

Ministry of
Municipal Affairs
and Housing

Ministère des
Affaires municipales
et du Logement



Office of the Minister

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13-60559

JUL 19 2013

Mr. Emil Kolb
Regional Chair and CEO
Office of the Chair
Region of Peel
10 Peel Centre Drive, Suite A
Brampton, ON L6T 4B9

Regional Municipality of Peel
Office of the Regional Chair

JUL 26 2013

RECEIVED

Dear Mr. Kolb:

Thank you for your correspondence of June 12, 2013, regarding the Region of Peel's water supply strategy for communities in the Town of Caledon.

I note that in your correspondence, you mention that the Region of Peel is planning to undertake a Class Environmental Assessment to evaluate water supply and system upgrade options, including a lake-based water servicing option, for the communities of Cheltenham and Terry Cotta in the Town of Caledon.

As part of the Class Environmental Assessment process, the Regional Municipality of Peel will need to comply with all applicable provincial policies and plans, including the Greenbelt Plan and the Niagara Escarpment Plan.

More specifically, Section 4.2.2.2 of the Greenbelt Plan states: "Where settlements do not currently have Great Lake or Lake Simcoe based water and sewage services, extensions to or expansions of existing Great Lake or Lake Simcoe based services to such settlements is not permitted, unless such servicing is required to address failed individual on-site sewage or water services or to ensure the protection of public health where it has been determined by a medical officer of health (or health authority) that there is a public health concern associated with existing services within the settlement. The capacity of the services provided in these circumstances will be restricted to that required to service the affected existing settlement plus the capacity for potential *development* within the approved settlement boundary as it existed on the date this Plan came into effect."

| LEGISLATIVE SERVICES | |
|--------------------------------|---|
| COPY TO: | FOR: |
| Chair | <input checked="" type="checkbox"/> Committee |
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| Corporate Services | Council <input checked="" type="checkbox"/> |
| Public Works | <input checked="" type="checkbox"/> Sept. 12/13 |
| Employee and Business Services | |
| Health Services | File |
| Human Services | |
| Peel Living | |

REFERRAL TO _____
RECOMMENDED _____
DIRECTION REQUIRED _____
RECEIPT RECOMMENDED

PW-E6-2

-2-

The Ministry of Municipal Affairs and Housing will provide comments as appropriate, as a commenting agency, through the Class Environmental Assessment process once initiated by the Region of Peel.

Furthermore, Ministry staff would be happy to further discuss the matter with Peel Region. You may contact Ms. Alejandra Gonzalez, Planner, at the Ministry's Central Municipal Services at 416-585-7323 or by email at Alejandra.Gonzalez@ontario.ca to set-up a meeting.

Once again, thank you for raising this matter with me. Please accept my best wishes.

Sincerely,



Linda Jeffrey
Minister

- c: You Worship, Marolyn Morrison, Town of Caledon
Allan Thomson, Councillor Ward 2, Town of Caledon
Dolly Goyette, Director, Ministry of the Environment
David Szwarc, Chief Administrative Officer, Region of Peel
Dan Labrecque, Commissioner of Public Works, Region of Peel
Mark Schiller, Executive Director, Water and Wastewater, Region of Peel
Arvin Prasad, Director, Integrated Planning, Region of Peel



PW-E6-3

Office of the Chair

June 12, 2013

The Honourable Linda Jeffrey
Minister of Municipal Affairs and Housing
777 Bay Street, 17th Floor
Toronto, ON M5G 2E5

Dear Minister: *Linda*

The intent of this letter is to engage the Ministry in the sustainable long term water supply strategy for the communities of Cheltenham and Terra Cotta in the Town of Caledon. The Region of Peel is planning to undertake a Class EA Study to evaluate water supply and system upgrade options for these communities. These communities are located within sensitive environmental areas; however, the long term sustainability of the groundwater supply is also sensitive. Preliminary review indicates that lake-based water supply extension to the community is a viable option and should be considered. As advised by Ministry of Environment letter dated May 27, 2013 (see attached), The Region of Peel seeks support from the Ministry of Municipal Affairs and Housing to include the lake-based option in the evaluation process as a viable alternative for water supply to this area.

The communities of Cheltenham and Terra Cotta lie in the southwest corner of the Town of Caledon within the Regional Municipality of Peel. The communities are currently supplied with potable water using municipal well based systems which are operated and maintained by the Region of Peel.

As of 2011 both communities have a combined population of approximately 830. However, according to the 2008 Town of Caledon Official Plan, a population allocation of 1,380 will be in place by 2021. Additional water supply is required to accommodate the potential growth and must be secured through a Class Environmental Assessment to determine the preferred option.

As the communities grow and the groundwater source supplies are taxed, there is an increasing concern regarding the long term sustainability for water quantity and potentially quality. In addition, there are ongoing requirements to satisfy Ministry of the Environment Permit to Take Water (PTTW) conditions and financial commitment to build, operate and maintain the expanded groundwater systems.

The Region of Peel lake-based water system services over one million population within Mississauga, Brampton and parts of Caledon and currently extends to within 6 km of the Cheltenham community (see attached Figure 1). The proximity of the lake-based system to these communities offers a reasonable alternative to a well based system and

realizes potentially significant benefits over a well based system including substantially reduced operating costs. In addition to providing Cheltenham and Terra Cotta with a secure and cost effective water supply, this option also has the benefit of supporting agricultural

The Regional Municipality of Peel

activities in the area through eliminating source water protection restrictions and providing net benefit to the water balance in the communities.

The Region of Peel has undertaken a preliminary study, the Rural Servicing Review for the Community of Cheltenham (provided attached), to assess the several planning and environmental policies that may impact the viability of a lake-based servicing option for these communities. Key policies within the Greenbelt Plan, Places to Grow Act, Ministry of Affairs and Housing Provincial Policy Statement, Niagara Escarpment Conservation Plan, Town of Caledon Official Plan and the Region of Peel Official Plan are being considered in the analysis of alternatives for servicing Cheltenham and Terra Cotta. Table 1 below outlines some key elements of these policies and other concerns that would benefit from considering a lake-based alternative drinking water supply for these two communities.

Table 1 Policy Review and Other Considerations Related to Lake-Based Servicing of Cheltenham and Terra Cotta

| Component | Lake-Ontario Based Solutions |
|--|---|
| Provincial Planning and Servicing Policies | <ul style="list-style-type: none"> • All key statements and elements can be addressed and demonstrated to provide benefit |
| Infrastructure | <ul style="list-style-type: none"> • Would avoid new facilities in local area. • No new facilities in greenbelt, ORM and NEC • Would require new pipe but could be located to minimize/temporary impact during construction |
| Source Water Protection | <ul style="list-style-type: none"> • Relieve community of the mitigation requirements for the groundwater threats. • Would not restrict but enhance agricultural and rural activities |
| Asset Management Principles | <ul style="list-style-type: none"> • Leverage lifecycle costing of broader lake-based system (economies of scale) • Overall system operation and maintenance could be reduced given that the well based facilities would not need to be maintained. |
| Environmental | <ul style="list-style-type: none"> • Positive impact through groundwater taking reduction • Local benefit to water balance • Overall net benefit to environment based on above infrastructure, SWP and environmental impacts |
| Potential Health Issues | <ul style="list-style-type: none"> • Lake based system brings high level of service and minimizes impact to water supply source |
| Financial | <ul style="list-style-type: none"> • When considering the ongoing operation and maintenance costs for groundwater treatment and potential upgrades to the Cheltenham System compared to the capital cost of the preliminary servicing concept outlined in Section 5, the overall lake water extension program is cost effective. |

PW-E6-5

In addition, the study outlines the potential risks and constraints associated with the alternative. Most notably, the risks include potential public opposition relating to the perception that groundwater quality is superior to lake based and that this solution may trigger unwelcomed growth beyond the currently approved growth projections under the Official Plans as well as other concerns such as the environmental impact of a lake-based piped alternative. The Region of Peel is aware that these are very valid concerns. Should the lake-based alternative be explored, we are committed to working with the communities and key agencies to ensure that all concerns are addressed in an ethical and environmentally conscientious manner.

In relation to this request to the Ministry, it should also be noted that the potential need for lake-based servicing to the communities of Cheltenham and Terra Cotta was identified in the Risk Management Official's Annual Report 2012 that was submitted to MOE on January 30, 2012.

In summary, the attached study identifies that extension of the lake-based system to the communities of Cheltenham and Terra Cotta is a viable option and would provide a benefit to the service area. Under a lake-based option, Provincial and environmental policies and legislation and community concerns can be addressed.

We respectfully request that a letter of response be provided to the Region of Peel supporting, in principle, the consideration of a lake-based servicing option in the future drinking water supply for the Cheltenham and Terra Cotta communities. Should you require any further clarification or additional information, please contact Mark Schiller, Executive Director, Water and Wastewater at (905) 791-7800 x 4394 or email to Mark.Schiller@peelregion.ca.

Sincerely,



Emil Kolb Regional Chair & C.E.O.

cc :

Alejandra Gonzales – Ministry of Municipal Affairs and Housing
Marolyn Morrison, Town of Caledon – Mayor
Allan Thomson, Town of Caledon - Councillor Ward 2
David Szwarc, Region of Peel - Chief Administrative Officer
Dan Labrecque, Region of Peel - Commissioner of Public Works
Mark Schiller, Region of Peel - Executive Director, Water and Wastewater
Arvin Prasad, Region of Peel – Director, Integrated Planning