

Region of Waterloo
Engineering and Environmental Services
Water and Wastewater Infrastructure Management

To: Regional Council
Meeting Date: April 8, 2026
Report Title: Mannheim Service Area Water Capacity Constraint: Update on Work Underway – April 2026

1. Recommendation

For Information.

2. Purpose / Issue:

This report provides an update on work happening across the organization to address the Mannheim Service Area water capacity constraint.

3. Strategic Plan:

The provision of drinking water to the residents and businesses of the Region of Waterloo is a fundamental underpinning of all the pillars of the Region's Strategic Plan – including Homes for All, Climate Aligned Growth, Equitable Services and Opportunities, and Resilient and Future Ready Organizations

4. Report Highlights:

- Work continues across the organization and with external working groups to address the Mannheim Service Area water capacity constraint.
- Short term infrastructure solutions continue to progress, with preparatory work for the side stream container underway at the Mannheim Water Treatment Plant. The Parkway repairs are now complete and the system is online as of March 30, 2026.
- The hiring process to add staff resources to address the Mannheim Service Area water capacity constraint is progressing, with the various roles at the interview and resume review stage.
- Working groups are continuing to meet regularly on the topics as outlined in this report.
- Work on the Interim Risk Management Framework that will identify the necessary

operational thresholds and risk-based targets that must be met to allow staged development to proceed is progressing with the assistance of a consultant and a working group composed of Area Municipal and Regional Staff.

- A Framework for Water Allocation is being developed with input from the Planning Focused Working Group. This framework will identify how water supply will be allocated to Area Municipalities as it becomes available.
- Meetings for site-specific inquiries about impacts on development continues.
- Communications materials for the development industry and community at large continue to be developed and released.

5. Background:

Work continues across the organization to address the Mannheim Service Area water capacity constraint. The following outlines work underway.

Infrastructure:

Preparation work at the Mannheim Water Treatment Plant site continues in anticipation of the arrival of the first side stream container. This work includes a review of the borehole testing findings to inform the upcoming concrete, foundation design work and the design of the piping system that will connect the container to the plant.

The Parkway repairs are complete. Commissioning of the system was carried out to test the equipment to ensure everything was working well before pumping water to the system. Parkway was back online as of Monday March 30th.

Development:

Approach to Development Comments

Work is underway to assess whether there could be further support for development to proceed while ensuring the safe, sustainable operation of the water system. The Region and Area Municipalities continue to work together to achieve clarity in an understanding of what development could proceed in advance of the Interim Risk Management Framework being completed. A further update is anticipated at the May Special Council Meeting.

Planning Application Data and Short-Term Forecast

A short term 2026-2031 population forecast for the Mannheim Service Area is being developed. The forecast will assess current and near-future demographic, socio-economic and economic factors influencing growth to provide a short-term forecast

based on current market conditions. This will provide an understanding of the anticipated demands over the next few years to help inform the interim risk management framework as well as the approach to an allocation program for new water capacity.

An updated appendix from the March 11 report (EES-WIM-26-005) is attached to this report with the most up-to-date planning related data provided by the Region and Area Municipalities.

Framework for Water Allocation

Work is underway to develop a program to allocate water capacity. Three meetings have been held with the Planning Focused Working Group and a workshop with the Development Stakeholder Group that focused on how water could be allocated, prioritization of projects and timeframes. Through these discussions general principles relating to transparency, equity and consistency were identified. To date discussions have focused on roles and responsibilities, contemplated how to allocate water capacity across municipalities, and a preliminary concept that would see Area Municipalities having the primary role in site specific allocation for development. It is anticipated a program will be brought forward to align with the recommendations of the interim risk management framework. This would detail how and at what frequency water is allocated and include provisions for monitoring, tracking and reporting. An update on the progression of the water allocation framework will be provided at the May Special Council Meeting.

Staffing Resources:

Following Council's approval of additional staff resources on January 28, 2026 (EES-WIM-26-001), the process is underway to hire four Senior Engineers and one Water Resources Technologist (currently in the interview stage), and two Instrument and Control Technicians (resume review underway).

Working Groups:

Working Groups are continuing to meet and advance the work to address the Mannheim Service Area water capacity constraint.

Technical Focused Working Group Update

Water Services staff have organized a half day technical workshop for April 2, 2026, with invites extended to Area Municipal Technical Leads, Planning Heads, members of the Development Stakeholder Group and industry experts.

The Interim Risk Based Framework working group continues to collect information/data from study participants. The creation of a draft risk register is in progress and discussions have been initiated for identifying various risk scenarios.

Conservation Working Group Update

Staff are working with the consultant on the plan for the next phase of engagement, which will involve scheduling focus groups with stakeholders in April to gather input into potential conservation recommendations. Stakeholders will also have the option to meet with the consultant and/or staff one-on-one if they prefer.

Planning Focused Working Group Update

The Planning Focused Working Group continues to meet weekly for discussions on development related topics, and alignment of Area Municipal/Region approach to development, including exploratory conversations on what types of development could proceed in the near term and what planning tools might be available to allow certain stages of the development process to continue. An evolution in development review comments is anticipated as this aligned approach is formalized.

In addition to this, the Planning Working Group is actively assessing approaches to allocating capacity to development as additional water supplies become available.

Development Stakeholder Group

The Development Stakeholder Group is meeting on an ongoing basis with recent workshop style session on Wednesday March 25 and a collaborative session at broader technical workshop on water supply solutions on Thursday April 2.

This group is discussing similar topics as the Planning Focused Working Group for industry input, such as tools or processes to allow development stages to progress, possible options for future water allocation, and exploratory discussions on development projects that may be able to proceed without any new water demand.

Communications Working Group Update

Discussion with the Communications Working Group include the external communications consultant for the water capacity constraint. Discussions are forward looking as we work together on aligning future messaging and communications touchpoints for partners and community, whenever possible.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities: Collaboration with Area Municipalities continues across multiple streams of work on the Mannheim Service Area water capacity constraint. Area Municipal staff are part of working groups related to technical solutions, planning and development, communications, legal and conservation.

Public: The community continues to be updated on the Mannheim Service Area water capacity constraint through a variety of channels including the bi-weekly Progress Update bulletin and regular website updates (www.regionofwaterloo.ca/watercapacity).

A technical background document (previously referred to as the Industry White Paper) is being prepared which outlines the water capacity constraint and solutions underway. This document is anticipated to be shared with community in April 2026.

Leaders from the development community are part of the Development Stakeholder Group who are continuing to meet regularly. An Interim Update on Development Continuity is underway, with support from this working group. This interim update is intended for the development industry and their partners. It is expected to be shared in April 2026.

7. Financial Implications:

	Current Year	Future Year(s)
Budget Impact?	No new impact	Annualized into budget
Capital Plan Impact?	No new impact	No new impact

There is no additional financial implications from this report.

8. Conclusion / Next Steps:

Work continues across the organization and community to address the Mannheim Service Area water capacity constraint.

Regional Council will receive a further update on work underway in May 2026.

9. Attachments:

Appendix A: Presentation – April 2026 MSA Work Underway

Appendix B: Updated summary of 2025 Planning Application data within the Mannheim Service Area.

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