



MEMORANDUM

Date: October 31, 2003 **Agenda item 5.3**
To: GTA-Clean Air Council (GTA-CAC) Members
From: Eva Ligeti
RE: Cost Allocation for 2003-2004 GTA-CAC commitments

Recommendation:

It is recommended that members of the GTA-CAC receive this memorandum for discussion and approval.

Purpose:

This memo reviews the proposed contributions for funding from the 23 municipal and regional GTA-CAC members and the federal and provincial governments as well as from associate members.

Background:

On June 20, 2003 political representatives from GTA-CAC jurisdictions gathered at Toronto Metro Hall Council Chambers to sign the *Toronto and Region 2003 Inter-governmental Declaration on Clean Air*. In addition to individual commitments made by each jurisdiction, GTA-CAC member jurisdictions agreed to undertake and support several joint initiatives.

On August 6 (revised September 30, 2003), a memo was submitted to GTA-CAC members that provided the details of the joint commitments as well as an operational structure in order to clarify the costs associated with fulfilling the joint commitments made at the 2003 Smog Summit and the proposed allocation of costs to the GTA-CAC members.

Discussion:

GTA-CAC Funding Proposal:

The nature of the joint commitments in 2003 requires an increase in support from members to achieve the components set out in the proposed work plan. A detailed Work Plan was prepared for discussion and approval by the GTA-CAC for its meeting on August 13, 2003 (see Work Plan memo). To support this Work Plan, the cost allocations and budget outlines funds CAP has already secured to undertake several projects, in addition to initiatives that still require funding (see appendix A). The growing membership of the GTA-CAC and the continued support and dedication of current members are a strong testament to the commitment of all levels of government to achieving cleaner air

in the GTA. However, member jurisdictions have dissimilar capacity to make financial contributions to support the Council. Table 1 sets out the proposed funding structure (based on population).

Table 1: Proposed Cost Allocation for the GTA-CAC, 2003 – 2004

Jurisdiction	Cost Allocation	Net Amount
Upper-tier municipalities	\$10,000 (x 4)	\$40,000
Lower-tier municipalities		
Population <100,000	\$750 (x 11)	\$8,250
Pop. 100,000 – 250,000	\$1,500 (x 6)	\$9,000
Pop. > 250,000	\$3,000 (x 2)	\$6,000
Total		\$63,250
City of Toronto / TAF	\$50,000 <i>Plus</i> in-kind support*	\$50,000
Ontario Government	\$50,000*	\$50,000
Federal Government	\$50,000*	\$50,000
Grand Total		\$213,250

** The expectation is that the City of Toronto/TAF and federal and provincial governments will continue to increase their support of the GTA-CAC. It is also anticipated that member jurisdictions will continue to support the work of the Council through both financial contributions, and where possible, through in-kind support to ensure its future success.*

In this funding scenario, there would be a 50% increase to the amount provided by lower tier municipalities and a doubling of amount provided by upper tier municipalities from last year. Currently, the City of Toronto, Province of Ontario and Government of Canada contribute substantially to both the GTA-CAC activities and the annual Smog Summits (see Appendix B for Smog Summit Budget Summary). The proposed increase in municipal contributions would create a more balanced cost allocation between municipal, provincial and federal levels of government, with the cumulative municipal contribution at approximately one quarter; federal, provincial governments and the City of Toronto to remain at approximately one quarter each.

The Clean Air Partnership will continue to co-ordinate, moderate and undertake supervision of most of the research and reporting necessary to achieve joint and GTA-CAC actions outlined in the *2003 Inter-governmental Declaration*.

Associate Membership Proposal:

A number of municipalities outside of the Greater Toronto geographic area such as Waterloo and Hamilton have expressed interest in participating with the GTA-CAC. Allowing associate members to participate provides a variety of benefits and enhances information sharing beyond the GTA. Participation by those municipalities beyond the GTA should also carry with it a financial cost. The following associate membership financial allocation is proposed.

Table 2. Proposed Associate Municipal membership financial contributions

Jurisdiction	Cost Allocation
Single-tier municipalities	Based on population as outlined under lower-tier municipalities below
Upper-tier municipalities	\$5,000
Lower-tier municipalities	
Population <100,000	\$500
Pop. 100,000 – 250,000	\$1,000
Pop. > 250,000	\$2,000

This proposal for financial contributions fosters this relationship between associate members and the GTA-CAC members; however, this contribution and/or relationship does not carry with it decision making capacity within the GTA-CAC or participation in the annual *Inter-governmental Declarations on Clean Air*. Instead, this proposal is meant to reflect benefit from the research and knowledge exchange with the GTA-CAC. It remains open for discussion as to the most appropriate course or whether participation should be available beyond the GTA.

Conclusion:

Thanks to the hard work and dedication of GTA-CAC members, the commitments under the *Toronto and Region 2003 Inter-governmental Declaration on Clean Air* are substantial. These collaborative actions will benefit air quality in each of the 23 municipal and regional member jurisdictions and in the GTA as a whole. The outcomes of many GTA-CAC projects include a number of practical initiatives that can be implemented by members such as the regional coordination of 20/20 The Way to Clean Air, the Idle-free Campaign, and the Green Power Opportunities Report. The continued support of GTA-CAC members will ensure that this list of practical and concrete actions to improve air quality continues to grow. With future financial and in-kind support from GTA-CAC members, and continued support from the federal and provincial governments and the City of Toronto we will collectively take action on making the air we breathe cleaner, ensuring a hospitable environment for current and future generations.

Contact:

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Appendix A: 2003 – 04 GTA-CAC Proposed Budget

Commitment	Total Estimated Cost	Confirmed Funding & Source	Funding to be secured
Article 5			
<u>Article 5.1:</u> Expand the reach of 20/20 – <i>The Way to Clean Air</i>	<i>\$120,000</i>	<i>\$20,000 EC</i> <i>\$100,000 (CCAF)</i> <i>TBD by Durham, Halton, Peel, Toronto & York</i>	\$0
<u>Article 5.2:</u> Develop a health risk-based National Air Quality Index.	\$0*	Government of Canada	\$0
<u>Article 5.3:</u> Conduct study that characterizes indoor pollution levels in comparison with outdoor pollutions levels.	\$0*	- Government of Canada - Toronto Public Health	\$0
<u>5.4.1</u>			
a) Study most viable approach to purchasing low sulphur fuel b) examine emission reductions and costs associated with purchasing ultra low sulphur diesel and biodiesel (B20) c) participate in joint implementation strategies	\$17,000	To be determined	\$17,000
<u>5.4.2</u> Review fleet management practices and consider procedures recommended at NRCan's fuel management workshop	\$8,000	To be determined	\$8,000
<u>5.4.3</u> Explore opportunities to sustain or expand GTA-wide anti-idling public education efforts	\$8,000	To be determined	\$8,000
<u>5.4.4</u> Support the TRCA Mayors' Megawatt Challenge	\$1,500	To be determined	\$1,500
<u>5.5.1</u> Participate in Air Quality Modeling Group to share data and oversee joint modeling of local air quality conditions	\$7,500	City of Toronto Energy Efficiency Office (in kind)	\$7,500
<u>5.5.2</u> Promote voluntary programs within member communities	\$7,000	To be determined	\$7,000
Total proposed CAC budget for implementing article 5	\$49,000		\$49,000

Appendix A: 2003 – 04 GTA-CAC Proposed Budget

Commitment	Total Estimated Cost	Confirmed Funding & Source	Funding to be secured
Article 6			
<u>Article 6.1:</u> Analyze financial costs and emissions benefits associated with retrofitting older buses with pollution-limiting equipment	<i>\$44,000</i>	<i>Ontario Public Health Association (tbd)</i>	\$0
<u>Article 6.2:</u> Review implications of emissions credit systems for municipal governments.	\$38,000	To be determined	\$38,000
<u>Article 6.3:</u> Monitor legislative, technological and research advancements related to clean air initiatives	\$10,000	GTA-CAC members	\$10,000
<u>Article 6.4:</u> Develop a GTA-wide best practices guide	\$20,000	To be determined	\$20,000
<u>Article 6.5:</u> Establish a web-based clearinghouse of public information materials	<i>\$180,000</i>	<i>\$80,000 (CCAF)</i> <i>\$100,000 (EC)</i>	\$0
<u>Article 6.6:</u> Draft a model GTA-wide Clean Air Plan	\$33,000	- GTA-CAC members - Potential Partnership with TRCA	\$33,000
<u>Article 6.7:</u> Co-ordinate 2004 Smog Summit activities with the national Clean Air Day	\$6,000 <i>\$2,000</i>	- GTA-CAC members <i>\$2,000 Enbridge Gas Distribution (Smog Summit budget)</i>	\$6,000
<u>Article 6.8:</u> Support educational initiatives using the core messages of the Burn it Smart program	\$5,000	Proposal submitted to Health Canada	\$5,000
<u>Article 6.9:</u> Research and develop strategies to mitigate the urban heat island effect	\$15,000	GTA-CAC members	\$15,000
<u>Article 6.10:</u> Phase 2 of Renewable Energy Portfolio Standard development – explore implementation options	\$15,000	\$5,000 (City of Toronto /TAF)	\$10,000
<u>Article 6.11:</u> Work to create greater awareness of municipal electrical demand management and response techniques	\$29,500	GTA-CAC members	\$29,500
<u>Article 6.12:</u> Develop and document a protocol for: a) identification of municipal measures and actions for reducing the emission of smog precursors and greenhouse gas emissions b) quantification of emission reductions resulting from them c) assessment of their effectiveness	<i>\$24,000</i>	<i>\$24,000 (MOE)</i>	\$0
<u>Article 6.13:</u> Produce and distribute a clean air	<i>\$20,000</i>	<i>\$20,000 (in-kind) TC</i>	\$0
Total proposed CAC budget for implementing article 6	\$171,500	\$5,000	\$166,500

Appendix A: 2003 – 04 GTA-CAC Proposed Budget

Commitment	Total Estimated Cost	Confirmed Funding & Source	Funding to be secured
GTA-CAC Administration	\$30,000	\$30,000 (Toronto / TAF)	\$0
Preparation of text for 5 th Inter-governmental declaration	\$20,000	• \$15,000 (Toronto / TAF) • GTA-CAC members	\$5,000
Total proposed CAC budget for CAC administration	\$50,000	\$45,000	\$5,000
Carry forward from 2002 – 03 expenses	\$10,763		\$10,763
Total proposed budget for GTA-CAC members (excluding projects with costs covered by others)	\$281,263	\$50,000	\$231,263
Total budget for projects with costs covered by others only	\$390,000		
Grand Total	\$671,263		

Notes:

Estimated costs in green / italic font are those costs covered by other sources

* To be determined by Government of Canada

Appendix B: 2003 Smog Summit Preliminary Budget

The following is the preliminary budget summary for the 2003 Smog Summit. Some items such as the proceedings (preparation, printing, distribution, etc.) are still under development and some invoices have yet to be received by the Clean Air Partnership. Therefore, this summary is subject to change as the accounts are brought up to date and the remaining work is completed.

2003 Smog Summit Income Summary

Funder	Amount Committed	Status
Enbridge Gas Distribution	\$50,000	Invoiced
Government of Canada (overall Smog Summit contribution)	\$20,000	Partially Invoiced
Natural Resource Canada (idle free campaign contribution)	\$94,860	Invoiced
Government of Ontario	\$15,000	Received
City of Toronto / TAF	\$31,000	Received
Toronto Hydro	\$15,000	Received
Ontario Power Generation	\$ 4,000	Received
Reimbursements	\$5606.55	Received
Total	\$235,466.55	

2003 Smog Summit Expenditure Summary

Category	Actual Cost
Event facilitation and co-ordination	\$86,000
Travel and honoraria	\$3,650.11
Food & hospitality	\$9661.27
Printing	\$40296.29
Postage	\$1360.77
Communications	\$31014.40
Other Consulting Services	\$58358.06
Facilities Services	\$725.54
AV Support	\$1,834.00
Miscellaneous	\$533.57
Total	\$233,434

Outstanding invoices and expenditures:

\$17,000 for proceedings
\$5,000 miscellaneous expenses

\$22,000 Total outstanding

Deficit for Smog Summit 2003: \$19,967.50