and the presence or absence of other existing drains, natural courses and other like factors. A municipal drain may benefit a property owner by raising the value of the property making it more marketable, by increasing the productivity of the land and by preventing water from entering on to it.

Q: Who is responsible for maintaining the drain?

A: The County is responsible for maintaining the municipal drain on behalf of the community of property owners. The County will periodically arrange to enter onto your property and undertake any necessary work. As a property owner, it is your responsibility to report any problems to the drainage superintendent. Do not store materials such as brush, wood or other floatable material near the drain; in a storm they could float away and block the drain. All municipal drains eventually connect with a lake, river or stream. Therefore, do not direct septic system waste, milk house waste, barnyard and manure storage run-off or other pollutants directly to these drains.

Q: Who pays for the cost of construction and maintenance of the drain?

A: All lands, roads, and utilities that are within the watershed of a municipal drain are responsible for the costs of the maintenance of that drain. The cost to each property owner will differ based on the assessment schedule as set out in the Engineers report for each Municipal Drain.

Q: When are costs assessed out to the landowners following maintenance of a municipal drain?

A: Typically costs for municipal drain maintenance will be assessed once all costs are completed and applicable grants have been received. For example;

The Lindsay drain is maintained in the fall of 2010. Once all costs are known, the municipality will apply for grant funding from the Ministry of Agriculture, Food and Rural Affairs. Following receipt of the grant the municipality will pass a levying by-law and assess the costs according to the schedule set out in the Engineers report for the Lindsay drain. Final costs will be added to the applicable property owner's taxes in 2012, due in four equal installments.

This example is typical moving forward however there is a backlog of completed maintenance projects and invoices may be issued for prior work.

Q: How do I make a payment for my share of the cost?

A: Haldimand County will send property owners a notice for their assessed cost of the drain maintenance. All amounts owing will be added to the property owner's tax account. For amounts \$500 or more property owners have the option to decide (within 30 days) to sign up for a five year payment plan at a prescribed interest rate. The interest rate applied to municipal drain works is the same rate that is charged by the Ministry of Agriculture, Food and Rural Affairs for their Tile Drainage Loan Program.

Q: What do I do if I want maintenance done on a section of the drain?

A: The County has established a regular maintenance program where each drain will have the major maintenance on a 10 year cycle (mechanical brushing, bottom cleanout leveling of spoil), the drainage superintendent can advise you of the year in which maintenance is scheduled on that particular drain. If the maintenance is beaver dam removals or bank wash-outs, culvert collapses or specific blockages, contact the Drainage Superintendent for Haldimand County (contact info listed below), and arrangements will be made for the minor works to be completed.

Q: I did not own the property when the maintenance was completed, why am I being invoiced for the work?

A: The costs of maintenance are assessed to the property, not the property owner. The property continues to benefit from the maintenance of the municipal drain regardless of who the owners of the property are. The invoice is directed to the owners of the property at the time of billing out the final costs.

Q: What do I do if I don't want to be part of the municipal drain anymore?

A: Under Section 84, of the Drainage Act, a drain can be abandoned, in whole or in part, by petition. The petition to request abandonment of an area must be submitted to Haldimand County Council. In order for the petition to be considered it must be representative of and supported by the signatures of 75% of the landowners in the benefit property area. The petition should include the printed names and signatures of each property owner followed by the roll number, lot number and concession number.

Q: Who do I contact if I have any questions or concerns?

A: For more information visit the Ontario Ministry of Agricultural Food and Rural Affairs

(OMAFRA) website at www.omafra.gov.on. or contact:

Supervisor, Projects & Municipal Drains (Drainage Superintendent)

Engineering Services Division

Haldimand County

53 Thorburn St. South, Cayuga, ON, N0A 1E0

Tel. 905 318 5932 x xxx

Email: xxxxx@haldimandcounty.on.ca