



CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
Hamilton Water Division

TO:	Chair and Members Audit, Finance & Administration Committee
COMMITTEE DATE:	July 13, 2023
SUBJECT/REPORT NO:	Halton Water Supply Amending Agreement (PW23050) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Charlene McKay (905) 546-2424 Ext. 2671
SUBMITTED BY:	Nick Winters Director, Hamilton Water Public Works Department
SIGNATURE:	

RECOMMENDATIONS

- (a) That the Mayor and Clerk be authorized and directed to execute an agreement to amend the Water Supply Agreement between The Regional Municipality of Halton and the City of Hamilton dated November 17, 2011, and amended June 24, 2021, in the form attached as Appendix "A" to Report PW23050;
- (b) That the General Manager, Public Works, or designate, be authorized to execute any number of future amendments to the amended Water Supply Agreement, provided that any such amendments relate to matters of operation or technical capacity, and they are in a form that is satisfactory to the Director of Legal Services;
- (c) That the General Manager, Public Works, or designate, be authorized to execute any other documents that are ancillary to the agreements authorized in recommendations (a) and (b).

EXECUTIVE SUMMARY

The purpose of this report is to seek approval from Council to enter into an amending agreement with The Regional Municipality of Halton (Halton) regarding the continued

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

supply of water to the western boundary of the City of Burlington. The City currently supplies water to Halton at four separate delivery points which benefit the communities of Bridgeview, North Aldershot (including 8, 24 and 38 Mountain Brow), Snake Road and the residents at 720, 768, and 780 Mountain Brow Road West (New Mountain Brow Properties) in North Aldershot in the City of Burlington (refer to Appendix “B” to Report PW23050). It should be noted that Hamilton does not provide wastewater/storm services to Halton.

In November 2011, the City entered into an Agreement with Halton to supply water to the Bridgeview, Snake Road and North Aldershot communities in the City of Burlington (refer to Report FCS11035). The City charges Halton for water supplied as per the Agreement. The initial term of the Agreement is 10 years with an option for both parties to renew the Agreement for an additional 10-year period. This option has been exercised by both parties thereby extending the term of the Agreement to end on November 18, 2031.

The residents at 720, 768, and 780 Mountain Brow Road West in North Aldershot in the City of Burlington were added to the Water Supply Agreement in June 2021.

At this time, Halton would like to proceed with a new draw rate for only the North Aldershot (Mountain Brow Road/Mill Road/Waterdown Road) community. The proposed flow rate is a maximum draw rate of 150 L/s limit from 92 L/s and maximum daily taking of 1,000,000 litres/day. The maximum flow rate of 150 litres/second is available for a maximum of 2 hours and is anticipated to be used for only firefighting and water quality flushing purposes.

The amendment to the Water Supply Agreement permits Hamilton to temporarily discontinue the delivery, reduce the quantity and/or reduce the rate of flow of water at delivery points with written consent of the Region of Halton, during emergency situations or if Hamilton is performing planned or unplanned maintenance, rehabilitation or repairs. The Water Supply Agreement also states that any discontinuations or reductions shall be of minimum duration reasonably possible in the circumstances and that Hamilton will provide Halton with prior notice of any such discontinuance given the circumstances of each event.

Alternatives for Consideration – N/A

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: All external water supply arrangements have been established to ensure that Hamilton ratepayers will not be adversely affected. Given Hamilton’s favourable position of water treatment capacity and water supply, the

continued supply of water to Halton (and Haldimand) provides revenue that, in part, off-sets rate revenue pressures.

Water supplied to Hamilton is charged at one and one-half (1.5) times the rate that Hamilton charges, from time to time, for the supply of water to its consumers. In 2020, the water supply to Halton reached nearly 120,000 cubic metres equating to approximately \$325K in water revenues.

Staffing: N/A

Legal: By entering into an amending water supply agreement with Halton, Hamilton will commit to supply water to additional properties located in Halton, subject to the various terms and conditions contained within the amending agreement.

HISTORICAL BACKGROUND

The City currently supplies water to Halton at three separate delivery points which benefit the communities of Bridgeview, North Aldershot and Snake Road. In the case of North Aldershot, originally the water supply was from Burlington to Waterdown but as of April 2010, the North Aldershot community has been sourced primarily by the City. The Snake Road water supply connection is thought to have been installed in the early 1970's although no documentation regarding this connection has been identified.

With respect to the Bridgeview Community, the need for a secure supply of water was determined by Halton in the early 1990's. In order to provide this supply, Halton entered into negotiations with the former Regional Municipality of Hamilton-Wentworth to construct a pipeline through a portion of Hamilton-Wentworth to a delivery point located at the border between the two regions. In 1998, Hamilton-Wentworth entered into an agreement with Halton for the supply of water for an initial ten-year term expiring October 31, 2005.

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POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

Corporate Services Department - Legal & Risk Management Services Division has been consulted in the preparation of Report PW23050.

Corporate Services Department - Financial Planning, Administration and Policy Division has been consulted and supports the recommendations in Report PW23050.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The City is the owner and operator of the municipal water system that has control of the flow rates. Hamilton Water has conducted modelling to confirm that the Hamilton water system has the capacity to support the quantity and flow rates for the North Aldershot water feed as documented in the amendment. The Region of Halton has no other alternatives for water supply for North Aldershot other than the Hamilton water connection.

With the City's concerns addressed, staff supports amending the current Water Supply Agreement between the City and Halton to reflect the new water flow rates for the North Aldershot community.

ALTERNATIVES FOR CONSIDERATION

N/A

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Clean and Green

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PW23050 – Halton Water Supply Amending Agreement

Appendix "B" to Report PW23050 – Map of Halton Water Delivery Points