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# Haldimand County



## Report WWE-01-2025 Housing-Enabling Water Systems Fund (HEWSF) Intake 2 Transfer Payment Agreement

For Consideration by Council in Committee on June 17, 2025

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### Objective:

To receive Council approval to execute the Housing-Enabling Water Systems Fund (HEWSF) Intake 2 Transfer Payment Agreement and amend the Highway 6 Water Main Twinning to Hagersville project budget to reflect the \$10.5 million in grant funding.

### Recommendations:

1. THAT Report WWE-01-2025 Housing-Enabling Water Systems Fund (HEWSF) Intake 2 Transfer Payment Agreement be received;
2. AND THAT the by-law authorizing Haldimand County to enter into the Housing-Enabling Water Systems Fund (HEWSF) Intake 2 Transfer Payment Agreement be approved at a future Council meeting;
3. AND THAT the revised budget outlined in Report WWE-01-2025 be approved.

**Prepared by:** Philip Wilson, C.E.T., PMP, Manager, Water and Wastewater Engineering

**Respectfully submitted:** Tyson Haedrich, M. Eng., P. Eng., General Manager, Engineering & Capital Works

**Approved:** Cathy Case, Chief Administrative Officer

### Executive Summary:

Haldimand County has been awarded \$10,526,600 through the HEWSF – Intake 2 Program towards the eligible costs of the design and construction of the Highway 6 Water Main Twinning to Hagersville project.

To receive the funding, the County must pass a by-law authorizing Haldimand County to enter into the Housing-Enabling Water Systems Fund (HEWSF) Intake 2 Transfer Payment Agreement. An amendment to the Council Approved 2025 Rate Supported Capital Budget is also required to reflect the grant funding.

### Background:

The Housing-Enabling Water Systems Fund (HEWSF) is an application-based program designed to help municipalities repair, rehabilitate, and expand core water, wastewater, and stormwater infrastructure. Projects funded through the program aim to unlock more housing opportunities, support the Province's growing population, protect communities, and enhance economic growth.

On January 7, 2025, the Minister of Infrastructure notified Haldimand County that it was successful in receiving \$10,526,600 through the HEWSF – Intake 2 Program towards the eligible costs of the

Highway 6 Water Main Twinning to Hagersville project. This funding covers up to 73% of the new water transmission main, including engineering and design, contract administration and construction. This project is included in the 2025 Rate Supported Capital Budget and currently funded from debt financing.

The project involves the construction of 6.4 kilometres of new 450 mm potable water transmission main that will "twin" the existing water pipe connecting the booster station located at Haldimand Road 55 to the water distribution system in Hagersville.

The new transmission main will support the servicing of approximately 2,800 housing units in Hagersville as well as provide additional water supply capability to the Mississaugas of the Credit First Nation and the Six Nations of the Grand River. The project was initially identified through the 2009 Hagersville Master Servicing Plan (MSP) as necessary to meet the water demand of proposed growth in the community of Hagersville.

In addition to addressing water demands, the twinned transmission line will also provide operational redundancy should a transmission line break occur on either of the lines. The twinning of the transmission line will also provide the opportunity to extend water servicing to Caledonia and Cayuga in the future, however, additional transmission main capacity will be required to meet the ultimate water demands associated with this servicing option.

The project is in the final design stages and pending Canadian National Rail and Ministry of Transportation (MTO) approvals is anticipated to be tendered in late 2025 with construction starting in spring 2026.

**Analysis:**

In order to formally receive the funding the Province requires that a by-law (see Attachment 1) be passed authorizing the County to enter into the Housing-Enabling Water Systems Fund (HEWSF) Intake 2 Transfer Payment Agreement (see Attachment 2).

The 2025 Rate Supported Capital Budget also requires a budget amendment to account for the \$10.5 million received in grant funding.

**Financial/Legal Implications:**

The Housing-Enabling Water Systems Fund (HEWSF) Intake 2 grant program award totals \$10,526,600. The 2025 Rate Supported Capital Budget identified \$11,910,000 funded from DCRF-Water and DCRF – Water Debt for the design and construction of the new transmission watermain. At the time of project approval, the issuance of DC Debt was required to allow time for front-end financing through a DC agreement.

The grant funding award will eliminate the need for debt financing, and the DCRF-Water Reserve Fund will be utilized to fund costs not covered by the grant. Staff are proposing the following budget amendment to the 2025 Rate Supported Capital Budget to reflect this change:

<b>Project 632301 – Hwy #6 Transmission Main Twinning</b>	<b>Approved Budget</b>	<b>Change</b>	<b>Proposed Revised Budget</b>
<b>Capital Expenditures:</b>			
External Engineering	\$900,000	\$0	\$900,000
Construction	\$11,000,000	\$10,000	\$11,010,000

Legal Fees (Debt Financing)	\$10,000	\$(10,000)	\$0
<b>Total Capital Expenditures</b>	<b>\$11,910,000</b>	<b>\$0</b>	<b>\$11,910,000</b>
<b>Financing:</b>			
DCRF – Water	\$10,000	\$1,373,400	\$1,383,400
DCRF – Water Debt	\$11,900,000	\$(11,900,000)	\$0
HEWSF Grant Funding	\$0	\$10,526,600	\$10,526,600
<b>Total Financing:</b>	<b>\$11,910,000</b>	<b>\$0</b>	<b>\$11,910,000</b>

**Stakeholder Impacts:**

Not applicable.

**Report Impacts:**

Agreement: Yes

By-law: Yes

Budget Amendment: Yes

Policy: No

**References:**

None.

**Attachments:**

1. Transfer Payment Agreement By-law
2. Transfer Payment Agreement