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CONSULTANT AWARD TO VERITEC CONSULTING INC. FOR IMPLEMENTING CRITICAL COMPONENTS OF YORK REGION'S LONG TERM WATER CONSERVATION STRATEGY

The Environmental Services Committee recommends the adoption of the recommendation contained in the following report dated January 31, 2011, from the Commissioner of Environmental Services.

1. RECOMMENDATION

It is recommended that:

1. Regional Council authorize the Commissioner of Environmental Services to negotiate and execute an agreement for reasons of compatibility under the sole source provisions of the Purchasing By-law with Veritec Consulting Inc. (Veritec) to provide consulting services required to implement the Region's Long Term Water Conservation Strategy as outlined in this report for a period of three years for an amount not to exceed \$230,000.

2. PURPOSE

This report provides information on consulting services required to develop the specialized processes and implementation of monitoring, analysis and reporting of program components to support implementation of the Long Term Water Conservation Strategy.

3. BACKGROUND

York Region has embraced water conservation and efficiency since 1998 as an effective component of the long term drinking water supply strategy. Since its inception, the *Water for Tomorrow* program has incorporated leading edge technology and innovative programs. Water saved from all programs initiated since 1998 is approximately 22.4 million litres per average day, enough to water service a community of 88,000 people.

The Long Term Water Conservation Strategy identifies new and innovative approaches to water efficiency and conservation. It is critical for the Region, in partnership with the nine local municipalities, to determine accurate water consumption data by user type (i.e. residential, industrial, commercial) to accurately report the amount of water saved while ensuring programs are cost effective and achieving expected results.

Peer review comments on the draft Long Term Water Conservation Strategy include recommendations to prepare detailed implementation plans including cost benefit analysis and return on investment calculations for all programs and initiatives. The peer review commented that delivery of effective water conservation and efficiency programs requires development and implementation of detailed monitoring and analysis processes on all programs and initiatives to ensure water savings are realized. This will allow programs to adapt as necessary to ensure York Region meets annual targets set out in the Long Term Water Conservation Strategy.

The Ministry of the Environment conditions of approval for both the Southeast Collector Trunk Sewer Individual Environmental Assessment and the Intra-Basin Transfer of drinking water from Lake Ontario to the communities of Aurora, Newmarket and East Gwillimbury, requires annual reports be submitted detailing the success in meeting the annual and five-year targets developed as part of the Long Term Water Conservation Strategy.

4. ANALYSIS AND OPTIONS

Strategic outsourcing of specialized program components key to ongoing success of *Water for Tomorrow*

Staff will continue to outsource specialized components of water efficiency and conservation program implementation while ensuring there are sufficient internal resources to manage, report and coordinate this work in full compliance with the Minister's conditions and Council expectations.

A three year support contract with Veritec will ensure staff are prepared to meet new regulatory requirements stipulated in the conditions of approval for both the Southeast Collector Trunk Sewer and Intra-Basin Transfer initiatives. These requirements include reporting annually to the Ministry of the Environment on success in meeting specific water savings targets to meet these provincial requirements. It is critical that Regional staff and Veritec begin meeting with local municipal staff immediately to build the annual reporting process and obtain required data to be reported to the Province. In addition Veritec will provide support to develop new program components in coordination with local municipal staff, the development industry and the public. Veritec will provide the following specialized services:

- Assist in developing water conservation and efficiency savings verification and tracking programs
- Assist in developing water conservation and efficiency implementation plans
- Develop traceable methodology to measure and verify water demands in coordination with local municipal staff
- Develop pilot and demonstration projects to verify fixture performance of water savings under field conditions (i.e. toilets, water reuse and grey water applications)

- Assess participation rates for implemented water efficiency measures
- Conduct field monitoring to verify if water conservation and efficiency measures are implemented in new developments and if the expected water savings are being achieved
- Implement ongoing staff training and technical support

Veritec is currently involved with the Long Term Water Conservation Strategy as a peer reviewer against best-in-class water conservation and efficiency programs and tactics identified throughout the world. Due to the specialized services required to implement conditions of approval for the Southeast Collector and Intra-Basin Transfer of drinking water, in accordance with recommendations in the Long Term Water Conservation Strategy, Veritec's experience is required to build on their involvement with development of the Strategy.

Veritec brings unparalleled qualifications and credibility to this initiative

Veritec is a recognized Canadian leader in the field of water efficiency specifically related to product testing, field monitoring, water savings verification and developing product standards. Veritec is currently retained by the United States Environmental Protection Agency to help develop product standards and testing protocols to support the WaterSense program; by the Alliance for Water Efficiency to provide technical support regarding water efficient products and programs; and by the United States Agency for International Development to develop national plumbing product standards for countries in the Middle East. Veritec has provided similar water conservation monitoring and evaluation services for the City of Toronto and the Region of Peel.

Veritec will provide specialized services compatible with their current involvement with the Long Term Water Strategy that will ensure York Region's water conservation programs are both verified and recognized internationally. Further, specialized water efficiency and conservation consulting services of this nature are not currently widely offered through the consulting engineering industry in Ontario. In fact, Veritec is the only consulting firm in Ontario to establish comprehensive water monitoring and evaluation programs and processes for existing and new residential development, in addition to the industrial, commercial and institutional sector.

5. FINANCIAL IMPLICATIONS

There are sufficient funds available in the approved 2010 budget for this project. \$43 million is included in the proposed 2011 10-year capital plan for continuation of the successful *Water for Tomorrow* programs and for initial development of new program components. Funding for these programs is provided 98.44% from development charges and 1.56% from user rates. \$3.5 million is budgeted for pilot projects and implementation planning.

6. LOCAL MUNICIPAL IMPACT

Local municipal staff have been involved in the development of the Long Term Water Conservation Strategy through participation in the Water and Wastewater Steering Committee and through attendance at public consultation sessions.

The continued commitment of local municipalities in working with the Region to develop detailed implementation plans and methodology to measure, verify and report water demands is essential for providing program components that will realize water savings.

7. CONCLUSION

The Long Term Water Conservation Strategy identifies new and innovative approaches to water efficiency and conservation. Developing monitoring, analysis and reporting processes in York Region will demonstrate even greater municipal leadership and help ensure that *Water for Tomorrow* continues to be an award winning program.

This work is required by York Region to fully comply with the Southeast Collector and Intra-Basin Transfer initiative conditions of approval.

For more information on this report, please contact Laura McDowell, Director Environmental Promotion and Protection at (905) 830-4444 Ext. 5077.

The Senior Management Group has reviewed this report.