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SOURCE PROTECTION TECHNICAL STUDIES GRANT PROGRAM

The Transportation and Works Committee recommends the adoption of the recommendation contained in the following report, December 13, 2006, from the Commissioner of Transportation and Works:

1. RECOMMENDATION

It is recommended that:

1. The Commissioner of Transportation and Works be authorized to execute the necessary agreements with the Ontario Ministry of the Environment (MOE) for funding under the Source Protection Technical Studies Grant Program.

2. PURPOSE

This report recommends that a Resolution be passed in accordance with By-Law No A-0368-2005 088 giving the Commissioner of Transportation and Works the authority to sign the necessary agreements with the MOE for funding technical studies in support of source protection planning. This will ensure that funding agreements are processed in a timely manner.

This report also provides an overview of the Technical Studies Grant Program the MOE has established and a preliminary list of studies required by draft guidance modules prepared to assist municipalities and conservation authorities in undertaking the necessary technical assessments.

3. BACKGROUND

The Clean Water Act was introduced on December 5, 2005 and received Royal Assent on October 19, 2006. The Act establishes a framework for the development and implementation of source protection plans across Ontario. To ensure a consistent and scientifically sound approach is used in the development of these plans, the Province established a grant program for funding technical studies.

To this end, funding totalling \$120 million has been so far committed by the Province towards the collection of technical data. This includes the Ministry of Natural Resources (MNR) funding to conservation authorities for capacity building and the development of water budgets and the MOE funding to municipalities and conservation authorities for technical studies.

In the first funding cycle (December 2005 through October 2006) around \$10 million was directed to undertake technical studies around municipal wellheads and surface water intakes. York Region received an amount of \$200,000 to conduct a vulnerability assessment and scoring on existing well head protection areas and a water quality characterization study in existing municipal groundwater wells. Additional funding in the amount of \$200,000 was deferred by MOE pending refinement of the guidance documents related to issues evaluation and threats inventory in vulnerable areas.

Notification of the grants was provided to York Region on March 6, 2006. The grant was however subject to having the Agreement executed prior to March 31, 2006. Due to the extremely short time frame, the Agreement was initially signed by the Regional Chair and the Regional Clerk with a provision added to the Agreement that required a Council resolution to activate the funding. The Agreement was subsequently endorsed by Council on April 27, 2006 (Report No 5 of the Transportation and Works Committee).

On October 18, 2006, the MOE released a Request for Grant Proposals to flow an additional \$18.5 million for technical studies over the next two years. Proposals are due December 15, 2006 and the Agreement for approved work will need to be executed by March 15, 2007. York Region and its partner conservation authorities (Toronto and Region Conservation Authority and Lake Simcoe and Region Conservation Authority) will be applying for funding in accordance with MOE's proposal guidelines.

4. ANALYSIS AND OPTIONS

The following sections provide an overview of the MOE's Technical Studies Grant Program and anticipated studies that have been and will be undertaken towards developing the assessment report as set out in the Clean Water Act.

4.1 Overview of MOE's Technical Study Grant Program

The current grant program was established to fund technical studies related to municipal residential drinking water systems. This work, in conjunction with the watershed characterization report and water budgets being prepared by conservation authorities, will be integral in the development of the assessment report and ultimately in watershed-based source protection plans.

Municipalities that own/operate a municipal residential drinking water system as designated under the Safe Drinking Water Act, 2002 have the first option for applying for funding to study their drinking water systems. Conservation authorities that wish to participate in the program must have written consent from eligible municipalities to undertake the work related to drinking water systems on their behalf.

A number of guidance modules have been prepared by the MOE to assist applicants in undertaking technical studies. Although guidance modules have not been finalized and are expected to change as a result of consultation, the province has emphasized the use of

available guidance to ensure basic scientific data is collected. Future revisions of the source protection plans may need to include more advanced work to align with updated guidance.

The program is designed to bring the state of the science to a uniform basic level across the province. Accordingly, priority for funding is given to studies in areas where limited work has been conducted. Municipalities, like York Region, that have already undertaken substantial technical studies (i.e. Delineation of well head protection areas, contaminant inventory, etc.) are deemed to be of lower priority.

4.2 Technical Studies

Since late December 2005 regional staff has been working with its partner conservation authorities to identify potential studies to fill data gaps in York Region. The table attached provides a preliminary list of studies required in well head protection areas and intake protection zones according to current guidance modules. This information is still under discussion pending finalization of guidance documents.

Regional staff are currently preparing an application for funding remaining studies in response to MOE's Request for Grant Proposals dated October 18, 2006. Discussions with partner conservation authorities are underway to allow assessment of funding requirements and avoid duplication of efforts.

4.3 Relationship to Vision 2026

Technical studies will contribute to the overall understanding of threats to drinking water and their impact on municipal water supplies. This work is consistent with the objectives of Vision 2026 toward ensuring clean water, securing a green York Region, and promoting conservation.

5. FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this report. It is anticipated that the province will be providing full (100%) funding for technical studies in support of source protection planning.

6. LOCAL MUNICIPAL IMPACT

Relevant scientific information needs to be collected to ensure that the assessment report and source protection plans to be prepared as set out in the Clean Water Act suits the needs of local communities.

Local municipalities will be expected to provide available information that may contribute to the completion of approved technical studies and provide input according to their local knowledge in the identification of issues and threats to drinking water supplies.

7. CONCLUSION

The province has established a source protection grant program to guide and assist municipalities and conservation authorities to undertake technical studies over the next years. These studies are essential in the understanding of potential threats to existing municipal water supply systems that need to be addressed in source protection plans required by the Clean Water Act.

Given the tight deadlines to approve agreements with the MOE for funding technical studies, this report recommends that the Commissioner of Transportation and Works be authorized to sign the necessary agreements over the next years.

York Region and its partner conservation authorities will continue to pursue funding from MOE to undertake technical studies to support the preparation of the assessment report as set out in the Clean Water Act.

For more information on this report contact Tracey McLean, extension 5095, Acting Manager, Technical Support, of the Water and Wastewater Branch in the Transportation and Works Department.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)