

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf.
Your File/V/Réf.

DATE 24 March 1997

TO/DEST. Co-ordinator
Corporate Services and Economic Development Committee

FROM/EXP. Finance Commissioner

SUBJECT/OBJET **AUTOMATED WATER ARREARS CERTIFICATE**

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee and Council approve the undertaking of an agreement for the provision of an automated water arrears certificate service with Synerics Inc., 180 Renfrew Drive, Markham, Ontario.

BACKGROUND

The Region of Ottawa-Carleton receives requests from lawyers to certify the amount of water charges outstanding on an account when a property is sold or refinanced. Under the *Public Utilities Act* RSO 1990 chap P.52 s. 31(1), water and sewer rates constitute a lien against property, similar to unpaid property taxes. In the case of a property sale, the purchaser's lawyer makes application at the time of closing to determine the status of the water account and obtain a "Water Arrears Certificate (WAC)" that certifies the status of the account. To prepare this WAC, a meter reader is dispatched to the address of the property to obtain a final meter reading and a final bill to the vendor is issued. A WAC is prepared at the same time and forwarded to the lawyer. In 1996, the Region issued approximately 8,170 WAC's with a charge of \$30 per certificate for a total recovery of \$245,100.

DISCUSSION

In the fall of 1996, Synerics Inc. approached the Region offering an automated service which would issue utility and tax arrears certificates through an Integrated Voice Response (IVR) system. Synerics would provide this service on a 24 hour a day basis to the firms requiring this information. The system will receive requests from firms using friendly, pre-recorded voice

scripts, and transmit these requests to the Region. The IVR system will interact with the water billing system to obtain the data relating to the account. A fax which conforms to the Region's WAC is prepared and transmitted to the firm requesting the data. This provides an increased level of service to our customers and eliminates the necessity to manually produce the certificates.

Synamics Inc. will promote the use of this service to their clients through a brochure which will outline the features and benefits of this service. They will operate the IVR system, the telephone lines that connect to the water billing system and they will continually provide enhancements and upgrades to the system at no cost to the Region. In addition to the 24 hour access to information, lawyers from outside the Ottawa-Carleton area will be able to handle property transactions with local addresses directly through this system. To date the cities of Nepean and Ottawa have approved the use of this system for the preparation of tax arrears certificates and the inclusion of the Region would serve to complement this service within the community. In addition, other municipalities in Ontario that have approved the provision of certificates through this service include; Scarborough, North York, Etobicoke, Richmond Hill and Kitchener.

The system is supported through a user charge applied to each request. Synamics will process a certificate fee of \$50, collect the revenues from their clients and remit the Region's charges for the WAC to its bank account. Synamics services are based on a volume scale. As the issuance of WACs increases, Synamic's portion of the charge decreases. The Region's share of this certificate fee is \$30 and as the annual volume of requests increases, the Region's revenue would gradually increase. This would generate additional revenue for the Region as a recognition of the enhanced nature of the service and the reduction in turnaround time. For those firms that choose not to subscribe to Synamics, the current level of service will be maintained by the Region. The cost to the client for arrears certificates from Synamics is consistent for all its customers throughout the province. There are no minimum costs charged for this service and the service provider assumes the risk of low usage. It is anticipated that the system's client base will grow as the number of municipalities and utilities using the system increases. Current negotiations are on-going with all major municipalities in the province, Ontario Hydro and certain gas utilities.

CONSULTATION

Public consultation is not required on this change in administrative procedure. The current level of service will be maintained for firms continuing to contact the Region directly for this information.

FINANCIAL COMMENT

The implementation of this service does not require any additional financial commitment by the Region. The service may provide additional fee revenue based on the proposed charge-back for service by the supplier.

*Approved by
J.C. LeBelle
Finance Commissioner*