



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: September 11, 2023

Subject: SRCAO.2023.05 - Draft Agreement with Grey Sauble Conservation Authority – Category 3 Programs

Report from: Christine Fraser-McDonald, Clerk

Appendices: Appendix A - Reg-687-21 Transition Plans and Agreements 01 Jan 2023
Appendix B - Reg-400-22 Information Requirements 01 Jul 2022
Appendix C - Reg-402-22 Budget and Apportionment 20 Apr 2022
Appendix D - Reg-686-21 Mandatory Programs and Services 01 Jan 2023
Appendix E - Reg-596-22 Prescribed Acts 01 Jan 2023
Appendix F- GSCA Transition Plan Inventory Program Services
Appendix G – GSCA Draft Agreement

Recommendation

Be It Resolved that Council hereby,

1. Approves the draft Agreement prepared by the Grey Sauble Conservation Authority; and
2. That staff be directed to prepare a by-law to authorize the execution of the agreement.

Report Summary

The Provincial government introduced changes affecting the delivery of services by Conservation Authorities to Municipalities.

Category 1 and 2 services are mandatory and make up the majority of the municipal levy. Category 3 services are optional, and the Conservation Authority is required to enter into agreements with municipalities on the delivery of these services. The Grey Sauble Conservation Authority (GSCA) has proposed that the Category 3 services and the related municipal levy for these services remain the same for the member municipalities and has proposed an agreement to reflect this arrangement.

Background

Conservation Authorities provide a wide range of significant and valuable services to municipalities and residents across the watershed area including the Municipality of Arran-Elderslie. It is recognized by participating municipalities that the Conservation Authority provides watershed services that are viewed as an approach that demonstrates both national and international best practices with an environment-first model for planning, development and land use planning and management.

Further, the programs provided have served both provincial and local priorities funded by provincial funding, municipal levies, and self-generated revenues through user fees. Over the past couple of years, the degree of funding by the Province has decreased which has resulted in an increase in funding from the municipalities within the watershed, and an increase in self-generated revenue sources.

Additionally, the Provincial government introduced changes affecting the delivery of services by Conservation Authorities to municipalities. Category 1 (Mandatory services) and 2 (Municipal services) make up the majority of the municipal levy. Category 3 services are optional, and the Conservation Authority is required to enter into agreements with the municipalities on the continued delivery of these services.

The Grey Sauble Conservation Authority (GSCA) has proposed that the Category 3 services and the related municipal levy for these services remain the same for the member municipalities and has proposed an agreement to reflect this arrangement.

Analysis

A copy of the GSCA's consultation document and presentation to Council from 2022 is attached hereto and explains the impacts of Ontario Regulation 687/21. At that time Conservation Authorities were required to prepare an inventory of all programs and services offered and identify the programs as either Category 1 (Mandatory), Category 2 (Municipal Service), Category 3 (Other Programs and Services), or General Operating Expenses.

Category 1 programs are mandatory for all conservation authorities to provide. These programs include:

- Programs and services related to the risk of natural hazards.
- Programs and services related to the conservation and management of lands owned or controlled by the authority, including any interest in land registered on title.
- Programs and services related to the authority's duties, functions, and responsibilities as a source protection authority under the Clean Water Act, 2006.
- Programs and services to support the authority's functions and responsibilities related to the implementation and enhancement of the provincial groundwater monitoring program.
- Programs and services related to support the authority's functions and responsibilities related to the implementation and enhancement of the provincial stream monitoring program.
- Programs and services related to support the authority's functions and responsibilities related to the development and implementation of a watershed-based resource management strategy on or before December 31, 2024.

Category 2 refers to programs and services that a conservation authority provides on behalf of a municipality. Examples of this with the GSCA are:

- Review and Commenting Agreements under the Planning Act (currently altered by Bill 23).
- Risk Management Agreements under the Clean Water Act; and
- The management of Grey County's forested properties, and the Forest Management By-law.

Category 3 refers to Other Programs and Services that an Authority determines are advisable to further the purposes of the Act. Examples of Category 3 programs and services are:

- Tree planting
- Stewardship activities
- Watershed monitoring (other than Category 1); and
- Some of the revenue generating activities GSCA carries out on its land holdings.

The Category 3 services are currently being provided by the Conservation Authority. As a result of the new provincial legislation, these services are separated out and the municipality may decide whether it wishes to have those services provided by the Conservation Authority.

Agreements for Category 3 service are required prior to January 1, 2024, and the GSCA is requesting these agreements be finalized as soon as possible so that budgeting for 2024 can occur. A draft agreement is attached hereto for Council's consideration. You will note that the agreement is effective as of January 1, 2024.

Staff recommend that the required Category 3 Agreement reflect the continuation of those services currently provided by the GSCA which includes the following:

Watershed Monitoring and Management

- Water quality monitoring at 25 additional monitoring sites to better cover the entire watershed jurisdiction (10 sites are currently included in Category 1). Samples are collected eight times per year at each site. Key parameters are summarized on the GSCA website and reported back to the public through the GSCA's Watershed Report Cards and Watershed Health Checks.
- Additionally, GSCA conducts benthic macroinvertebrate sampling at 35 sites over a two-year rotating period. Benthic macroinvertebrates are the organisms that lie in the bottom of a streambed for at least part of their life cycle. By collecting and analyzing these organisms, GSCA can better assess the long-term health of our streams. This information is also included in the annual Report Card.

Stewardship

Watershed Stewardship work is provided by the GSCA to inspire and enable landowners to further their stewardship of the land and water with the watershed community. This program is currently geared largely towards the agricultural community, collaborating with rural landowners to develop and complete projects to improve the local environment and protect the watershed area.

Some of these projects include livestock exclusion fencing, alternative watering systems, barn eaves troughs to divert runoff, and planting of cover crops. When implemented properly, each project will help to improve the quality of water through reduced sedimentation and nutrients within the water. The GSCA also works with local landowner groups to control invasive species that negatively impact the local environment. The project may change every year and will have a different bearing on the Municipality. However, these projects are seen as a benefit to the entire watershed area.

It is noted that the municipal apportionment currently contributes to staff salaries within this program area. The GSCA is working to acquire additional grants to help landowners implement these projects.

Conservation Information and Community Outreach

The GSCA's Conservation and Community Outreach (Communications) Program is an internal service department that helps spread awareness of all the GSCA programs and service areas. Although this program area is fully funded by the municipal levy

apportionment much of this work is geared towards mandatory programs and services. Some of the work is allocated to Category 3 programs and therefore, some of the costs have been included in Category 3.

The draft agreement contemplates the important role that the GSCA plays in the Municipality of Arran-Elderslie daily and increases the collaborative way in which the GSCA and the municipality work together. With provincial changes to the way in which CA's are funded, the need for recognizing the value of non-mandated activities as a distinct element through this agreement is appropriate. Therefore, staff recommend that the Municipality enter into an agreement for the continued delivery of Category 3 programs across the watershed area, including Arran-Elderslie. A by-law to authorize execution of the agreement will be presented at the September 25th Council meeting.

Options:

- i) Recommend approval of the agreement as presented.
- ii) Not accept the Category 3 services in its entirety.
- iii) Negotiate further with the Conservation Authority as to which Category 3 services Arran-Elderslie may wish to have provided.

Link to Strategic/Master Plan

6.1 Protecting Infrastructure, Recreation and Natural Assets

Financial Impacts/Source of Funding/Link to Procurement Policy

Should Council proceed with the Category 3 Agreement proposed, there would be no change to the Municipal Levy. The levy for Arran-Elderslie for 2023 is \$44,416.40, which represents 2.7% of GSCA total annual levy.

Approved by: Sylvia Kirkwood, Chief Administrative Officer