

Staff Report to Council

Title: BEC Potable Water Supply

Report Number: Environmental Services-2024-04

Director: Infrastructure & Development

Manager: Environmental Services

Meeting Date:
Wednesday, February 14, 2024

Date to be considered by Council:
Wednesday, February 14, 2024

Recommendation:

That Council direct staff to correspond with property owners within the Bruce Energy Centre Inc. (BEC) to arrange a meeting to identify interest in the potential for a potable municipal water supply to lands within the BEC, subject to the engineering design and exploration being funded by all benefitting parties through agreement.

Executive Summary:

Council directed staff to undertake a review of potable water supply to the BEC Industrial Park following a delegation from the Bruce Energy Centre Inc. Based on internal discussions and discussions with some of the current property owners within the industrial park there appears to be viable options for consideration to provide potable water to the BEC, and interest by some property owners to have such a service available for their property/business. There may be financial benefit to undertaking an engineering review soon, however there is no current agreement in place to fund an engineering review in collaboration with the municipality. It would be useful to organize a meeting to ascertain interest levels of the benefitting property owners and the municipality could take the lead in organizing a discussion. To be compliant with the bonussing restrictions in the Municipal Act, 2001, staff are recommending that the beneficiaries cover associated costs of engineering work.

Strategic Priorities:

B.5-Evaluate and proactively plan for infrastructure to meet population growth and long-term sustainability

Financial Considerations:

The Municipality has recently executed an agreement with Bruce Power which allowed both parties to undertake a joint investigation related to the expansion of municipal water to the

Bruce Power Site. The agreement included the financial requirements of each party to ensure that the municipality was only paying for its costs associated with the investigative work.

The *Municipal Act, 2001*, restricts a municipality from directly or indirectly granting bonuses to any manufacturing business or other industrial or commercial enterprise. The legislation outlines that this includes the prohibition of giving or lending of any property of the municipality, including money; guaranteeing borrowing; leasing or selling any property of the municipality at below fair market value; or giving a total or partial exemption from any levy, charge or fee. There is an exemption to this restriction through the council exercising its authority under the *Planning Act* related to Community Improvement Plans (CIPs). This requirement clarifies that private interests are intended to be funded by those holding such interests.

Policy:

N/A

Context and Background Information:

Chief Administrator Nancy Michie of the Bruce Energy Centre Inc. made a presentation to Council on January 10th requesting consideration for potable water supply to the BEC Industrial Park. Council passed the following resolution at that meeting:

12/10/24 – 03: That Council direct staff to bring back a report on the provision of potable water to the Bruce Energy Centre from a multi disciplinary perspective and examining various municipal assets.

Developers are responsible for funding the technical and construction works related to their private development. However, there can be opportunities to work with private parties to collaborate on initiatives where the cost-sharing arrangement is confirmed in order to protect the taxpayer. As a recent example, the Municipality has worked jointly with Bruce Power to explore potable water supply to their site of which Bruce Power has funded all works in full for that undertaking.

To maintain a level of consistency and be compliant with legislation, staff are recommending to Council that the private property owners should be responsible for costs associated with such a review for the BEC Industrial Park potable water supply.

Consultation Overview:

Nil

Origin:

Delegation and Council direction

Implementation Considerations:

An agreement is recommended with the Bruce Energy Centre Inc. and other benefiting property owners to fund engineering review works to consider potable water supply with the BEC Industrial Park. Should an agreement not be reached, potable water exploration should not be undertaken at the cost of the Municipal ratepayer.

Risk Analysis:

In the absence of an agreement or commitment the Municipality would be financially responsible for all exploration costs, and they would be at the expense of the municipal water ratepayers and/or municipal taxpayers.

Attachments: Bruce Energy Centre Inc. Presentation

Prepared by: Adam Weishar, Director of Infrastructure & Development

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