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Date December 05, 2023 **Report No.** 2023-651
To Chair and Members
Committee of the Whole – Operations
From Inderjit Hans, P. Eng., PMP
Commissioner, Public Works Commission

1.0 Type of Report

Consent Item
Item for Consideration

2.0 Topic GRCA Category 2 Programs and Services Memorandum of Understanding [Financial Impact: \$75,623 (Rate Supported)]

3.0 Recommendation

- A. THAT Report No. 2023-651 GRCA Category 2 Programs and Services Memorandum of Understanding BE RECEIVED and;
- B. THAT the City Clerk BE DIRECTED to place the Agreement between the Corporation of the City of Brantford and the Grand River Conservation Authority for Category 2 Programs and Services in 2024 on the Signing By-law for execution by the Mayor and City Clerk and;
- C. THAT staff BE DIRECTED to work with the Grand River Conservation Authority and the County of Brant to investigate options for continuing programming at Apps' Mill.

4.0 Executive Summary

New provincial regulations require Ontario's Conservation Authorities (CAs) to establish categories of programs and services ranging from mandatory to optional. From these new regulations, associated municipalities can only accept

what is mandated within these categories and not substitute one program for another. Category 1 Programs and Services with the GRCA are mandatory for the 22 associated municipalities that are situated along the Grand River; please see Appendix A for a list of the 22 associated municipalities. In addition, these changes require CAs to enter into service agreements (e.g., memorandum of understanding/MOUs) with their associated watershed municipalities for the delivery of certain non-mandatory services and programs through Category 2 and 3 Programs and Services. Not entering into these MOUs would mean that the programs and services would cease to be delivered.

On September 22, 2023, the Grand River Conservation Authority (GRCA) at their General Membership meeting approved an MOU and Letter Agreement that provides the City of Brantford the opportunity to opt into their Category 2 Programs and Services at a sum total of \$75,623 for the 2024 calendar year (which would result in a total annual increased fee of \$28,244, or 2.9%, from 2023). This increase from the 2023 budget is consistent with the typical 2% to 3.5% inflationary increase the City has experienced in previous years for GRCA programming and services. If the City of Brantford were to opt out of the GRCA's Category 2 Program and Services, the GRCA total levy for 2024 is \$911,784. Not opting into Category 2, however, will result in the City not having access to valuable watershed monitoring data needed for source water protection, sub watershed studies for stormwater management and development of lands, environmental assessments, and broader decision-making regarding the protection of local creeks and the Grand River. If the City was to undertake this work there would be a need to resource these studies with subject matter experts and attempt to coordinate with all municipalities in the watershed, something the GRCA currently undertakes.

The GRCA noted that a Letter Agreement under the MOU needs to be in place with participating municipalities by January 1, 2024. If any associated municipalities do not opt into the GRCA's Category 2 Programs and Services by January 1, 2024, there will be a change in the City of Brantford's apportionment and the GRCA would re-engage with interested municipalities. The initial term of the MOU and the letter of agreement is five (5) years with an option to automatically renew for a further five (5) year terms with the same terms and conditions. The MOU can be terminated early by written notice no less than 180 days prior to the end of the calendar year. The MOU will be reviewed by the Parties on an annual basis. The GRCA will notify within 30 days of termination of the MOU with any municipality in the watershed.

Though the focus of this report is Category 2 Program and Services, there were discussions at the October 27, 2023 GRCA general board meeting regarding Category 3, which includes Apps' Mill, where it was recommended to move its Outdoor Environmental Education Program towards a breakeven business model that does not rely on municipal apportionment. The GRCA has been providing Outdoor Environmental Education programming at Apps' Mill since the 1970s. Over time, this program has been funded through municipal levies. Due to recent changes in the *Conservation Authorities Act*, the GRCA's Outdoor Environmental Education Program and their five nature centre facilities (including Apps' Mill) now fall into the GRCA's Category 3 Programs and Services and Apps' Mill can only be funded through self-funded services (including fee for use) or services that receive grant funding. The total amount of funding requested by the GRCA from the City of Brantford and County of Brant to continue operations/programming at Apps' Mill is \$265,000 which includes, \$70,000 to cover the operating deficit and \$195,000 in capital maintenance and project support costs. This does not include ongoing maintenance of the facilities on the property. At a subsequent meeting held on November 24, 2023, the Board approved delaying the decision on revising the Outdoor Environmental Education Program from January 2024 to September 2024. Staff will engage with GRCA and the County of Brant to investigate options for Apps' Mill prior to the September 2024 deadline.

5.0 Purpose and Overview

The objective of this report is to provide background information regarding the GRCA and the proposed recommendation to opt into the GRCA's Category 2 Programs and Services at a cost of \$75,623. With opting into the GRCA's Category 2 Programs and Services, the City of Brantford will continue its valued partnership with the GRCA and utilization of important data, programs, and services that support staff operations/service levels and the Grand River.

6.0 Background

6.1 Provincial Regulatory Changes

The City of Brantford is required to enter into the GRCA's Category 1 Programs and Services through *Ontario Regulation 686/21: Mandatory Programs and Services*. This regulation prescribes the mandatory programs and services conservation authorities (CAs) are required to provide. GRCA's Programs and Services are funded by municipalities within the respective watershed, grants, and in some cases, CA self-generated revenue (e.g., user fees, resource

development). The General Municipal Levy is allocated (apportioned) to participating municipalities based on Modified Current Value Assessment (MCVA), which the Ministry of Environment Conservation and Parks (MECP) provides to the GRCA. The GRCA's Category 1 Programs and Services do not require an MOU or cost-apportioning agreement as they are mandatory.

On September 22, 2023, the GRCA Board at their General Membership meeting approved a Memorandum of Understanding (MOU) and Letter Agreement that was distributed to GRCA Board Members Mayor Kevin Davis, Councilor Gino Caputo, and the City of Brantford. From the MOU and Letter Agreement, the GRCA provided the City of Brantford with the costs associated with opting into the optional Category 2 Programs and Services at a sum total of \$75,623 for the 2024 calendar year (results in an increase of \$28,244 from 2023 total levy) and noted that a Letter Agreement must be in place with participating municipalities by January 1, 2024. The initial term of the MOU and the letter of agreement is five (5) years with an option to automatically renew for a further five (5) year term on the same terms and conditions. The MOU can be terminated early by giving written notice no less than 180 days prior to the end of the calendar year. The MOU will be reviewed by the Parties on an annual basis. The GRCA will notify within 30 days termination of the MOU with any municipality in the watershed.

6.2 GRCA Levy Funding

To date, the GRCA's Programs and Services are budgeted in the Environmental Services business unit 154101 which is funded from water/wastewater user rates. The GRCA's 2023 budget for the City was \$959,163 levy for programs and services. The GRCA's proposed 2024 budget apportionment for the City is \$987,407 should the City opt into Category 2 under this new structure.

6.3 Outdoor Environmental Education Program and Apps' Mill

The GRCA has been providing Outdoor Environmental Education programming since the 1970s. As per the GRCA's website, this program was originally created through partnerships with watershed school boards to create curriculum-based programs to help educators get students outdoors and engaged in hands-on environmental learning. The GRCA currently has five nature centre facilities where school groups attend programs during the school year, including Apps' Mill. In the past, the Outdoor Environmental Education programming has been funded through municipal levies collected from participating municipalities. This amount of municipal levy funding is reflective of typical levy requirements for this program in the past years. The other source of revenue for this program is fee

revenue from school board agreements and any additional school classes that attend.

The changes to the *Conservation Authorities Act* have impacted how this program can be funded going forward. Now as a Category 3 Program and Service, the Outdoor Environmental Education programming is required to operate without any municipal funding, unless a cost-apportioning agreement with municipalities is in place. The GRCA's proposed actions and transition plan is to move its Outdoor Environmental Education Program towards a breakeven business model with continued programming/learning but shifted to nearby conservation lands.

6.4 Brant Rural Water Quality Program

On January 2019, at a City Council did not approve Report No. 2019-01-15 that detailed funding agreement of the Brant Rural Water Quality Program (BRWQP) between The Corporation of the City of Brantford and The Corporation of the County of Brant and the GRCA. With the move to a Category model, the Rural Water Quality Program is a part of the GRCA's Category 2 Programs and Services. If the City of Brantford were to opt into the Category 2 Programs and Services, this decision would override Council's previous decision and City would not be able to deduct this program offering and/or reduce this fee from the overall amount being owed to the GRCA.

6.5 Nitrate level in the Grand River

Nitrate is commonly found in the Grand River water and in some ground water wells in the Brantford area. The common source of nitrate in the Grand River watershed includes agricultural activities, wastewater treatment effluent, and industrial process discharges. The City has been monitoring the nitrate levels in the Grand River water for over a decade. With the legislation changes, the current nitrate monitoring program now falls under Category 2 Programs and Services described in section 9.1 of this report.

7.0 Corporate Policy Context

- 2023-2026 City of Brantford Council Priorities:
 - Strategic Theme 2: Focus on productive and collaborative partnerships
 - Strategic Theme 10: Build a greener Brantford

8.0 Input from Other Sources

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- City of Brantford staff from the following departments:
 - Public Works Commission
 - Planning and Development Services
 - Legal Services
 - Finance Services
 - External stakeholders including:
 - Grand River Conservation Authority (GRCA)

9.0 Analysis

The GRCA is governed by the *Conservation Authorities Act* and provincial regulations: (1) *Regulation 150/06 - Regulation of Development, Interference with Wetlands and Alterations to Shorelines and Watercourses*, and (2) *Regulation 106 - Conservation Areas*. These regulations give the GRCA the mandate to prohibit or regulate development in river or stream valleys, wetlands, Lake Erie shorelines, inland lakes and hazardous lands within the Grand River watershed. The GRCA holds 90 years of joint municipal, provincial and conservation authority planning experience. The GRCA's programs and services support municipal objectives through the following:

- Data and knowledge to provide watershed context for municipal decisions
- Support municipal growth planning, watershed and sub-watershed planning, official plans and other regional studies
- Plan review for matters related to natural heritage and flooding
- Master planning for water supply, wastewater, storm water infrastructure

On October 2021, new regulations were introduced under the *Conservation Authorities Act* to implement the changes under Bill 229. The new legislative amendments and corresponding regulations now require the categorization of conservation authority programs and services into three categories and do not allow the selection of individual programs and services to implement or utilize. These categories include Category 1 (those programs and services every conservation authority is required/mandated to provide to associated municipalities), Category 2 (programs and services a municipality requests the conservation authority to undertake pursuant to a memorandum of understanding (MOU) or agreement), and Category 3 (programs and services the authority

decides to adopt to further the purposes of the Act). From these new regulations, associated municipalities cannot substitute certain programs and services that they wish to receive with others, municipalities can only accept what is mandated within these categories.

Table 1 provides a summary of what each GRCA category includes and how they differ from one another:

Table 1 - Difference between the GRCA's Category 1, 2, and 3 Programs/Services

Category 1 (mandatory)	Category 2 (optional)	Category 3 (optional)
<ul style="list-style-type: none"> -Preparedness and natural hazards (flood and erosion risk). - Monitoring (data acquisition for river levels, snowpack, precipitation, flood forecasting). - Flood and erosion control infrastructure. - Response (warnings, emergency management). - Review of specific proposals under other legislation. - Management & development of authority lands (lands, infrastructure, water control structures, forest management). - Drinking Water Source Protection Authority duties and requirements. - Land acquisition (donations, leasing, agreements). - All administration related to the delivery of these programs/services (governance, 	<ul style="list-style-type: none"> -Sub-watershed services (studies, review, monitoring, inspection, maintenance, best practices). - Conservation services (partnerships related to private land stewardship actions and tree planning, education). - Water quality programs (wastewater optimization, technical support and support of EAs, master plans, surface water quality monitoring and modelling). - Watershed sciences (watershed and landscape scale science, cross-disciplinary watershed planning, resource management, government relations). - Watershed stewardship programs (delivery of rural water quality programs). 	<ul style="list-style-type: none"> -User fee services (such as rentals, parks, campgrounds). - Watershed stewardship extension, forestry and monitoring. - Restoration of natural areas. - Soil and water conservation. -Outdoor Environmental Education Program (e.g., Apps' Mill Nature Centre, Guelph Lake Nature Centre, Laurel Creek Nature Centre, Shade's Mills Nature Centre, Taquanyah Nature Centre) - Watershed stewardship programs (delivery of rural water quality programs). - Watershed health monitoring and reporting.

communications, fleet management and maintenance, program implementation, technical support, financial management).		
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9.1 Category 2 Programs and Services

Most of the services included in the draft MOU (attached as Appendix A) have been provided to the City through the GRCA's Programs and Services for many years and were funded as part of the annual levy. The section below provides specific examples of programs and services the GRCA has provided to the City of Brantford in the past, which is now considered a part of the GRCA's Category 2 Programs and services and will require a signed MOU for continuation:

Conservation Services

- GRCA provides planning and delivery support to Brantford Earth Week and other community tree planting events. This includes assistance with developing planting plans, coordination and delivery of planting stock, providing event staff and resources (e.g., shovels, tarps, signage).
- GRCA offers grants and technical support to rural landowners in the City of Brantford through GRCA stewardship program delivery. Current programs include Forests Ontario 50 Million Tree Program (Funded by NRCAN 2 Billion Tree Program) and the Grand River Cover Crop Program (funded by ECCC Nature Smart Climate Solutions Fund).
- Brantford also benefits from delivery of stewardship programs in upstream municipalities as they reduce pollution to Brantford's raw water supply.

Sub-watershed Planning

- GRCA delivers Jones Creek monitoring and provides ongoing staff support for North Brantford-Tutela Heights Sub-watershed Study.
- GRCA currently participates on the Mohawk Lake Steering Committee.

Water Quality Programs

- New nitrate sensor and a separate blue-green algae sensor have been installed in Brant water quality station to inform understanding of raw drinking water quality. Another nitrate sensor is planning to be installed at the Bridgeport station to monitor upstream water quality.

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- GRCA provides notification and communication with Brantford staff of cyanobacteria blooms in GRCA reservoirs that have the potential to impact Brantford's raw water supply.
 - City staff participated in Fall 2020, 2021, and 2022 Watershed Wastewater Optimization Program (WWOP) workshops.
 - Brantford wastewater treatment plant (WWTP) received gold recognition by the WWOP in 2021 and silver recognition in 2022.
 - A one-page summary of the performance of the Brantford WWTP is provided annually, along with a copy of the annual WWTP performance report for all plants in the watershed.
 - Information on river conditions including the time to reach the Brantford raw water intake is provided for spill or bypass events.

Watershed Sciences & Collaborative Planning

- City of Brantford endorsed the Grand River Water Management Plan and contributed City actions. Brantford staff participate in Water Managers Working Group (June 2023) – networking and engagement with upstream municipalities whose actions may impact Brantford's water supply.
- Information on regional and watershed health available via Watershed Report Card.

These listed examples above illustrate the types of GRCA programs and services that are instrumental to the drinking water quality and the overall environment in Brantford that the City would not have access to if opting out of Category 2. Further, if the City of Brantford were to opt-out of the GRCA's Category 2 Programs and Services, the City's existing level of service received by the GRCA could be significantly impacted. The City of Brantford would not be able deliver a sub-watershed based program on its own as it would be difficult to coordinate and prioritize this work with each associated municipality in the watershed. Additionally, City staff do not have the required expertise and/or experience required on watershed flora and fauna (flora and fauna includes any plants or animals considered as a group), which is required to inform studies, environmental assessments, and broader decision-making regarding the Grand River.

The financial impact indicated from opting into the Category 2 Programs and Services is based on the understanding that all 22 watershed municipalities would opt in. Should any of the 22 municipalities opt out of Category 2, the fees would be recalculated by the GRCA and this information would be presented to the City of Brantford again for consideration.

10.0 Financial Implications

The cost for opting into the GRCA's Category 2 Programs and Services is an increase of \$28,244 in comparison from the GRCA's 2023 apportioned budget. This increase is consistent with historical inflationary increases of approximately 2% to 3.5% that the City has experienced in the past. It is recommended that the ongoing costs of \$28,244 to pay for the GRCA Category 2 Programs and Services be included as an unavoidable increase to the 2024-2027 Water and Wastewater rate supported budget.

If the City were to not opt into the GRCA's Category 2 Programs and Services the budget impact would be \$911,784 for the mandatory Category 1 Programs and Services. However, not opting into Category 2, will result in the City not having access to valuable watershed monitoring data needed for source water protection, sub watershed studies for stormwater management and development of lands, environmental assessments, and broader decision-making regarding the protection of local creeks and the Grand River. If the City was to undertake this work there would be a need to resource these studies with subject matter experts and attempt to coordinate with all municipalities in the watershed, something the GRCA currently undertakes, which would have a financial impact.

11.0 Climate and Environmental Implications

Increasing urban growth in the Grand River watershed will affect water quality in the Grand River from increased stormwater runoff. Additionally, with climate change, the City of Brantford is expected to experience increased rainfall which increases the risk of flooding as well as longer and hotter summers which can increase the evapotranspiration rate of the River and affect the supply of drinking water. The Category 2 programs and services will allow for greater water quality protection as well as increased climate change adaptation such as carbon sequestration, managing stormwater runoff, improved forest management, ecological restoration, and providing education and outreach. With opting into the Grand River Conservation Authority (GRCA) Category 2 Programs and Services, the City of Brantford will be investing in watershed health, improved conservation, and improved water quality while also helping to adapt to climate change.

12.0 Conclusion

The GRCA's Category 2 Programs and Services propose an opportunity for the City of Brantford to continue their productive and collaborative partnership with

the GRCA to support projects that contribute to growth. The continued partnership with the GRCA represents a responsible approach to environmental resource management and protection. With the proposed opportunity of opting into the GRCA's Category 2 Programs and Services, the City of Brantford will continue its valued partnership with the GRCA and utilization of important data, programs, and services that will support the ongoing maintenance of the Grand River in being an integral and unique part of the City.



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Commissioner, Public Works Commission

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Attachments (if applicable)

Appendix A: City of Brantford_MOU_2024 Category 2 Programs and Services

Appendix B: GRCA Category 3 Inquiry_Brantford

Copy to:

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required yes no

Agreement(s) or other documents to be signed by Mayor and/or City Clerk yes no

Is the necessary by-law or agreement being sent concurrently to Council? yes no