

Follow-up on the July 8, 2013 Storm Event

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|--------------------------|---------------------|
| Date: | October 16, 2013 |
| To: | Executive Committee |
| From: | City Manager |
| Wards: | All |
| Reference Number: | |

SUMMARY

At its meeting on October 8, 9, 10 and 11, 2013, Council approved the report, *Impacts from the July 8, 2013 Storm Event on the City of Toronto*. The report responded to a number of Council resolutions from the July 2013 meeting and identified how staff would respond to the balance of the storm related resolutions adopted by Council.

As identified in the October report, the purpose of this follow-up report is to provide further updates on:

- revised storm cost estimates for City divisions, Agencies and Corporations, and the Toronto Region Conservation Authority (TRCA);
- requests to the provincial and federal governments for financial assistance related to the July 8th storm event;
- improvements to communications with the public during extend power outages; and
- enhanced communications between the City and Toronto Hydro during emergencies.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council direct the Toronto Hydro Board to assign appropriate staff to represent Toronto Hydro at the City's Emergency Management Working Group and the City's Toronto Emergency Management Program Committee as well as represent Toronto Hydro during emergency events in the City's Emergency Operations Centre, in keeping with Toronto Hydro's Shareholder Direction, Clause 2.2.1.

Financial Impact

Attachment 1, *City of Toronto (Division, Agencies and Corporations) and TRCA Storm Related Expenditures & Revenue Loss*, outlines final estimates of costs related to the July 8th storm event. The total revised storm costs estimate is \$65,325,842 as detailed below.

| City Storm Related Costs | Total (\$) |
|--|---|
| | Total Estimated Operating and Capital Costs |
| Toronto Water | 8,547,875 |
| Parks, Forestry and Recreation | 12,684,085 |
| Other City Divisions | 6,959,517 |
| SUB-TOTAL CITY DIVISIONS | 28,191,477 |
| Agencies and Corporations | 5,890,751 |
| SUB-TOTAL | 34,082,228 |
| Anticipated Insurance Recovery ** | (4,900,000) |
| Toronto and Region Conservation Authority (TRCA) | 36,053,614 |
| TOTAL | 65,235,842 |

** Anticipated Insurance Recovery represents cost recovery for City divisions and Toronto Library only.

Operating costs have increased by \$796,794 to \$10,912,881 and Capital costs have increased by \$3,679,678 to \$59,222,961 from initial estimates. The City anticipates cost recoveries for City divisions and Toronto Library through insurance of approximately \$4.9 million.

It is anticipated that costs for storm related damage will be funded through reallocation of existing capital and/or future budget requests in the Capital Plans for City divisions and agencies. Should City divisions be unable to absorb storm related operating costs, necessary funding may be drawn from the City's Extreme Weather Reserve Group, which was established in 2009 to mitigate cost impacts from extreme weather conditions, such as the July 8th storm event. The current balance of the fund is approximately \$30 million.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

City Council on July 16, 17, 18 and 19, 2013, adopted the following six Member Motions containing 15 recommendations related to the July 8, 2013 storm event:

- MM37.45 *Investing in Toronto Water Infrastructure;*
- MM37.51 *Basement Flooding Protection Subsidy Program;*

- MM37.53 "Cause and Effect" of the Water Damage to Properties Particularly in the West End;
- MM37.58 Financial Assistance for Damage Caused by the Storm on July 8, 2013;
- MM37.59 Combined Sewer Overflows Control in Humber River and Black Creek; Sewersheds and Investigation of Basement Flooding in Study Areas 4 and 5; and
- MM37.60 Basement Flooding Protection Program – Project 16-03.

<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getCouncilDecisionDocumentReport&meetingId=6811>

City Council, at its meeting on October 8, 9, 10 and 11, 2013, approved two storm related reports entitled, *Impact of the July 8, 2013 Storm on the City's Sewer and Stormwater Systems (PW25.7)* and *Impacts of the July 8, 2013 Storm Event on the City of Toronto (EX34.4)*. Council adopted a number of additional Motions related to the second report. City staff will respond as appropriate and report through the Executive Committee, Public Works and Infrastructure Committee, and the 2014 Budget process as necessary.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX34.4>

ISSUE BACKGROUND

The July 8th storm event resulted in flooding, power outages, and major disruptions to transportation, sewer and water systems, which caused significant damage to both public and private property. The Insurance Bureau of Canada has reported that over \$850 million in insurance claims across the GTA have been received. Toronto Water received over 4,700 complaints related to basement flooding alone. A number of reports were also received from residents regarding erosion related damage particularly in areas where properties back onto ravines and valleys.

At its meeting in July 2013, City Council adopted a number of Member Motions related to the July 8, 2013 storm event. At its meeting in October 2013, City Council adopted the report entitled, *Impacts from the July 8, 2013 Storm Event on the City of Toronto*, which responded to Council's request for details on the costs from the storm, the City's expedited insurance process, and steps taken to request assistance from the federal and provincial governments. In addition, the report detailed the schedule of staff activities to address the balance of the resolutions adopted by Council at its July meeting.

This report responds to the following resolutions adopted by Council at its July meeting:

1. City Council request the City Manager to ensure that a thorough assessment of all damage caused to both private and public property by the storm and the subsequent flooding of July 8, 2013 is undertaken (MM37.58, item 1).
2. City Council request the City Manager to seek financial assistance from the Provincial and Federal governments for damage to private and public property caused by the flooding of watercourses within the City of Toronto (MM37.58, item 3)

3. City Council request the City Manager to report to the Executive Committee before the end of 2013 on the City of Toronto response to the storm event, and in particular on improvements to how Civil authorities can communicate with the public during an extended power outage (MM37.58, item 5).
4. City Council request the City Manager to work with Toronto Hydro on an enhanced communication plan for emergencies such as this and to report back to Executive Committee before the end of 2013 (MM37.58, item 6).

COMMENTS

1. Update to Initial Cost Estimates for Storm Related Damage

The City staff report adopted by Council at its October 2013 meeting entitled, *Impacts of the July 8, 2013 Storm Event on the City of Toronto* provided an initial assessment of storm damage and related costs.

City staff have consulted further with City divisions, agencies and corporations, and the TRCA and have received revised estimates of storm related damage. The following table details revised cost estimates as at October 11, 2013.

Table 1: City of Toronto Revised Storm Related Costs

| City Storm Related Costs | Operating (\$) | | | Capital (\$) | Total (\$) |
|--|-----------------------|-----------------------------------|----------------------------------|--------------------------------|--|
| | Estimated Expenditure | Estimated Revenue Losses Incurred | Total Estimated Operating Impact | Total Estimated Capital Impact | Total Estimated Operating plus Capital |
| Toronto Water | 1,704,775 | | 1,704,775 | 6,843,100 | 8,547,875 |
| Parks, Forestry and Recreation | 2,116,370 | 207,507 | 2,323,877 | 10,360,208 | 12,684,085 |
| Other City Divisions | 4,115,546 | | 4,115,546 | 2,843,971 | 6,959,517 |
| SUB-TOTAL CITY DIVISIONS | 7,936,691 | 207,507 | 8,144,198 | 20,047,279 | 28,191,477 |
| Agencies and Corporations | 1,844,926 | 920,157 | 2,765,083 | 3,125,668 | 5,890,751 |
| SUB-TOTAL | 9,781,617 | 1,127,664 | 10,909,281 | 23,172,947 | 34,082,228 |
| Anticipated Insurance Recovery ** | | | | | (4,900,000) |
| Toronto and Region Conservation Authority (TRCA) | 3,600 | | 3,600 | 36,050,014 | 36,053,614 |
| TOTAL | 9,785,217 | 1,127,664 | 10,912,881 | 59,222,961 | 65,235,842 |

** Anticipated Insurance Recovery represents cost recovery for City divisions and Toronto Library only.

Since the initial reporting on storm costs estimates as at September 15, 2013, total operating costs have increased by \$796,794 to \$10,912,881 and total capital costs have increased by \$3,679,678 to \$59,222,961 as at October 11, 2013. A detailed summary of these cost estimates are provided in Attachment 1, *City of Toronto (Division, Agencies and Corporations) and TRCA Storm Related Expenditures & Revenue Loss*.

2. Assistance from the Provincial and Federal Governments

As detailed in the previous report to Council at its October meeting, City staff have contacted both the provincial and federal governments for support and assistance related to the storm event.

In August, 2013 the City Manager wrote to the provincial Deputy Minister, Municipal Affairs and Housing (MMAH) and the Federal Deputy Ministers for Public Safety Canada and Transport (Infrastructure) Canada. The City received responses from each Deputy Minister, which are included in this report as Attachments 2, 3 and 4.

The federal government has advised that they "do not provide financial assistance to those directly affected by the disaster, but rather cost share eligible provincial expenditures". The City was further advised that "All decisions regarding financial assistance to individuals, small business and local governments affected by a natural disaster are taken solely by the Province".

In response to the City Manager's letter to the Deputy Minister, Municipal Affairs and Housing, staff from the City and the Province met to discuss the storm event and funding available to address damage to private and public property caused by the July 8th storm event. It was identified that the Ontario Disaster Relief Assistance Program (ODRAP) is the provincial program designed to provide financial assistance in response to unforeseen natural disasters. Through discussions, it became clear that the City of Toronto would not be eligible for ODRAP assistance as a key eligibility criterion is that the disaster must be beyond the financial capacity of the municipality to manage.

In the written response from the Deputy Minister for Municipal Affairs and Housing, the City was advised on the possible development of National Disaster Mitigation Program being developed by the federal government. The Minister acknowledged a shared interest in disaster mitigation and committed to engaging with the City further when details on the consultations become available.

3. Improved Communications with the Public

During an emergency that is designated by the Office of Emergency Management (OEM) as either a Level 2 (major incident) or Level 3 (emergency), the Strategic Communications Division supports the City of Toronto's efforts to assist residents in coping with and recovering from a major emergency incident. Specifically, Strategic Communications coordinates the City of Toronto's internal communications and external information to residents, media and other stakeholders and provides advice to the City's agencies and corporations as required.

The July 8th storm event required communicators from across the City of Toronto and its agencies and corporations to ramp up operations after-hours without benefit of advance notice or in some cases formal emergency stand-by call-in mechanisms. Strategic

Communications coordinated communications amongst City of Toronto and other organizations (including Toronto Police Service, Toronto Transit Commission and Toronto Hydro) involved in the emergency response.

In addition to responding to media enquiries, the coordinated communications response to the July 8 storm included engagement through social media channels, web updates and service alerts. In total, approximately 29 flood-related news releases were issued by the City and partner organizations during the official response and in the days following. Web statistics indicate the level of interest in the media releases by the City of Toronto was approximately 25 times higher than usual.

The OEM is revising its notification process for activation of the Emergency Operation Centre (EOC) which will assist significantly with internal awareness and communication across the corporation. Strategic Communications will increase staffing at the EOC and offsite as required to support an emergency response.

Strategic Communications is working with various City divisions and OEM staff to ensure a press conference with key divisional spokespersons and City representatives is held as soon as possible following the onset of a level two or three incident. This will enhance information flow to the public and media.

Finally, Strategic Communications is working with the City's Information Technology Division and OEM to improve afterhours access to the City's website during an emergency event to provide ongoing updates, and on the development of a "Storm Page" for the website. This web page could be activated quickly and would help to provide ongoing updates and information to residents, media and stakeholders when needed.

4. City and Toronto Hydro Enhanced Communications

The Office of Emergency Management (OEM) operates and maintains the City's Emergency Operations Centre (EOC) which provides the capability for the Toronto Emergency Management Program Committee (TEMPC) to meet their core functions under the emergency plan, including co-ordinating with divisions, agencies, boards and commissions, including Toronto Hydro.

Staff from OEM and Toronto Hydro have been working for some time to improve communications processes and response protocols for dealing with emergency events including the development of a risk specific plan to support City operations during power outages. While communications between the City and Toronto Hydro were improved during the July 8th storm event, a number of issues were identified that require improvement. In particular, enhanced information gathering and contact procedures are required to gather real time power outage information as well as a need to improve the process for estimating and communicating when power will be restored to affected areas.

In response to these concerns, this report recommends that City Council direct Toronto Hydro to assign appropriate staff to represent Toronto Hydro at the City's Emergency

Management Working Group and the Toronto Emergency Management Planning Committee. In addition, this report recommends that appropriate Toronto Hydro staff be assigned to represent Toronto Hydro during emergency events at the City's Emergency Operations Centre.

These recommendations will further enhance co-ordination between Toronto Hydro and the City. With a permanent presence within the EOC, crisis communications and co-ordination of messaging during emergency events will be improved. Staff from the OEM and Toronto Hydro will continue to work collaboratively to improve response protocols and implement the recommendations outlined in this report.

CONTACTS

| | | |
|---|---|---|
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SIGNATURE

Joseph P. Pennachetti
City Manager

ATTACHMENTS

Attachment 1, City of Toronto (Division, Agencies and Corporations) and TRCA Storm Related Expenditures & Revenue Loss

Attachment 2, Letter from the Deputy Minister, Ministry of Municipal Affairs and Housing to City Manager, City of Toronto

Attachment 3, Letter from the Deputy Minister, Public Safety Canada to City Manager, City of Toronto

Attachment 4, Letter from the Deputy Minister, Transport Canada and Infrastructure Canada to City Manager, City of Toronto

Attachment 1:

City of Toronto (Division, Agencies and Corporations) and TRCA Estimated Storm Related Expenditures & Revenue Losses

| City Storm Related Costs | Operating (\$) | | | Capital (\$) | Total (\$) |
|---|------------------------------|-------------------------|------------------------|----------------------|---|
| | Expenditure Incurred To-date | Revenue Losses Incurred | Total Operating Impact | Total Capital Impact | Total Operating plus Capital (Incurred + Estimated) |
| CITIZEN FOCUSED SERVICES A | | | | | |
| CHILDREN'S SERVICES | 5,435 | - | 5,435 | 77,500 | 82,935 |
| ECONOMIC DEVELOPMENT, CULTURE | 518,975 | - | 518,975 | - | 518,975 |
| EMERGENCY MEDICAL SERVICES | 49,663 | - | 49,663 | 90,000 | 139,663 |
| LONG TERM CARE HOMES & SERVICES | 33,815 | - | 33,815 | - | 33,815 |
| PARKS, FORESTRY & RECREATION | 2,116,370 | 207,507 | 2,323,877 | 10,360,208 | 12,684,085 |
| SHELTER, SUPPORT & HOUSING ADMIN. | 1,151 | - | 1,151 | - | 1,151 |
| EMPLOYMENT & SOCIAL SERVICES | 6,100 | - | 6,100 | - | 6,100 |
| TORONTO PUBLIC HEALTH | 153,540 | - | 153,540 | - | 153,540 |
| CITIZEN FOCUSED SERVICES B | | | | | |
| FIRE SERVICES | 94,218 | - | 94,218 | - | 94,218 |
| MUNICIPAL LICENSING & STANDARDS | 81,305 | - | 81,305 | - | 81,305 |
| ENGINEERING & CONSTRUCTION SVCS | - | - | - | 660,000 | 660,000 |
| TRANSPORTATION SERVICES | 205,445 | - | 205,445 | 105,000 | 310,445 |
| TORONTO WATER | 1,704,775 | - | 1,704,775 | 6,843,100 | 8,547,875 |
| OFFICE OF EMERGENCY MANAGEMENT | 14,690 | - | 14,690 | - | 14,690 |
| SOLID WASTE | 1,665,607 | - | 1,665,607 | - | 1,665,607 |
| INTERNAL FOCUSED SERVICES | | | | | |
| FACILITIES MNGMT & REAL ESTATE | 1,166,332 | - | 1,166,332 | - | 1,166,332 |
| FLEET SERVICES | 84,785 | - | 84,785 | 1,910,000 | 1,994,785 |
| 311 TORONTO | 34,300 | - | 34,300 | - | 34,300 |
| INFORMATION & TECHNOLOGY | 185 | - | 185 | 1,471 | 1,656 |
| TOTAL CITY DIVISIONS | 7,936,691 | 207,507 | 8,144,198 | 20,047,279 | 28,191,477 |
| AGENCIES & CORPORATIONS | | | | | |
| TORONTO HYDRO | 825,373 | 200,000 | 1,025,373 | 385,403 | 1,410,776 |
| TORONTO POLICE | 25,610 | - | 25,610 | 89,000 | 114,610 |
| TORONTO TRANSIT COMMISSION | 616,675 | 700,000 | 1,316,675 | 2,210 | 1,318,885 |
| TORONTO LIBRARY | 248,966 | 20,157 | 269,123 | 2,345,000 | 2,614,123 |
| TORONTO COMMUNITY HOUSING CORP. | 128,302 | - | 128,302 | 304,055 | 432,357 |
| TOTAL AGENCIES & CORPORATIONS | 1,844,926 | 920,157 | 2,765,083 | 3,125,668 | 5,890,751 |
| TORONTO REGIONAL CONSERVATION AUTHORITY (TRCA) | 3,600 | | 3,600 | 36,050,014 | 36,053,614 |
| TOTAL COSTS*** | 9,785,217 | 1,127,664 | 10,912,881 | 59,222,961 | 70,135,842 |
| ANTICIPATED INSURANCE RECOVERY** | | | | | (4,900,000) |
| TOTAL CITY DIVISIONS NET OF RECOVERY | 9,785,217 | 1,127,664 | 10,912,881 | 59,222,961 | 65,235,842 |

*** Total Costs as at October 11, 2013.

** Anticipated insured losses of \$9.9M. Total Anticipated Insurance Recovery of \$4.9M will be realized after \$5M deductible. Represents cost recovery for City divisions and Toronto Libraries only.