
HALDIMAND COUNTY

Memorandum ECW-M05-2021 Norfolk County/Six Nations Water Supply Project Update



For Consideration by Council in Committee on August 24, 2021

To: Mayor Hewitt and Members of Council
From: Tyson Haedrich, M. Eng., P. Eng., General Manager of Engineering & Capital Works

Overview

For the past two years Haldimand County has been working in partnership with Norfolk County and Six Nations towards the goal of establishing a regional water supply to both communities serviced from the Nanticoke Water Treatment Plant.

Based on ongoing discussions with Norfolk and Six Nations staff and the completed technical feasibility and water rate studies it is clear that a Haldimand water supply is a viable option for Norfolk County to address its current water servicing challenges across the county. It is also clear that a Haldimand water supply is a viable option for Six Nations to address the water servicing issues faced by residents on the southern half of the reserve.

This memo provides a summary of key milestones completed to date as well as a look forward to milestones currently underway.

Summary of Approved Council Resolutions

At the September 17, 2019 Council in Committee meeting staff were given direction through the following resolutions:

THAT subject to adoption by Norfolk County Council, Resolution 12, approved by Norfolk County Council in Committee on September 3, 2019 regarding the desire to work with Haldimand County to explore the feasibility of extending water services to Norfolk County, be endorsed in principle;

AND THAT staff be directed to work with staff from Norfolk County to explore options, costing agreement principles, phasing, timing and operating parameters in this regard and report back to Council by December 2019.

At the December 19, 2019 Council in Committee meeting staff provided an update on the project through Memorandum ECW-M03-2019 Norfolk County Water Supply Project Update.

At the December 8, 2020 Council in Committee meeting, following a presentation and consideration of Report ECW-10-2020 Norfolk County/Six Nations Water Supply Project Update, staff were given direction through the following resolutions:

AND THAT Council agree to supply water to Norfolk County and Six Nations subject to the successful negotiation of the draft water supply agreements;

AND THAT Council direct staff to negotiate a draft Water Supply Agreement with Norfolk County relating to the supply of potable water from Haldimand County;

AND THAT Council direct staff to negotiate a draft Water Supply Agreement with Six Nations relating to the supply of potable water from Haldimand County;

AND THAT Council direct staff to work with Norfolk County and Six Nations in the development of grant applications for available infrastructure funding programs;

AND THAT staff report back to Council with the draft Water Supply Agreements.

Key Project Milestones Completed

At this time the following key actions items have been completed:

1. A joint Norfolk/Haldimand Project Overview Statement has been developed providing a broad framework defining the scope of the project.
2. The water supply servicing feasibility study (Technical Study) to evaluate alternative servicing scenarios and identify a preferred route for the supply of Haldimand water to Port Dover, Simcoe, Delhi, Courtland and Waterford has been completed. This study also includes detailed cost estimates for the project.
3. The water rate study (Financial Study) determining the Norfolk wholesale water rates based on a set of cost recovery and revenue principles for a Haldimand supply to Norfolk has been completed by Watson and Associates. In their June 8, 2021 report, Norfolk staff indicated that they are in agreement, in principle, to entering into a wholesale water contract with Haldimand under these terms.
4. Given the relatively low volumes anticipated for the Six Nations water supply, it has been determined that the water rate would be similar to the current agreement with the Mississaugas of the Credit First Nation.
5. The 2021 Rate Supported Capital Budget was approved with \$125,000 to update the 2006 Municipal Class Environmental Assessment for the expansion of the Nanticoke Water Treatment Plant.
6. An evaluation of the 2021 Investing in Canada Infrastructure Program (ICIP) Green Stream was completed to determine suitability to fund the project. Based on the \$5 million dollar cap per project this funding opportunity was not sufficient to cover a viable percentage of the infrastructure required for a water supply to either community. One of the main reasons for the limited cap was the diversion of funding at the federal level to the 2020 ICIP COVID-19 Resilience Infrastructure stream.

Key Project Milestones Underway

Over the past year ongoing meetings and discussions have been held between Haldimand County and Norfolk County and Six Nations staff to jointly review findings from the ongoing studies, discuss current water servicing opportunities and pressures, and plan next steps. Coming out of these meetings and discussions, the following action items have been identified as critical to moving the project forward:

1. Haldimand/Norfolk to draft a Water Servicing Agreement for the Norfolk County water supply. This agreement is currently in draft form with Sullivan Mahoney who are preparing the agreement. The agreement is expected to be in final draft in Fall 2021.
2. Haldimand/Six Nations to draft a Water Servicing Agreement for the Six Nations water supply. This agreement will follow the format of the Mississaugas of the Credit First Nation agreement and can be completed once the infrastructure for the water supply is proceeding to construction.
3. Haldimand to complete a rerating of the Nanticoke Water Treatment Plant to increase the capacity of existing infrastructure by 3,280 m³/day to an overall rated capacity of 16,920 m³/day. The Ministry of the Environment, Conservation and Parks (MECP) is involved with the rerating process and the project report is expected to be ready for MECP review in September 2021. At this time the majority of the staged water plant stress testing has been completed and all results are indicating that the proposed rating can be achieved.

4. Norfolk to finalize long term water supply strategy based on the outcomes of the rerated capacity. Norfolk staff have indicated that once the rerating is confirmed their next step will be to determine the best strategy, based on their current challenges, to utilize the available Haldimand water capacity. This follows the direction provided through the following resolution passed at Norfolk's June 8, 2021 Council-in-Committee meeting.

AND THAT staff finalize negotiations of a long-term water supply agreement with Haldimand County, including the determination of a mutually acceptable governance model.

5. Haldimand/Six Nations to complete high level design for servicing south half of community. This level of design will ensure infrastructure in both Haldimand and Six Nations will provide both required water pressures and volumes for entire buildout. This work is currently underway and expected to be completed in Fall 2021.
6. Haldimand to update the 2006 Municipal Class Environmental Assessment (MCEA) for the expansion of the Nanticoke Water Treatment Plant. A Municipal Class Schedule 'C' Environmental Assessment was completed for the expansion of the Nanticoke WTP in 2006 and since there has been more than a 10 year lapse in time since the filing of the Environmental Study Report, there is a requirement to complete a public review of the study. Staff are planning to combine this study work with Master Servicing Plan activities planned for the Lake Erie Industrial Park, which will commence this fall.