



Meeting Date: April 6, 2022

Submitted by: Rob Cascaden, P.Eng – Director – Public Works and Engineering

Report No: PWE-15-2022

Subject: Status of the Lake Huron Water Supply System

Recommendation:

THAT Report No. PWE-15-2022 be received;

AND THAT Council endorse moving forward and evaluating the specifics of a Joint Municipal Board versus a Municipal Service Corporation as the two viable options.

Purpose:

The purpose of this report is to provide an update for council on the Lake Huron Water Supply System Steering Committee and have Council provide direction on continuing the process.

Background:

The legal status of the Lake Huron Water Supply System has been called into question. To address this the Municipal Service Board Steering Committee (MSB/C) was formed. The Director of Public Works and Engineering have been representing Middlesex Centre on the MSB/C. This committee has been struck by the Board of Management for both the Lake Huron and Elgin Water Supply Systems. Andrew Henry, Director Regional Water Supply provided information on the Steering Committee in during virtual presentations held in 2020 which were attended by some members of staff and Council. Since then, the Steering Committee has been meeting for approximately 18 months. Attached, please find a briefing document summarizing the purpose and discussions of the Steering Committee. Mr. Henry would be willing to attend a future Council meeting to provide further information to Council and answer questions Council may have.

Analysis:

This process is at the stage where a decision needs to be made to move forward. There are two options available:

- 1) Transition to a Joint Municipal Services Board or
- 2) Transition to a Municipal Services Corporation.

Please note: In the absence of a decision of one of the above two options, the process, at least for the Lake Huron Water Supply, would be stalled and would effectively force the Board of Management to go back to a starting point to begin discussion again after the upcoming election. In fact, all benefiting municipalities must unanimously agree on one of these options (See Briefing Note).

Staff Recommendation

It is staff's position that it is in the best interest of Middlesex Centre to move forward with a review of the options. A commitment to move forward with a review does not commit the Municipality to choose either option at this time. Choosing not to move forward with a review of the options would restart the entire process and result in significant lost time.

Before Middlesex Centre can commit to moving forward with one of the above options, there needs to be additional information gathered. A full legal and financial assessment is required of both the Joint Municipal Services Board and Municipal Services Corporation models in order to inform a staff recommendation and ultimately a decision by Council.

To ensure the process continues it is recommended that Council endorses moving forward with one of the two options and request an evaluation of a Joint Municipal Services Board versus a Municipal Services Corporation to determine which option is best.

Financial Implications:

Moving forward with a review will result in some cost to the Middlesex Centre Water System. The extent of the cost has yet to be determined. We believe that there will be a collaboration between municipalities to move forward which would allow for these costs to be shared.

Strategic Plan:

This matter aligns with following strategic priorities:

- Sustainable Infrastructure and Services
- Responsive Municipal Government

Evaluation of these options will help protect the interests of Middlesex Centre and other member municipalities and inform the next steps in ensuring the continued successful operation of the LHPWSS.

Attachments:

Attachment No 1 - Briefing Note - Municipal Services Board Corporation (Director of the Lake Huron Water Supply System)