

# Staff Report to Council

**Title:** Housing Enabling Water Systems Fund

**Report Number:** Environmental Services-2024-08

**Director:** Infrastructure & Development

**Manager:** Environmental Services

**Meeting Date:**  
Wednesday, April 10, 2024

**Date to be considered by Council:**  
Wednesday, April 10, 2024

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## Recommendation:

That Council direct staff to make application for the Housing Enabling Water Systems fund for upgrades required to the Tiverton water supply to enable proposed growth and to address existing assets.

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## Executive Summary:

In 2023, the Province of Ontario originally announced the Housing Enabling Water Systems Fund (HEWSF) with intention to invest \$200 million over three years to support projects related to water, wastewater, and stormwater infrastructure that will focus on additional housing opportunities. Through the 2024 Provincial Budget this was increased through an additional investment of \$625 million for the HEWSF. Staff have reviewed project opportunities and suggest that the Municipality make an application to support the required upgrades to the Tiverton water supply system. The Municipality is completing an Environmental Assessment (EA) in 2024 which will help determine the projects' particulars. Applications are due by April 19, 2024.

## Strategic Priorities:

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

## Financial Considerations:

The Province of Ontario will be investing \$200 million over three years. Projects will be cost shared between municipalities and the province. The province would fund a maximum of 73% (up to \$35 million) of eligible project costs, and the municipality would be required to fund all remaining (a minimum of 27%) eligible project costs.

Future water supply alternatives anticipate a connection to the pipeline or an upgrade to the existing ground water well supply. Estimated costs to construct a booster station and install trunk water main to connect to the current pipeline is valued at \$5.65 million. Alternatively, if the existing well system was upgraded a projected value of \$3.63 million would be required. In order to address the growth component with the existing well system, expansion costs would be in the \$2 million dollar range. For either anticipated option we are suggesting making an application for a project valued at \$6 million to support housing growth in Tiverton.

**Policy:**

N/A

**Context and Background Information:**

The Province announced the HEWSF through the fall economic statement. Projects must focus on either the rehabilitation and repair, reconstruction, or expansion of water infrastructure. Projects can be stand-alone or a component of a larger project.

To meet the outcomes of the program, eligible projects should:

- enable growth and housing development
- increase access to clean drinking water
- increase treatment and/or management of wastewater and stormwater

The program will provide funding for core water infrastructure, including:

- wastewater assets, for example: lagoon systems, pump stations, lift station, linear assets, treatment plants, storage tanks, collection systems;
- drinking water assets, for example: treatment plants, reservoirs, local pipes, including the distribution system watermain and the municipal portion of service lines, pump stations;
- stormwater assets, for example: management facilities, linear assets, including conveyance piping, ditches and culverts.

To be eligible for funding, projects must:

- include a capital component and may also include pre-construction planning and design work
- enable housing development
- have a clear start and end date
- start no later than September 30, 2024, and must be completed by March 31, 2027
- be in the process of, or completed, the design and planning phase
- meet all relevant provincial regulatory requirements

The 2024 budget includes a project to conduct an EA to enable staff to best approach upgrades required to the water supply system for Tiverton. This could include replacement and upgrades of the existing well system or a connection to the Kicardine pipeline. The EA will be completed later within the calendar year. With several plans of subdivision recently approved for the community along with the capacity review undertaken in the recent water and wastewater master planning update, staff are suggesting that this project best aligns with the goals and timelines of the grant opportunity and ask that Council support an application for upgrades to the Tiverton water supply system that will be further defined through the EA process.

### **Consultation Overview:**

Staff and municipal engineering discussed project options that fit within the grant criteria to come up with the suggested project.

### **Origin:**

The Province of Ontario announced the Housing Enabling Water Systems fund to help municipalities repair, rehabilitate and expand critical drinking water, wastewater and stormwater infrastructure. Projects funded through the program will aim to unlock more housing opportunities, support the province's growing population, protect communities, and enhance economic growth.

### **Implementation Considerations:**

If supported, staff will complete and apply for the proposed project and once a decision is made on an application Council will be informed of the outcome. The province is anticipating decisions to be made by summer 2024.

### **Risk Analysis:**

There is no associated risk in applying for the grant. If successful, Council would need to commit our share of the funds in an upcoming budget required to complete the related project.

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**Attachments:** None

**Prepared by:** Adam Weishar, Director of Infrastructure & Development

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