



TOWN OF MINTO

DATE: May 10, 2017

REPORT TO: Mayor and Council

FROM: Bill White C.A.O. Clerk; Wayne Metzger Water Foreman

SUBJECT: Bulk Water Request Bright's Water Services Inc.

STRATEGIC PLAN:

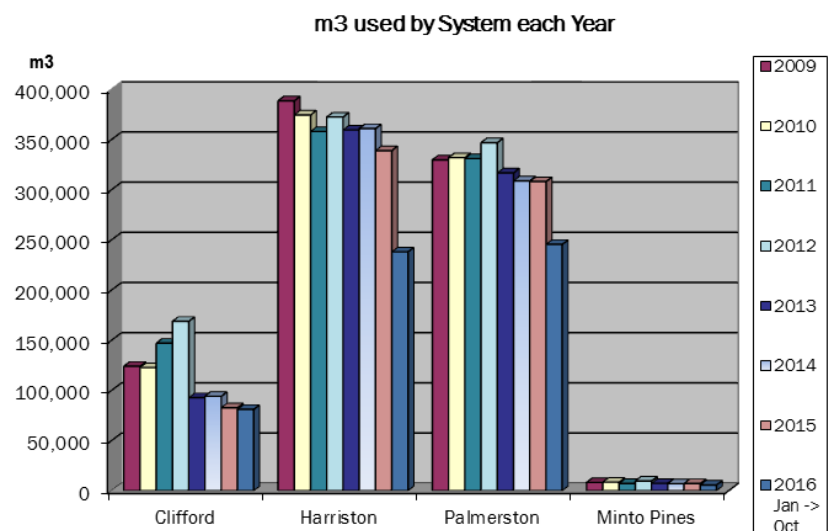
11.1 Implement financial plans to ensure water distribution and treatment, and sewage collection and treatment systems are operated effectively and efficiently, costs are allocated fairly based on residential and non-residential metered rates, and operations, maintenance and future capital replacement is planned for and financed.

11.2 Continue to operate water treatment and distribution with the highest standards of public safety in mind and according to Provincial requirements using highly trained Town staff, and maintain cross training and enhanced duties to assume responsibility for sewage collection and treatment facilities from Centre Wellington. Maintain both water and sewer facilities using qualified Town staff so long as it is cost effective and efficient to do so.

BACKGROUND:

The attached request was received from Bright's Water for access a Town's water system to acquire bulk water for transfer by tanker to their private customers for filling pools, dust control, compacting fill or watermain flushing. Bright's Water supplied IPM 2016 with bulk water for their on-site system from the Harriston Water System. Staff discussed the request and if access is to be provided the Palmerston system would be preferred. A connection system similar would be installed to monitor the volume of water taken and to control access to the water system.

Section 4.5 of the Town's new Water Use By-law regulates access to fire hydrants requiring written approval from the Public Works Director. Otherwise there is no specific section in the bylaw regarding taking of bulk water and no policy to cover this request. The fees bylaw includes a \$75 fee per day for hook up and disconnection plus charges based on the volume used. If a bulk water contract is to be signed this fee should be reviewed. The chart shows water consumption in all four systems in Minto.



COMMENTS:

The Town permitted bulk water taking for IPM 2016 and has had occasional requests that have been accommodated over the years. Bright's has bulk suppliers in regions throughout the Province and based on their experience during IPM 2016 became interested in Minto as a permanent site to draw bulk water. Their initiative has been discussed with staff and direction is needed as to whether Council would consider a permanent agreement.

Staff believes the Palmerston Water System would have the most capacity for bulk water taking. The Palmerston System services approximately 2,579 permanent residents and 910 households services four drilled bedrock wells, two wellhouses, an elevated 2500 m³ steel storage tank. The following shows water consumption in Palmerston

System	Serviced	2016 m3	2015 m3	2014 m3	2013 m3	2012 m3	2011 m3	2010 m3	2009 m3
Palmerston	2,600	245,380	307,909	308,637	316,635	346,739	330,818	331,769	329,564

Despite more homes and businesses in Palmerston, water consumption from 2012 to 2016 dropped 32% or just over 105,000 m³. Water conservation is still important and there would need to be limits to the amount of bulk water taken to ensure adequate supply for Minto customers. At IPM 1075 m³ of bulk water was taken which is less than 0.5% of the total water used in Palmerston in 2016. 1075 cubic metres is about 36 tanker trucks full of water. There appears to be adequate supply to consider some bulk water sales.

Some municipalities actively market bulk water as a means to generate revenue for the system. Orillia built a self-service bulk water facility to provide access for companies wishing to use their system. Their rate is \$2.49 per m³. Kitchener has also built a connection system as shown below. They provide bulk water for contractors and others to use with a view to reducing illegal water use from hydrants or unapproved connections.

Bulk Water Fill Station



A permanent bulk water station is not being considered at this time. Staff could work with Bright's to establish a connection method that protects water quality and monitors water taken. Bright's has asked for exclusive access to bulk water, while most municipalities provide broader access. Legal requirements for connection, payment and use of Town water would need to be established in an agreement which would come back to Council for final

approval if there is interest in allowing this company access.

The pictures below are of the unit used by Bright's to access Town water during IPM 2016.



FINANCIAL CONSIDERATIONS:

Using Town current rates for 2017 the cost of one truckload of bulk water would be about \$61 plus one \$75 hookup and one \$75 disconnection fee for the season. A typical pool fill up would require two truckloads of water. If the company were to use 5,000 m³ of water in one season (+180 loads) at current rates total revenue to the system would be \$10,400. If access is considered a rate increase for bulk water should be considered.

RECOMMENDATION:

That Council receives the C.A.O. Clerk and Water Foreman's May 10, 2017 report Bulk Water Request Bright's Water Services Inc. and that staff be directed to negotiate a draft agreement with Bright's Water Services to provide access for bulk water in Palmerston along with a policy and updated rate for Council consideration.

Bill White C.A.O. Clerk