

THE CITY OF GREATER SUDBURY POLICIES AND PROCEDURES

DEPARTMENT: Growth and Infrastructure

DIVISION: Infrastructure Capital
Planning

TITLE: Private Lead Water
Service Replacement
Program Policy

APPROVED BY: City Council

DATE: August 14, 2023

1.0 CONTEXT AND NEED FOR A POLICY

- 1.1 Studies have shown that lead in drinking water can contribute to the risk of intellectual disability and other chronic health conditions to those who are exposed to it. Households with pregnant and breastfeeding women, infants, or young children under the age of 6, are most vulnerable to the harmful effects of lead, even at low levels.
- 1.2 According to Health Canada, the most significant source of lead from municipal drinking water sources is from lead water service lines. As the drinking water is in contact with the lead water service lines, the lead dissolves into the water. In a similar manner, galvanized water services are able to absorb lead from an upstream lead source and also have it dissolve back into the water, so when a galvanized water service is downstream of lead, it poses similar risks.
- 1.3 Lead was considered an acceptable material for water services up until 1975 when the use of lead for water services was banned under a revised National Plumbing Code of Canada (NPCC). However, lead continued to be used in solder to joint pipes, including water services until 1990 when it was banned by the NPCC. Galvanized pipes are still available, but they are no longer installed in the City of Greater Sudbury's water distribution system.
- 1.4 To minimize the risk to health, when a public lead water service is discovered through excavation from capital infrastructure projects, regular maintenance work or emergency repairs, the City will replace the public lead service to a copper service, or another material approved by the City. If a private lead service is connected to the public lead service, the City then informs the Owner of the discovered lead water service, advises the Owner to replace their lead water service and informs the Owner of the health risk they face, should they not replace the private lead water service. However, the decision and responsibility to replace the private lead water service rests solely with the Owner. Owners who choose to proceed with replacement of the Private Lead Water Service are responsible for coordinating all of the required installation, repair, maintenance, and replacement of the private lead service from the property line to the Residential Property and any lead plumbing within the building on the Residential Property.
- 1.5 The City acknowledges that replacement of a Private Lead Service will contribute to reducing health hazards associated with lead exposure from drinking water. However, the City is aware that the replacement cost of a Private Lead Water Service may be a barrier to some Owners of Residential Properties. The Private Lead Water Service

Replacement Program (hereinafter Program) will provide a Grant and a Loan to assist Property Owners with the cost to replace their Private Lead Water Service.

2.0 VISION

- 2.1 The City of Greater Sudbury will provide a Grant and a Loan for Owners who reside within the City of Greater Sudbury to help with financial implication of replacing a Private Lead Water Service, which will eliminate lead exposure from municipal drinking water that travels through Private Lead Water Services. This Policy has been developed to outline how the proposed Program will operate.

3.0 PRINCIPLES

- 3.1 The Program Policy will include information regarding how the program will operate. It is put in place to help alleviate the financial implications and health risks associated with a Private Lead Water Service.
- 3.2 The Program itself will be administered by the General Manager of Growth and Infrastructure in accordance with the following Policy.

4.0 TERMINOLOGY

- 4.1 For the purpose of this Policy, the capitalized terms used in the Policy have the following meaning:

“Act of Default” means in the event of default of payment of the Loan, under the Private Lead Service Loan Agreement, the City is entitled to declare all amounts owing by the Applicant to be immediately due and payable.

“Applicant” means a person who applied in the prescribed form for assistance under the Private Lead Water Service Replacement Program and where an application is approved, means the person or persons to whom a Loan or Grant has been approved. Only the registered Owners of a Residential Property which has a Private Lead Water Service, qualify to be applicants.

“Application” is the form established by the General Manager for use by Applicants submitting applications for assistance under the Private lead Water Service Replacement Program.

“Capital Project” is a long-term project initiated by the City to build upon, improve or maintain City infrastructure.

“City” is the City of Greater Sudbury.

“Eligible Costs” are those costs determined by the General Manager as being directly related to the removal and replacement of the Private Lead Water Service or Private Galvanized Water Service with a Private Water Service made of copper or any other material approved by the General Manager and incurred after the date on which an Application is conditionally approved by the City. Eligible Costs include:

- Fees incurred by a Licenced Drainlayer to complete the replacement of the Private Lead Water Service

- Fees incurred by a Licenced Plumber to complete work from the foundation to the water meter.
- Efforts to coordinate inspection(s) identified in the permits, excavation and backfilling, equipment charges and materials/supplies to achieve completed, approved works that pass inspection(s) in full.

Eligible costs do NOT include such costs as surface restoration, costs incurred for internal plumbing past the water meter, relocating internal plumbing, repaving of a driveway, and restoring landscaped yards, or any such costs, even if these costs are required to accommodate the replacement of the Private Lead Water Service.

“Estimated Cost Form” refers to the form prescribed by the City and found at the Website, required to be completed by the Licenced Drainlayer and Licenced Plumbers setting out the estimated Eligible and non-Eligible costs to complete the work to which the Application applies. Owners will submit the Estimated Cost Forms in support of the Application form, into the City, for pre-approval.

“Final Invoice” means the prescribed final invoice given to the Owner from the Licenced Drainlayer and/or Licenced Plumber of all completed Eligible Costs and non- Eligible Costs from the completed Work. The Owner must send in the Final Invoice to the City to receive Grant and/or Loan. City will review the submitted Final Invoice to the Estimated Cost Forms.

“General Manager” means the General Manager of Growth and Infrastructure and includes their authorized designates.

“Grant” means a grant under the City’s Private Lead Water Service Replacement Program.

“Private Lead Water Service Loan Agreement” means the agreement signed with the City and the Applicant for the Loan amount and includes any schedules or amendments.

“Licenced Drainlayer” means a drainlayer who holds a licence, issued by the City pursuant to the Business Licencing Bylaw, as chosen by the Owner to conduct work from the property line to the foundation. Call 311 for a list of Licenced Drainlayers.

“Licenced Plumber” means a plumber who holds a licence, approved of by the City of Greater Sudbury pursuant to the Business Licencing Bylaw, as chosen by the Owner to conduct Work between the foundation and the water meter, and any other inside plumbing to the Residential Property. Call 311 for a list of Licenced Plumbers.

“Loan” means a loan under the City’s Private Lead Water Service Replacement Program to the Applicants of the Private Lead Water Service Loan Agreement.

“Owner” means the person or persons registered as owner of a Property as shown in the records of the Land Titles Office. Owner in fee simple under the Land Titles Act, R.S.O. 1990, c. L.5.

“Policy” means this Policy for the administration of the Private Lead Water Service Replacement Program.

“Private Galvanized Water Service” Refers to a water service connecting a Residential Property to the City water distribution system which the service line is made of iron or steel piping that has been dipped in zinc to prevent corrosion and rusting and is or was at any time downstream of a lead service line. If a galvanized service line is downstream of a known lead service line it will be treated as a Private Lead Water Service line in this Policy.

“Private Water Service” means the water service located within the Owner’s property starting at the property line in order to provide water from the City’s water distribution system to all buildings on the Residential Property.

“Private Lead Water Service” is a Private Water Service, all of which or a substantial length of, which is made of lead and includes a Private Galvanized Water Service.

“Property” means a separate parcel of land which has been assigned a Property Identifier under section 141 of the Land Titles Act, R.S.O. 1990, c.L.5 and which is located within the geographic limits of the City of Greater Sudbury and connected to the City’s municipal water distribution system.

“Residential Property” is a Property on which a single-family dwelling, semi-detached dwelling, duplex or triplex is constructed.

“Website” refers to the Private Lead Water Service Replacement Program website, that has details, forms and documents required for the program.

“Work” means the work associated with the replacement of a Private Lead Water Service with a Private Water Service made of copper or other material approved by the General Manager.

5.0 POLICY

5.1 Overview of Private Lead Service Replacement Program

- 5.1.1 The Program serves residents who reside within the City of Greater Sudbury and would be restricted to Owners of properties with single-family dwellings, semi-detached dwellings, duplexes, and triplexes (a “Residential Property”).
- 5.1.2 The Grant and Loan would be paid from such funds as Council authorized for this purpose through the budget process and administered in accordance with this Policy. Council will set aside funds annually to provide for the Grant and Loan until such as Council determines funds are no longer required for this purpose. Adoption of this Policy by Council does not commit Council to providing funds to implement the Policy in any calendar year.
- 5.1.3 The maximum Grant which can be approved under the program is \$3,000 and the maximum Loan which can be approved is \$10,000, limited always by the actual Eligible Costs incurred and documented from the Final Invoice. Loans would be interest free if Policy guidelines are met and Owners remain in good standing with the City.
- 5.1.4 The Property Owner will be fully responsible for evidencing entitlement to participate in the Program; arranging and paying for the replacement of the Private Lead Water Service with an updated copper service or another approved material by the General

Manager of Growth and Infrastructure, in accordance with regulatory requirements; and meeting the requirements for advance of the pre-approved Grant or Grant and Loan.

- 5.1.5 The Grant and Loan will be advanced after completion of the required Work and provision of required documentation including evidence of Final Invoice with all associated Eligible Costs. In the case of a Loan, prior to any advance, the Applicant will also be required to enter into a Loan Agreement with the City setting out the terms of the Loan and a Pre-Authorized Debit Agreement with the City to provide for Loan repayment.
- 5.1.6 Despite any approvals issued by the City pursuant to the Policy, and any permit issued by the City, or any advance of Grant or Grant and Loan, the City shall not be liable for Work performed or required to be performed provided by the Licenced Drainlayer, Licenced Plumber nor for any material or warranty provided or not provided and retained by the Applicant.
- 5.1.7 The Program itself will be administered by the General Manager in accordance with the Policy set out below. The decisions of the General Manager are final and not appealable. In the event of a decision by a designate of the General Manager, a review of a decision may be requested in writing to the General Manager personally, providing an explanation as to why the applicant believe the decision is inconsistent with this Policy.

5.2 Determining if the Private Water Service is Composed of Lead Prior to Submitting Application

- 5.2.1 Subsidies and Loans are available only as a contribution to the cost to the Owner to replace Private Lead Water Service with copper or other acceptable forms of water services, as approved by the General Manager of Growth and Infrastructure. As a result, prior to submitting an Application, the Owner will need to determine the composition of the Private Water Service and submit evidence as part of the Application that the Private Water Service is a Private Lead Water Service for Grant or Grant and Loan.
- 5.2.2 Owners are advised that Private Lead Water Services are more likely found in Residential Properties built prior to the 1960s. The risk is also higher if there is evidence that there are other Private Lead Water Services to one or more other properties on the same street. The City does have some historic records of Residential Properties serviced by Private Lead Water Services. These records are not complete or definitive. Changes may have occurred since the information was initially collected and information as to the type of water service may not have been provided. An Applicant relies on these City records at their own risk. The lack of a record is not a representation that the Private Water Service is not lead or galvanized steel.
- 5.2.3 The Owner of a Residential Property who wishes to determine if the City has any applicable records for their property can submit a request by contacting the City at 3-1-1 or online at <https://311.greatersudbury.ca>.
- 5.2.4 In the event that the City does not have records identifying there is a Private Lead Water Service at the Residential Property or if the Owner does not wish to rely on such records, it may be necessary for the Owner of a Residential Property, to arrange for an inspection of their service lines. This could include a home inspection to inspect near the

water meter for lead. If the Residential Property was built prior to the 1960s and there are other Private Lead Water Services within the same street, an excavation may be required, at the Owners expense, to inspect the service if a lead service cannot be identified through a home inspection or other means.

5.3 Grant and Loan Availability – Capital Project Limitation

- 5.3.1 The Grant and Loan availability will be subject to the funding approved by Council to support the Policy. The amount may vary from year to year.
- 5.3.2 The Grant and Loan are available only to assist in the Eligible Costs to replace a Private Lead Water Service at a Residential Property located within the geographical limits of the City and connected to the City's municipal water distribution system.
- 5.3.3 If there is a Capital Project being completed on a City street, the homeowners will be advised if a Private Water Lead Service is found or known, and limitations will be in place. Information should be provided to inform the Owner of the importance of replacing Private Lead Water Service, the particulars of the Program Policy, information the City may have regarding the composition of the Private Water Services in the area and drawing attention to the provisions of this Policy regarding Capital Projects.
- 5.3.4 Limitations are intended to minimize the overall expense to the City by getting all improvements completed at the same time and reducing road cuts and future disturbances to restored right of ways, which are generally believed to reduce the lifetime of certain assets.
- 5.3.5 Applications for Residential Properties within a Capital Project area need to be submitted within twelve months to apply and have the work completed prior to completion of the Capital Project, in order to receive a Grant or Loan during Capital Projects if they have a Private Lead Water Service.
- 5.3.6 Owners should also be advised in the case of an application for a Road Occupancy Permit which includes a request for a road cut, after completion of a Capital Project, the Grant and Loan will not be available for Residential Properties within the Capital Project completion area for three years afterwards in recognition of the City's road cut policies.

5.4 Forms and Qualifying Applications

- 5.4.1 The Application and the Estimated Cost Form which are required to be submitted are found at the City's Website. This website will provide additional details and resources if needed.
- 5.4.2 Applications must be submitted in the City's prescribed form and signed by all Owners of the affected Residential Property and accompanied by the required supporting documentation as set out in the Application, this Policy or otherwise required by the General Manager.
- 5.4.3 The Application will be reviewed, processed, and where appropriate, pre-approved by staff in the order of the date on which the application is deemed complete. The City will advise the Applicant of any omissions in the application, and the Applicant will be allocated two weeks to provide the City any missing information from date of notice. The Application, however, will not be processed until the date that the City determines that the application is fully complete.

- 5.4.4 Applications will be rejected, for instance, if the Applicant does not meet all of the requirements of the Policy, if the property itself doesn't qualify, or if the City is not satisfied that the Private Water Service qualifies under the Policy.

5.5 Applications

- 5.5.1 The Applicant, for a Grant or Grant and Loan, at the time of the Application, and of the date of the advance by the City of any Grant or Grant and Loan:

- (a) Own a Residential Property within the geographical limits of the City, with a Private Lead Water Service or a Private Galvanized Water Service, connected to the City's municipal water distribution system;
- (b) Must be the Owner of the Residential Property for which the Application is submitted;
- (c) Must be in good standing with the City, including without limitation, the property tax account, water and sewer account, and all other accounts for the Residential Property; and
- (d) Must be proposing to replace the Private Lead Water Service or Private Galvanized Water Service with a Private Water Service of copper or other material approved by the General Manager.

- 5.5.2 Only complete Applications will be reviewed for approval by the General Manager. To be complete, the Application must be:

- (a) In the prescribed form, available at the Private Lead Water Service Replacement Program website;
- (b) Fully completed, signed, and submitted by all Owners of the Residential Property and submitted to the City; and
- (c) Accompanied by all documentation identified in the Application, the Policy or subsequently requested by the discretion of the General Manager, including without limitation:
 - (i) Evidence satisfactory to the General Manager that the property is a Residential Property;
 - (ii) Evidence of ownership of the Residential Property such as a copy of deed, land transfer or property tax bill;
 - (iii) Evidence satisfactory that the Residential Property is serviced by a Private Lead Water Service or Private Galvanized Water Service for all or substantially all of the length of the service;
 - (iv) Request a Statement of Account for water and wastewater from Greater Sudbury Utilities, to ensure good standing. The Applicant will provide a statement of account showing all outstanding amounts are paid from Greater Sudbury Utilities that will be provided within the Application. Once the Application is received, the Application will be reviewed, and the City

will determine good standing within the tax department and accounts receivable;

- (v) 2 Estimated Cost Forms in the prescribed forms, each completed and signed by a Licenced Drainlayer from 2 different companies detailing the Work to be completed between the lot line and the foundation, and itemizing the estimated costs as either Eligible or Non-Eligible;
- (vi) 2 Estimated Cost Forms in the prescribed forms, each completed and signed by a Licenced Plumber from 2 different plumbing companies detailing the Work to be completed between the foundation of the home and the water meter and itemizing the estimated costs as either Eligible or Non-Eligible; and
- (vii) Consent for the City to review accounts of the Applicants with the City for arrears.

All forms can be found on the Private Lead Water Service Replacement Program Website.

- 5.5.3 Grant and Loan amounts are available only for Eligible Costs. An Applicant who incurs costs with respect to replacing the Private Lead Water Service or Private Galvanized Water Service prior to the date the City approves the application in writing or incurs other non-Eligible Costs may not include such amounts as Eligible Costs in any Application.
- 5.5.4 Applications will be reviewed, processed, and where appropriate, approved by the General Manager in the order of the date on which the Application is deemed complete. The City will advise the Applicant of any omissions in the application, and the Applicant will be allocated two (2) weeks to provide the City any missing information from date of notice, failing which the Application will be considered abandoned. The Application, however, will not be processed until the date that the City determines that the application is fully complete.
- 5.5.5 Applications may be rejected where appropriate. For instance, an Application may be rejected if the Applicant does not meet all of the requirements of the Policy, if the property itself doesn't qualify, or if the City is not satisfied that the Private Water Service qualifies under the Policy or if the Application is inconsistent with the rules around Capital Projects. Applications processed after all funds set aside by Council for the City for the year in which the Application is submitted have been allocated, will also be rejected.
- 5.5.6 An Applicant who is rejected due to lack of available City funds may apply again in the next calendar year.

5.6 Conditional Approval

- 5.6.1 After reviewing the Application and the Estimated Eligible Cost Forms, the General Manager in their sole discretion, will determine the eligibility for Grant or Grant and Loan. The General Manager will also determine, in their sole discretion, the amount conditionally approved as a Grant or Loan with respect to qualifying Applications. The General Manager will not approve an amount higher than the lower of the submitted estimates limited always to a maximum amount of \$3,000 in the case of a Grant and a maximum of \$10,000 in the case of a Loan. For clarity, at all times, a Grant and Loan

combined, shall never exceed a maximum of \$13,000 for any Application. The City is not required to approve all costs submitted as Eligible Costs or to provide a Grant for the full amount of the estimated Eligible Costs.

5.6.2 The General Manager will advise the Applicant in writing:

- (a) of the amount, if any, conditionally approved for Grant or Grant and Loan;
- (b) of the expiry date for the approval;
- (c) the conditions to be met for an advance of the Grant and Loan; and
- (d) such other matters as the General Manager may determine to be appropriate including by example, a reminder that that the amount of the Grant and Loan will be advanced after completion of the required Work and provision of required documentation including evidence of Final Invoice with all associated Eligible Costs. See Section 5.11.

5.6.3 Conditionally approved Applications for Grant or Grant and Loan will be valid for only 12 months. Prior to the expiry date of the conditional approval, the Work must be fully completed and a written application for an advance of the Grant or Grant and Loan, supported by the information in Section 5.11 must be submitted.

5.6.4 The General Manager, in their sole discretion, will be entitled to extend the timeline for completion of the Work based on a written application, explaining why the Work could not be completed in time. Any such application must be submitted in time for processing prior to the expiry of the 12 months.

5.6.5 The Applicant shall work with Accounts Payable at the City to begin the draft of the Private Lead Water Service Loan Agreement, in the form prepared by the City, and approved by the Applicant and the City. Adjustments to final Loan amount, if approved, will be made once all Work has been completed.

5.7 Change in Ownership at the Residential Property

5.7.1 It should be noted that if a change in ownership has occurred at a Residential Property, the new Owner will have the right to apply to the Program, even if the previous Owner became disqualified or did not want to participate in the Program. The same limitations will apply if there is capital work being done in proximity. Limitations are intended to minimize the overall expense to the City by getting all improvements completed at the same time and reducing road cuts and future disturbances to restored right of ways, which are generally believed to reduce the lifetime of certain assets.

5.8 City Assistance

5.8.1 If the City is able to identify that the private service is lead or galvanized, and capital work is being completed in proximity to the water service in question, the Owner will be provided with the Programs information and will have 12 months to apply or forfeit their right to the Grant and Loan to accommodate capital work.

5.8.2 For homes built in 1960 or prior with a suspected private lead water service or a home with a private lead water service, the City will provide National Sanitation Foundation (NSF) Standard 53 certified water filters to remove lead (NSF-053) until such time as the

water service can be replaced where those who are at highest risk of lead exposure (children 6 and under, pregnant, and breastfeeding mothers) are present. The NSF certification is a leading industry standard for filtration products.

- I. Filters will be provided for two years for highest risk residential properties.
- II. For participants in the Private Lead Water Service Replacement Program, this will require collecting water samples for participation in the lead testing program which is mandated by the province (O.Reg 170/03). To ensure tenants are protected, participation in the lead testing program will not be mandatory if the tenant refuses to participate or if the system does not have lead testing. This cost is covered by the City.
- III. For participants who receive filters, if the water sample contains less than 5ppb of lead, participation in the filter program will terminate. This cost is covered by the City.

5.9 Requirements for Completion of the Work

- 5.9.1 The Applicant must arrange for the Work to be completed by a Licenced Drainlayer and Licenced Plumber who prepared the Estimated Cost Form submitted by the Applicant as part of the Application. The Applicant need not use the Licenced Drainlayer or Licenced Plumber who submitted the lower estimate. The Estimated Cost Forms are submitted solely to assist the City in assessing the cost of the Work and assess possible Grant or Loan approvals. However, an applicant who decides to use the services of a different Licenced Drainlayer or Licenced Plumber other than those identified in the Application must notify the City and send in an updated Estimated Cost Form.
- 5.9.2 The Applicant is solely responsible to pay all costs of the Work, including any invoices by the Licenced Drainlayer and Licenced Plumber including without limitation, any costs incurred by the Applicant in excess of any Grant or Grant and Loan actually advanced. The Applicant is advised to be sure that they have funds available for payment of all costs of the Work prior to proceeding.
- 5.9.3 The Applicant or their Licenced Drainlayer is responsible for obtaining all utility locates prior to commencing any Work with respect to both private and City property. The service is provided by calling Ontario One Call 1-800-400-2255.
- 5.9.4 Prior to commencing any Work, the Applicant or their Licenced Drainlayer must obtain the necessary permits for the Work. All Work must comply with the requirements of any such permit, inspections or necessary remedial work done to complete the permit and secure approval. Pre-approval of a Grant or Grant and Loan is not a representation that any permits required from the City will issue. City permits may include without limitation;
 - I. Water Connection Permit issued by Technical Services Section, that authorizes the connection of the Private Water Service from the foundation to the property line to connect to the City's water distribution system.
 - II. Road Occupancy Permit if any work will be in a right of way for public property with Technical Services Section.

Applications can be made by calling 3-1-1 and asking for Technical Services, where the Water Connection Permit and Road Occupancy Permit, will be issued. Please call Technical Services at least twenty-four (24) hours in advance for both permits. Applications will be associated.

- 5.9.5 Prior to the newly installed water service being buried from the property line to the foundation, the Applicant or their Licenced Drainlayer must arrange for a Water and Sewer Inspection by the City with Water and Wastewater Services with respect to the Connection Permit. To obtain the inspection the Applicant or their Licenced Drainlayer will need to call 3-1-1 and request a water service inspection by a Trouble Investigator (TI) the day the work is being completed. The Water Connection Permit file will not be closed until the inspection has occurred and the Work has been approved.
- 5.9.6 Prior to the newly installed water service line from the foundation of the house to the water meter, the Applicant or their Licenced Plumber must contact the City's Meter Shop directly at 705-674-4455 ext. 3663 at least forty-eight (48) hours in advance to the work being completed to arrange for the Meter Shop to inspect the piping from the foundation of the house to the water meter and confirm the water meter was installed in accordance with City standards.
- 5.9.7 No funds will be allocated until all permits issued under the Application are closed.
- 5.9.8 All Work to be performed must comply with all applicable laws, including but not limited to the Ontario Building Code and all municipal by-laws.
- 5.9.9 Note that the Applicant and/or Licenced Drainlayer and/or Licenced Plumber is responsible to arrange for the completion of all required work and tasks.

5.10 Seeking an Advance of a Grant or Grant and Loan

- 5.10.1 Upon completion of the Work the Applicant may seek an advance of the conditionally approved Grant or Grant and Loan, by submitting a Final Invoice from the Licenced Plumber and/or Licenced Drainlayer which will initiate an advance request. The Work must be completed, and the advance requested within 12 months of the date the City gave notice of conditional approval of the Application or the conditional approval will expire.

Additionally, the request for the advance must be supported by:

- (i) The Final Invoices from the Licenced Drainlayer and Licensed Plumber with respect to the completed Work by each;
- (ii) Evidence that a Water Connection Permit was issued and closed (Water and Sewer Inspection completed by City staff and the authorized work has been approved);
- (iii) Evidence that any Work authorized from the foundation of the house to the water meter has been completed, inspected and approved by the Meter Shop;
- (iv) The Applicant remains in good standing with the City, including without limitation, the property tax account, water and sewer account, and all other accounts for the Residential Property; and
- (v) Such other information or documentation as may be requested by the General Manager to assess the request and determine the final amount of the Grant or Grant and Loan.

- 5.10.2 The Applicant shall work with Accounts Payable at the City to sign the Private Lead Water Service Loan Agreement, in the form prepared by the City, and approved by the Applicant and the City.
- 5.10.3 Completed pre-authorized payment form in the City's standard form has been provided duly signed by the Applicant/Owner to authorize deduction of Loan repayments from the account of the Applicant/Owner on the 1st day of every month.
- 5.10.4 All evidence submitted shall be acceptable to the General Manager.

5.11 Final Approval for Grant and Loan

- 5.11.1 Funds will generally be allocated by City staff based on the date of receipt of fully complete Applications, until the available funds have been allocated. Applications will be fully complete once all information required under Section 5. 9, by the City to process the Application has been submitted, and there has been compliance with the Policy requirements.
- 5.11.2 In establishing the final amount, the General Manager will consider the Estimated Cost Forms and the Final Invoice submitted in support of an Application and other information which may be available to the General Manager.

In the case of a Grant, the General Manager will not finally approve a Grant in excess of \$3,0000.

In the case of a Loan, Final Invoice and Estimated Cost Forms will be reviewed together to determine the eligible Loan amount. If the Final Invoice is more than the originally agreed to value, the City will reevaluate the Final Invoice with the original highest quote received. The original highest quote is the upset limit for eligible expenses. A maximum 10% variance in the approved quote will be accepted. Loan shall not exceed \$10,000 and the combined Loan and Grant shall not exceed \$13,000.

The General Manager shall also in their sole discretion, set the term of the Loan, which term shall not exceed 120 months.

- 5.11.3 The City will advise the Applicant in writing, of the amount, if any, finally approved for Grant or Grant and Loan, the particulars of any Loan and if applicable, advise the request has been rejected. There will be no advance if the conditional approval expired prior to the submission for the request for the advance.
- 5.11.4 The amount of a finally approved Grant can be advanced upon final approval by the General Manager. The amount of a finally approved Loan can be advanced only upon delivery of an executed Loan Agreement and Loans shall only be advanced after compliance with Section 5.10.
- 5.11.6 The Loan will be *interest free* for a maximum period of up to 120 months on the condition that the Loan must be maintained in good standing to have no interest charge, which includes prompt monthly payments. The Loan shall be fully open and repayable in whole or in part at any time. On default, a Loan amount and interest owing will be immediately due and payable in full.
- 5.11.7 Subsidies and Loans will be advanced only after compliance with section 5.10 of this Policy.

5.12 Loan Terms

- 5.12.1 Prior to the advance of a Loan to the Applicants, the Applicant will be required to sign and approve the Private Lead Water Service Loan Agreement and enter into a Pre-Authorized Debit Agreement with the City in the City's standard form, to permit automatic payment to the City's account of the Principal Payments and any applicable interest. The Applicants shall not cancel the Pre-Authorized Debit Agreement without providing a replacement acceptable to the City.
- 5.12.2 A Loan will be repayable in equal monthly instalments of principal, in an amount which will result in payment in full over the term of the Loan, as established by the General Manager.
- 5.12.3 The Loan shall be interest free while the Loan is in good standing, and in default shall bear interest at the rate provided in the Miscellaneous User Fee By-Law 2023-58, as amended, or replaced from the date of default until the loan returns to good standing or is paid in full.
- 5.12.4 The Loan shall be fully open and repayable in whole or in part at any time. The Loan is a debt owing to the City. On default under the terms of the Loan Agreement, the City may accelerate the term of the Loan and the entire amount where the outstanding Loan will be immediately due and payable in full. The City may take any steps available to it at law to collect the outstanding balance.
- 5.12.5 The Applicants will be subject to an administrative fee in the amount determined in accordance with the current City's Miscellaneous User Fee By-law for any payment under the Loan dishonored by the bank or other financial institution.
- 5.12.6 The Applicants should note that the Loan is personal to them and is not assumed by subsequent purchasers of the Property.
- 5.12.7 Refer to the Private Lead Water Service Loan Agreement for detailed information regarding the Loan.

6.0 DEFAULT ON LOAN PAYMENTS

- 6.1 If an Act of Default occurs on the Loan payments, the City may, at any time, take action as set out in Section 8 of the Private Lead Service Loan Agreement. Events of defaults are set out in Section 7 of the Private Lead Service Loan Agreement.

7.0 GENERAL LIMITATIONS

- 7.1 Despite any approvals issued by the City, under a permit issued by the City, or any advance of Grant or Grant and Loan, the City shall not assume responsibility for the material, workmanship performed by, and/or warranty provided by the Licensed Drainlayer and Licensed Plumber, or work performed by the Property Owner.
- 7.2 The Grant shall not exceed \$3,000 and the Loan shall not exceed \$10,000 and the combined Loan and Grant shall not exceed \$13,000.
- 7.3 The Private Lead Service Loan Agreement term shall not exceed 120 months.

- 7.4 The Applicants shall not cancel the Pre-Authorized Debit Agreement without providing a replacement acceptable to the City.
- 7.5 The City is not responsible for any costs incurred by the Applicant in excess of the Grant or Grant and Loan. The Owner is advised to be sure that they have funds available for payment of such amount.

8.0 RESPONSIBILITIES

- 8.1 The City of Greater Sudbury will implement this Policy by enacting appropriate and timely by-laws, procedures, processes, programs, guidelines, and standards that support the Private Lead Water Service Replacement Program Policy.

9.0 CONTACT

General Manager, Growth and Infrastructure Department