



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: October 15, 2024

Subject: Grant Application – Housing Enabling Water Systems Fund- Intake II

Report from: Scott McLeod, Public Works Manager

& Emily Dance, CAO

Appendices: None

Recommendation

Be It Resolved that Council hereby,

1. Support the grant application to the Province of Ontario's Housing Enabling Water System Fund Intake II for Community for expansion to the Paisley waste water treatment plant.

Report Summary

The Province of Ontario has opened a new second stream to the Housing Enabling Water System Fund to help municipalities develop, repair, rehabilitate and expand critical drinking water, wastewater and stormwater infrastructure with the aim to unlock more housing opportunities, support the province's growing population, protect communities and enhance economic growth. Staff is recommending an application be submitted for expansion of the Paisley waste water treatment plant.

Background

The Housing-Enabling Water Systems Fund (HEWSF) is an application-based program. Projects funded through the program will aim to protect communities by investing in the development, repair, rehabilitation and expansion of core water, wastewater, and stormwater projects to promote growth and enable housing. Program objectives include

- Enable growth and housing opportunities; and.
- Increase access to potable water; and/or

- Increase treatment and/or management of wastewater and stormwater.

The Province will fund a maximum of 73% (up to \$35 million) with the municipality required to fund all remaining eligible project costs (27%)

Approved projects must start no later than September 30, 2025 and be completed by March 31, 2028.

Analysis

Staff have discussed potential projects in consultation with the Municipal Engineer that would fit the parameters of this funding opportunity.

Paisley has been experiencing development pressure for the past several years. Existing vacant lots (serviced) are being filled. At some lots, the existing residences are being replaced with multi-residential units. Furthermore, a number of developers have applied or are in process for Draft Plan Approvals.

As a result of the added development, water supply demand shall increase which is not an issue due to significant surplus water supply capacity available from Arran-Elderslie Water Treatment Plant. However, the sewage flow analysis indicates that sewage flow to Paisley's Wastewater Treatment Plant shall exceed its rated capacity if all of the development is permitted or occurs. Exceedance of Wastewater treatment capacity is not permitted. MECP generally does not want a municipality to allow further development when rated capacity of Wastewater Treatment Plant exceeds $\pm 85\%$.

In view of the above, staff recommends taking advantage of HEWS-Intake 2 funding program, to assist the municipality in increasing the rated capacity of the treatment plant through completion of a Sch C EA and capital project.

Link to Strategic/Master Plan

6.3 Facilitating Community Growth

Financial Impacts/Source of Funding/Link to Procurement Policy

The province will fund a maximum of 73% up to \$35 million with the municipality required to fund all remaining eligible project costs of 27%.

The Municipal Engineer is working on estimates for the total cost of this project should it be approved. Staff will include the estimate within the 2025 Capital Budget.

Approved by: Emily Dance, Chief Administrative Officer