



Appendix III - Halton-Peel Cross-Boundary Water Servicing Agreement
Halton Region Council Endorsement of Cross-Boundary Agreement

VIA EMAIL

June 19, 2023

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

Valerie Petryniak, Town Clerk, Town of Halton Hills
Aretha Adams, Regional Clerk, The Regional Municipality of Peel

Please be advised that at its meeting held Wednesday, June 14, 2023, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: PW-25-23 - Water Supply Agreement with The Regional Municipality of Peel for Temporary Servicing of Properties in the Premier Gateway Employment Area

1. THAT Report No. PW-25-23 re: "Water Supply Agreement with The Regional Municipality of Peel for Temporary Servicing of Properties in the Premier Gateway Employment Area" be endorsed by Regional Council.
2. THAT the Commissioner of Public Works be authorized to negotiate, enter into and execute, a new agreement and any ancillary documents with The Regional Municipality of Peel including any future amendments, renewals, extensions or termination thereof, on legal terms satisfactory to the Director of Legal Services based upon the principles as set out in Report No. PW-25-23, to address the cross-boundary municipal water servicing arrangements between The Regional Municipality of Halton and The Regional Municipality of Peel regarding the Halton Hills Premier Gateway Employment Area.
3. THAT the Regional Clerk forward a copy of Report No. PW-25-23 to the Town of Halton Hills and The Regional Municipality of Peel for their information.

Included please find a copy of Report No. PW-25-23 for your information. If you have any questions please contact me at the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Milne", written over a light blue circular stamp.

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

HEAD OFFICE: 1151 Bronte Rd, Oakville, ON L6M 3L1

905-825-6000 | Toll free: 1-866-442-5866



The Regional Municipality of Halton

Report To:	Regional Chair and Members of Regional Council
From:	Andrew Farr, Commissioner, Public Works
Date:	June 14, 2023
Report No:	PW-25-23
Re:	Water Supply Agreement with The Regional Municipality of Peel for Temporary Servicing of Properties in the Premier Gateway Employment Area

RECOMMENDATION

1. THAT Report No. PW-25-23 re: "Water Supply Agreement with The Regional Municipality of Peel for Temporary Servicing of Properties in the Premier Gateway Employment Area" be endorsed by Regional Council.
2. THAT the Commissioner of Public Works be authorized to negotiate, enter into and execute, a new agreement and any ancillary documents with The Regional Municipality of Peel including any future amendments, renewals, extensions or termination thereof, on legal terms satisfactory to the Director of Legal Services based upon the principles as set out in Report No. PW-25-23, to address the cross-boundary municipal water servicing arrangements between The Regional Municipality of Halton and The Regional Municipality of Peel regarding the Halton Hills Premier Gateway Employment Area.
3. THAT the Regional Clerk forward a copy of Report No. PW-25-23 to the Town of Halton Hills and The Regional Municipality of Peel for their information.

REPORT

Executive Summary

- This Report seeks Regional Council approval to enter into a temporary municipal water service connection from The Regional Municipality of Peel ("Peel Region") to service the Halton Hills Premier Gateway Employment Area on the basis that the connection can meet the conditions within a Water Supply Agreement with Peel Region.

- Conestoga Cold Storage Limited contacted Halton Region and Peel Region to request a municipal water connection, on an interim basis, through an existing emergency connection on Steeles Avenue (Regional Road 8) to service 16316 Steeles Avenue, 16408 Steeles Avenue, PIN 250260130 (LT) and 7876 Tenth Line South in the Town of Halton Hills.
- In discussions with Peel Region, the framework of a water supply agreement was developed where the existing emergency infrastructure would be commissioned and temporarily placed into service for connection to Halton Hills Premier Gateway Employment Area until Halton Region's permanent infrastructure is constructed.
- Halton Region's Urban Services Guidelines permit connections to other municipalities' infrastructure without an amendment to the Regional Official Plan, subject to criteria. Given the location of the subject lands and in recognition of the overall goals and objectives of the Regional Official Plan, consideration has been given to such a connection on a temporary basis.

Background

On March 6, 2023, staff received a letter from Conestoga Cold Storage Limited regarding the development of their lands located at 16316 Steeles Avenue, 16408 Steeles Avenue, PIN 250260130 (LT) and 7876 Tenth Line South in the Town of Halton Hills Premier Gateway Employment Area as shown in yellow in Attachment #1. The subject lands are located southwest of Steeles Avenue and Winston Churchill Boulevard (Regional Road 19) and close to the border with Peel Region in the City of Brampton. The letter requested that Halton Region provide water servicing to these lands.

The Conestoga Cold Storage Limited development represents an investment of approximately \$250 million and comprises a state-of-the-art warehouse facility spanning 290,000 square feet, along with ancillary office space. The proposed vertical cold storage warehouse is anticipated to create up to 250 jobs in Halton Region, including high-tech support positions. This facility is strategically planned to enhance Conestoga Cold Storage Limited's distribution network and complement its existing major cold storage facility located at Meadowpine Boulevard in the City of Mississauga.

Water and wastewater servicing needs for the Premier Gateway Area was identified through the 2008 Master Plan and included a new 600 mm watermain (ID 3844 and ID 5948) and new 525 mm and 375 mm wastewater mains (ID 3863 and ID 4648) to run along Steeles Avenue from Eighth Line to Winston Churchill Boulevard. Due to the topography, lands east of Ninth Line would drain to a new pumping station (ID 3864) at Winston Churchill Boulevard and be pumped through twin 250 mm forcemains (ID 3865) back to connect to the wastewater mains west of Ninth Line. The design of the required works was initiated in 2011. In 2013, Corridor Protection Zones were implemented through the announcement of planning for Highway 413, and the infrastructure projects were paused.

Implementation of municipal water and wastewater services to the Premier Gateway Area has now been re-initiated in coordination with the Town of Halton Hills' completion of the secondary planning process. A feasibility study has been initiated to confirm the wastewater servicing strategy, in light of the on-going construction of servicing to Georgetown and this study will be completed by the fall of 2023, followed by any identified Municipal Class Environmental Assessment requirements. It is then anticipated that design of the water and wastewater infrastructure projects will be finalized in mid-to-late 2025 allowing for construction to be completed late in 2027.

Halton Region's Official Plan policies has terms that would permit Conestoga Cold Storage Limited to proceed with private services in advance of municipal services being available however there are significant challenges with the servicing of these lands with groundwater. As a result, Conestoga Cold Storage Limited approached Peel Region regarding the ability to connect to an emergency connection that was constructed (but not placed in service) in 2011, as part of Peel Region's widening of Winston Churchill Boulevard project. The infrastructure consists of a meter chamber and approximately 270 m of 400 mm watermain on Steeles Avenue as noted in Attachment #1.

If approved, Conestoga Cold Storage Limited would undertake the construction of a connection to Regional infrastructure, including a segment of the new 600 mm watermain on Steeles Avenue. When the remainder of the 600 mm watermain on Steeles Avenue is constructed by Halton Region as part of Premier Gateway servicing, servicing from Peel Region would be terminated and Conestoga Cold Storage Limited would be required to connect to Halton Region's infrastructure, bearing all costs of connection and disconnection.

Discussion

Overview and Assessment of Criteria for Connection to Other Municipalities' Systems

The Regional Official Plan contains policies related to the provision of urban services in Halton Region. With respect to connections other municipal infrastructure systems, Section 89(17) of the Regional Official Plan states:

- Consider and permit, based on individual merit and in accordance with goals and objectives of this Plan, new urban service system interconnections between the Region of Halton and abutting municipalities.

In 2020, Halton Region's Urban Services Guidelines (<https://www.halton.ca/Repository/Urban-Services-Guidelines>) (the "Guidelines") were updated to provide more specific direction on how Halton Region would consider and permit connections to other municipalities' infrastructure. The updated Guidelines include a new process for advancing such connections without a Regional Official Plan Amendment.

Discussions with Peel Region

In discussions with Peel Region, the framework of a water supply agreement was developed where the existing emergency infrastructure would be commissioned and placed into service for temporary connection to the Premier Gateway Employment Area as shown in Attachment #2. Halton Region owns and maintains the infrastructure within Halton's boundaries and the connection between Peel Region and Halton Region at Steeles Avenue would be commissioned to supply Halton Region's existing infrastructure. In general, the agreement includes the following concepts:

- Peel Region controls, operates and maintains services and infrastructure ("Peel Works") within Peel's boundary;
- Halton Region would own and be responsible for oversight, capital, operations and maintenance of the connected infrastructure within Halton ("Halton Works");
- Additional connections may be considered with Peel Region's consent;
- There will be a separate agreement between benefiting property owners within the Premier Gateway Employment Area and Halton Region through Halton's development application process;
- Halton Region would enforce its Backflow Prevention requirements;
- Halton Region would be responsible for billing meter and measurements;
- Benefiting property owner would pay Halton Region directly and Halton Region to pay Peel Region;
- There will be a fixed duration to this agreement;
- There will be a limit on peak flow established/allocated and capacity is not unlimited;
- The existing Intermunicipal Adverse Water Quality Notification Protocol will be followed; and
- Peel Region would be made whole by Halton Region if there is an issue collecting the revenue for billed volume.

Recommended Option

As part of the Premier Gateway Phase 2B Infrastructure Implementation Plan, Halton Region will be constructing permanent water and wastewater infrastructure to service the subject lands.

An interim solution is needed to service Conestoga Cold Storage Limited's commercial development. Since Peel Region has constructed infrastructure in the area of the subject lands, entering into a water servicing agreement with Peel Region is a reasonable solution.

This recommendation is consistent with Section 89(17) of the Regional Official Plan which states that it is the policy of Halton Region to "consider and permit, based on individual merit and in accordance with goals and objectives of this Plan, new urban service system interconnections between the Region of Halton and abutting municipalities". Thus, Regional Council approval of cross border servicing is required.

Conclusion and Next Steps

Conestoga Cold Storage Limited, regarding the development of their lands located at 16316 Steeles Avenue, 16408 Steeles Avenue, PIN 250260130 (LT) and 7876 Tenth Line South, has requested water servicing from Halton Region. As Halton Region's infrastructure has not yet been constructed and there are significant challenges with the servicing of these lands with groundwater, an interim solution is required.

Peel Region has constructed an emergency water connection on Steeles Avenue to this area that is currently not used and as such, a framework to create a "Water Supply Agreement with the Region of Peel Servicing of Properties in the Premier Gateway Employment Area" was developed.

Upon Regional Council's approval of Report No. PW-25-23, staff will continue discussions with Peel Region to identify and secure the requisite permissions and agreements to connect municipal water services from Peel Region to the properties in the Premier Gateway Employment Area for Regional Council's approval. Staff will also continue to work with Conestoga Cold Storage Limited through the development application process to assist with satisfying requirements to proceed with the municipal water connection.

FINANCIAL/PROGRAM IMPLICATIONS

There are no financial implications at this time.

Respectfully submitted,



Lee Anne Jones
Director, Infrastructure Planning and Policy



Andrew Farr
Commissioner, Public Works

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Lee Anne Jones

Tel. # 7547

Attachments: Attachment #1 – Copy of Conestoga Cold Storage Limited's Letter to Halton Region
Attachment #2 – Locational Map of the Premier Gateway Employment Area

March 6, 2023

Submitted Digitally

Ms. Lee Anne Jones
Director Infrastructure Planning & Policy
Halton Region
1151 Bronte Road
Oakville, ON
L6M 3L1

Dear Ms. Jones:

**Re: Peel Region Water Connection
Conestoga Cold Storage Limited
Town of Halton Hills**

As you are aware, Conestoga Cold Storage Limited ("CCS") is in the process of developing lands located at 16408 and 16316 Steeles Avenue and 7876 Tenth Line South in the Halton Hills Premier Gateway Employment Area for a cold storage warehouse facility and related office. CCS has put together a team of consultants to assist us and we are at a pivotal point where we must finalize crucial design aspects of the project. Specifically, a municipal water connection from Peel is critical for fire protection purposes.

It is our understanding that staff from Halton have had numerous discussions with our consulting team and that there have also been very fruitful discussions with Peel staff about the possibility of obtaining a municipal water connection on an interim basis through an existing connection on Steeles Avenue to service our site. We are appreciative of these efforts and would like to take these discussions to the next level.

Our consulting team is in the process of finalizing a design for infrastructure along Steeles Avenue to the CCS property and will be submitting the required Services Permit application shortly for connection to the Halton system. Our ask is one of timing and process. We would like to know the next steps and whether authorization from Regional Council is necessary to facilitate the Peel connection and if so, could you share with us the timing.

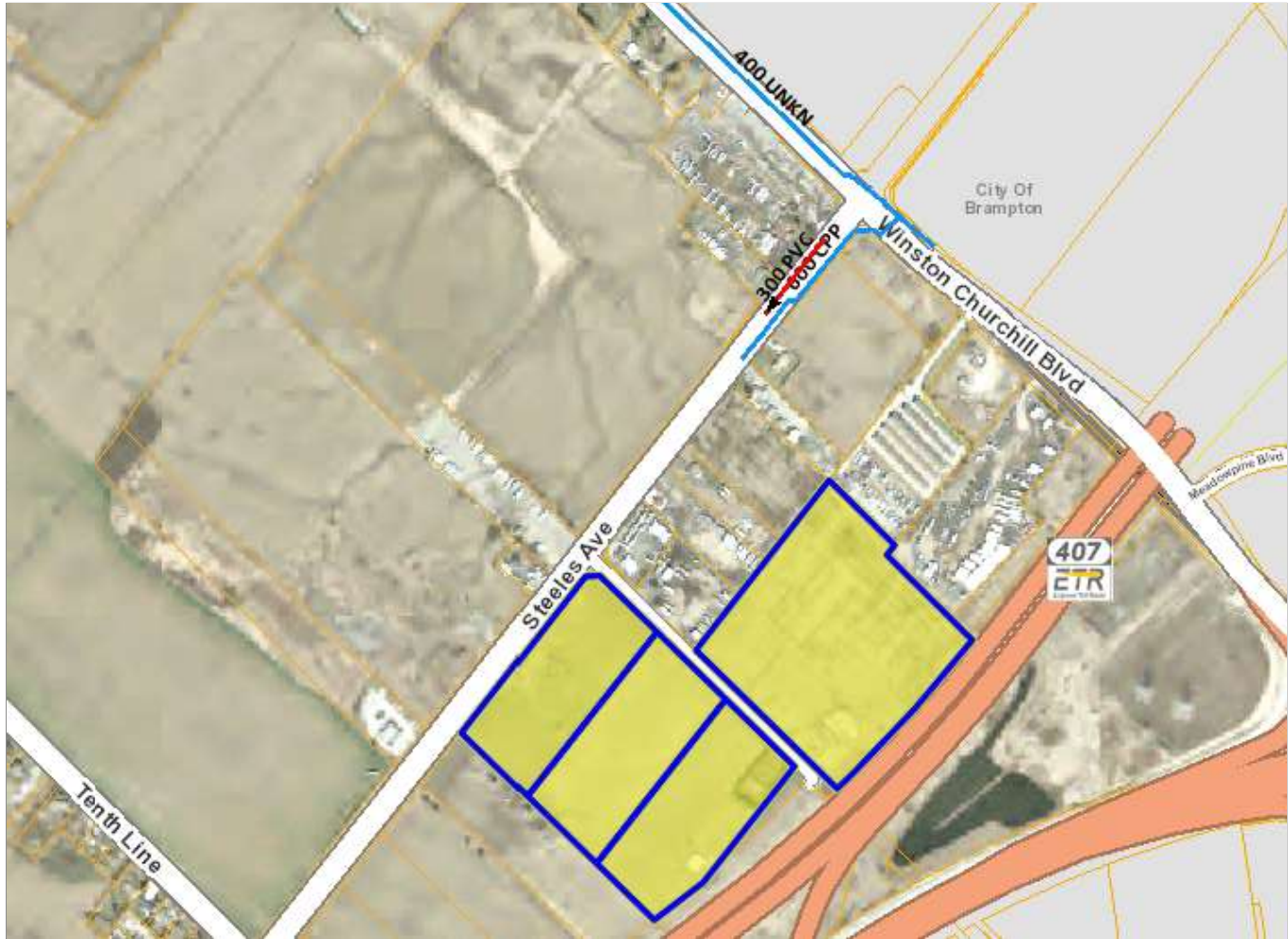
Any information you can provide us would be appreciated and again we are extremely grateful and appreciative of Halton's support and guidance to date. Please let us know if there is any information you need from CCS or our consulting team to bring this matter to a successful conclusion.

Sincerely,

Gavin Sargeant, B.ASc.
Vice President, Conestoga Cold Storage Limited.

c. Bob Gray, Commissioner, Legislative & Planning Services and Corporate Counsel
Andrew Farr, Commissioner of Public Works

Conestoga Cold Storage Owned Lands, Halton Hills



1: 9,659

Information Valid as of: 6/8/2023

REGIONAL MUNICIPALITY OF HALTON, ITS EMPLOYEES, OFFICERS AND AGENTS ARE NOT RESPONSIBLE FOR ANY ERRORS, OMISSIONS OR INACCURACIES, WHETHER DUE TO THEIR NEGLIGENCE OR OTHERWISE. ALL INFORMATION SHOULD BE VERIFIED.

THIS MAP IS NOT TO BE USED FOR NAVIGATION
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