

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

From: Scott Mathers, MPA, P.Eng.
Director, Water, Wastewater, and Stormwater

Subject: Amending Agreement to the Services Agreement Between
Partner Municipalities and the Ontario Clean Water Agency
for Contracted Operations at the Elgin-Middlesex Pumping
Station

Date: February 1, 2022

Recommendation

That, on the recommendation of the Director, Water, Wastewater and Stormwater, the following actions **BE TAKEN** with respect to an Amending Agreement to the existing Services Agreement between the partner municipalities and the Ontario Clean Water Agency for the contracted operation of the Elgin-Middlesex Pumping Station:

- (a) the attached proposed By-law (Appendix 'A') **BE INTRODUCED** at the Municipal Council Meeting of December 7, 2021, to approve an Amending Agreement Between Ontario Clean Water Agency and the Corporation of the City of London, Aylmer Area Secondary Water Supply System Board of Management and the St. Thomas Area Secondary Water Supply System Board of Management, for the continued contracted operation of the Elgin-Middlesex Pumping Station;
- (b) the Mayor and City Clerk **BE AUTHORIZED** to execute the Amending Agreement, substantially in the form attached to this by-law, and satisfactory to the City Solicitor, and all documents required to fulfill its conditions; and,
- (c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this Amending Agreement.

It **BEING NOTED** that the Boards of Management for both Secondary Water Supply Systems are concurrently undertaking similar actions to enter into this agreement.

Executive Summary

Purpose

The purpose of this report is to approve and execute an Amending Agreement to the existing Services Agreement between the partner municipalities and the Ontario Clean Water Agency (OCWA) for the continued contracted operation of the Elgin-Middlesex Pumping Station (EMPS). This Amending Agreement will extend the current Services Agreement to December 31, 2027.

Context

The Ontario Clean Water Agency (OCWA) is currently the contracted operator for the Elgin-Middlesex Pumping Station (EMPS). The existing Services Agreement between the partner municipalities and OCWA will expire on June 30, 2022.

Concurrent to this recommendation, staff of the Boards of Management for both the St. Thomas Secondary Water Supply System and the Aylmer Secondary Water Supply System have requested that this Amending Agreement be entered into for the continued operation of EMPS from July 1, 2022, to December 31, 2027. Furthermore, the Elgin Area Primary Water Supply System Joint Board of Management is similarly extending their operating contract with OCWA.

Linkage to the Corporate Strategic Plan

The following report supports the 2019–2023 Strategic Plan through the strategic focus area of Leading in Public Service, by demonstrating leadership and accountability in the management and provision of quality programs and services through the proposed continuation of the contract terms between the partnering municipalities and the contracted operator of the Elgin-Middlesex Pumping Station.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- “Services Agreement between Partner Municipalities and the Ontario Clean Water Agency for Contracted Operations at the Elgin-Middlesex Pumping Station”, Civic Works Committee, May 24, 2017, Agenda item #2.
- “Revised Joint Occupancy and Use Agreement for the Elgin-Middlesex Pumping Station”, Civic Works Committee, November 23, 2021, Agenda item #2.6.

2.0 Discussion and Considerations

The Elgin-Middlesex Pumping Station and Reservoir facility (EMPS) is located at 490 South Edgeware Road, in St. Thomas. The reservoir receives water from the Elgin Area Primary Water Supply System. Municipalities share ownership of the EMPS facility, along with the Elgin Area Primary Water Supply System. The Township of Malahide is designated as the Administering Municipality for the Aylmer Area Secondary Water Supply System Board of Management. Likewise, the City of St. Thomas represents the St. Thomas Area Secondary Water Supply System Board of Management. The City of London also has ownership and representation. Individual distribution systems for Aylmer, St. Thomas, and London have separate pumping systems drawing water from the facility.

Various processes, pumping units, electrical and ancillary equipment within the building structure are specifically identified and owned by the municipal partners. Some components are co-shared between municipalities, such as the standby power generation equipment, which only serves the Aylmer and St. Thomas systems. The site also has some other components (such as the reservoir) which are under the ownership and responsibility of the Joint Board of Management for the Elgin Area Primary Water Supply System.

Since its inception in 1996, the operation of EMPS has historically been operated through contractors. In 2012, the municipalities collaboratively developed a contract with OCWA for the operation, maintenance, and management of the EMPS. Starting in July 2012, the City of London formally entered into a four-party agreement with the partnering municipalities and OCWA. In May 2017, the original Services Agreement was extended for another five years, which will lapse on June 30, 2022.

The partnering municipalities are pleased with the performance of OCWA since commencing service delivery in 2012. OCWA provides each municipality with monthly details on maintenance and operational activities. They conduct comprehensive quarterly meetings with the municipal partners, discussing the activities performed and upcoming plans. They have performed an extensive condition assessment on each sub-system and developed specific prevention maintenance activities and suggested Capital improvements for all inventory. OCWA’s communication is excellent regarding undertaking any additional services/Capital work improvements. No work is performed until authorization from the pertinent municipal owner has been given. All supporting

documentation (analyses results; quotations; etc.) is always included with OCWA's request to undertake the work.

They have also successfully developed and implemented an Operational Plan, and have conducted numerous Drinking Water Quality Management System audits, both internally and externally. They continue to meet all regulatory compliance requirements, annual Ministry of the Environment, Conservation and Parks inspections, etc., and report all results to the partnering municipalities promptly and thoroughly.

The recommended Amending Agreement has been developed through consensus of all parties involved, including review by the City Solicitor's Office and the Risk Management Division.

Conclusion

OCWA currently has an agreement between the partnering municipalities of London, Aylmer, and St. Thomas, for the contracted operation and maintenance of EMPS. It will lapse on June 30, 2022. Under the terms and conditions of the current agreement, there is a provision for an extension, subject to concurrence by all parties. Likewise, the Elgin Area Primary Water Supply System Joint Board of Management is proceeding to extend its renewal with OCWA.

This report recommends that the City of London continue to retain the Ontario Clean Water Agency for the operation, maintenance, and management of the Elgin-Middlesex Pumping Station. The Amending Agreement to the existing Services Agreement between the partner municipalities and the Ontario Clean Water Agency for the contracted operation of the Elgin-Middlesex Pumping Station will extend the continued operation of the facility with them to December 31, 2027, and is attached as Appendix 'B'.

Submitted by: **John Simon, P.Eng.**
Division Manager, Water Operations

Recommended by: **Scott Mathers, MPA, P.Eng.**
Director, Water, Wastewater and Stormwater

cc: Lynne Livingstone – City Manager
 Matt Sweetland – Aylmer Area Secondary Water Supply System
 Justin Lawrence – St. Thomas Area Secondary Water Supply System
 Dan Huggins – Water Quality Manager, Water Operations
 Aaron Rozentals – Division Manager, Water Engineering
 Blair Tully – Ontario Clean Water Agency, General Manager Huron and Elgin
 Andrew Henry – Director, Regional Water Supply

Appendix 'A' - By-law to approve an Amending Agreement Between Ontario Clean Water Agency and the Corporation of the City of London, Aylmer Area Secondary Water Supply System Board of Management and the St. Thomas Area Secondary Water Supply System Board of Management, for the continued contracted operation of the Elgin-Middlesex Pumping Station

Appendix 'B' – Amending Agreement Between Ontario Clean Water Agency and the Corporation of the City of London, Aylmer Area Secondary Water Supply System Board of Management and the St. Thomas Area Secondary Water Supply System Board of Management

APPENDIX 'A'

Bill No.
2022

By-law No. - _____

A By-law to approve an Amending Agreement Between Ontario Clean Water Agency and the Corporation of the City of London, Aylmer Area Secondary Water Supply System Board of Management and the St. Thomas Area Secondary Water Supply System Board of Management, for the continued contracted operation of the Elgin-Middlesex Pumping Station.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS it is deemed expedient for The Corporation of the City of London (the "City") to enter into an Amending Agreement Between Ontario Clean Water Agency and the Corporation of the City of London, Aylmer Area Secondary Water Supply System Board of Management and the St. Thomas Area Secondary Water Supply System Board of Management (the "Agreement");

AND WHEREAS it is appropriate to authorize the Mayor and City Clerk to execute the Agreement on behalf of the City;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Amending Agreement attached as Schedule "1" to this By-law, between Ontario Clean Water Agency and the Corporation of the City of London, the Aylmer Area Secondary Water Supply System Board of Management, and the St. Thomas Secondary Water Supply System Board of Management for the operation, maintenance, and management of the Elgin-Middlesex Pumping Station is hereby AUTHORIZED AND APPROVED.
2. The Mayor and City Clerk BE AUTHORIZED to execute the Agreement, substantially in the form attached to this by-law, and satisfactory to the City Solicitor, and all documents required to fulfill its conditions.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council February 15, 2022

Ed Holder
Mayor

Michael Schulthess
City Clerk

First reading – February 15, 2022
Second reading – February 15, 2022
Third reading – February 15, 2022