

Agenda

Lake Huron Primary Water Supply System

Joint Board of Management

2nd Meeting of the Lake Huron Primary Water Supply System Joint Board of Management

March 7, 2024, 2:00 PM

Committee Room #5

The Lake Huron Water Supply System and its benefiting municipalities are situated on the traditional lands of the Anishinaabek(Uh-nish-in-ah-bek), Haudenosaunee(Ho-den-no-show-nee), Lūnaapéewak(Len-ah-pay-wuk) and Attawandaron (Add-a-won-da-run) peoples.

We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home.

This region is currently home to many First Nations, Inuit and Métis people today and we are grateful to have the opportunity to live and work in this territory.

	Pages
1. Call to Order	
1.1 Disclosures of Pecuniary Interest	
2. Adoption of Minutes	
2.1 Minutes of the 1st Meeting held on Thursday, December 7, 2023	3
3. Consent Items	
3.1 Quarterly Compliance Report (4th Quarter 2023: October - December)	8
3.2 Environmental Management System and Quality Management System	10
3.3 Quarterly Operating Financial Status - 4th Quarter 2023	45
3.4 Capital Status Report	49
3.5 Huron Water Treatment Plant - Administration Building Extension and Site Redevelopment - Application for Minor Variance	55
3.6 Ministry of the Environment, Conservation and Parks Inspection Report	57
4. Items for Discussion	
4.1 Naming of Property and Buildings Policy	62

4.2	New Connection Policy	74
4.3	Telecommunications and Tower Policy	85
4.4	Grants and Donations Policy	95
4.5	Fees and Charges	102
4.6	Lake Huron Primary Water Supply System Master Plan - Consultant Award (LH2050)	109

5. Deferred Matters/Additional Business

6. Upcoming Meeting Dates

June 6, 2024

October 3, 2024

December 5, 2024

7. Confidential

7.1 Solicitor-Client Privilege

A matter pertaining to advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

7.2 Litigation/Potential Litigation/Matters Before Administrative Tribunals

A matter pertaining to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board with respect to matters that may result in potential litigation by the Lake Huron Primary Water Supply System.

7.3 Litigation/Potential Litigation/Matters Before Administrative Tribunals

A matter pertaining to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board with respect to matters that may result in litigation against the Lake Huron Primary Water Supply System.

8. Adjournment

Lake Huron Primary Water Supply System Report

1st Meeting of the Lake Huron Primary Water Supply System Joint Board of Management
December 7, 2023

Attendance: Meeting held on Thursday, December 7, 2023, commencing at 12:30 PM.

PRESENT: S. Franke (Acting Chair); J. Brennan, C. Grantham, S. Hillier, J. Keogh, S. Lehman, P. Van Meerbergen, P. Walden and J. Wilcox and J. Bunn (Committee Clerk)

ALSO PRESENT: B. Haklander, A. Henry and K. Scherr

1. Call to Order

1.1 Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

2. Adoption of Minutes

2.1 Minutes of the 4th Meeting held on Friday, October 13, 2023

LEHMAN AND GRANTHAM

That the minutes of the 4th meeting of the Lake Huron Primary Water Supply System Joint Board of Management, from the meeting held on October 13, 2023, **BE NOTED AND FILED. CARRIED**

Motion Passed

3. Consent Items

WALDEN AND BRENNAN

That Items 3.1 to 3.5 BE APPROVED.

3.1 Quarterly Compliance Report (3rd Quarter 2023: July - September)

That, on the recommendation of the Chief Administrative Officer, the report dated December 7, 2023, with respect to the general, regulatory and

contractual obligations of the Lake Huron Primary Water Supply System, for July to September 2023, **BE RECEIVED. CARRIED**

Motion Passed

3.2 Environmental Management System and Quality Management System

That, on the recommendation of the Chief Administrative Officer, the report dated December 7, 2023, with respect to the Environmental Management System and the Quality Management System, **BE RECEIVED. CARRIED**

Motion Passed

3.3 Quarterly Operating Financial Status - 3rd Quarter 2023

That, on the recommendation of the Chief Administrative Officer, the report dated December 7, 2023, with respect to the Quarterly Operating Financial Status of the Lake Huron Primary Water Supply System for the 3rd Quarter of 2023, **BE RECEIVED. CARRIED**

Motion Passed

3.4 Process Optimization Program Update

That, on the recommendation of the Chief Administrative Officer, the report dated December 7, 2023, with respect to information regarding the Process Optimization program at the Lake Huron water treatment plant, **BE RECEIVED. CARRIED**

Motion Passed

3.5 Delegated Authority Approvals and Expenditures

That, on the recommendation of the Chief Administrative Officer, the report dated December 7, 2023, with respect to Delegated Authority Approvals and Expenditures, **BE RECEIVED. CARRIED**

Motion Passed

4. Items for Discussion

4.1 Board Code of Conduct

WALDEN AND LEHMAN

That, on the recommendation of the Chief Administrative Officer, the proposed by-law, as appended to the report dated December 7, 2023, **BE INTRODUCED** at the Lake Huron Primary Water Supply System Joint Board of Management meeting to be held on December 7, 2023, to implement the Code of Conduct for the members of the Joint Board of Management for the Lake Huron Primary Water Supply System, as appended to the above-noted by-law, as required under section 223.2 of the Municipal Act, 2001. **CARRIED**

Motion Passed

Additional Votes:

BRENNAN AND GRANTHAM

Motion to approve the Second Reading of By-law No. 6A-2023.

Motion Passed

VAN MEERBERBEN AND KEOGH

Motion to approve the Third Reading and Enactment of By-law No. 6A-2023.

Motion Passed

4.2 Procurement of Goods and Services and Disposal of Assets Policy

VAN MEERBERGEN AND WILCOX

That, on the recommendation of the Chief Administrative Officer, the proposed by-law, as appended to the report dated December 7, 2023, **BE INTRODUCED** at the Lake Huron Primary Water Supply System Joint Board of Management meeting to be held on December 7, 2023, to amend By-law No. 2A-2023, as amended, being "a policy for the procurement of goods and services and the disposal of assets, as required under section 270(1) of the Municipal Act, 2001", by deleting and replacing Schedule "A" - "Procurement of Goods and Services and Disposal of Assets Policy". **CARRIED**

Motion Passed

Additional Votes:

WALDEN AND LEHMAN

Motion to approve the Second Reading of By-law No. 2A-2023(a).

Motion Passed

GRANTHAM AND BRENNAN

Motion to approve the Third Reading and Enactment of By-law No. 2A-2023(a).

Motion Passed

- 4.3 Huron Water Treatment Plant - Administration Building Extension and Site Redevelopment - Extension of Consulting Engineering Services

VAN MEERBERGEN AND HILLIER

That the Board of Management for the Lake Huron Water Supply System take the following actions with respect to the report, dated December 7, 2023, related to the Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment (LH1353) project:

- a) the existing engineering agreement with Stantec Consulting Limited **BE EXTENDED** for additional engineering services, based on an approved scope of work, at an estimated cost of \$36,575, including contingency (excluding HST); and,
- b) the above-noted report **BE RECEIVED. CARRIED**

Motion Passed

- 4.4 London Hydro Renewal Licence Agreement

WALDEN AND GRANTHAM

That, on the recommendation of the Chief Administrative Officer, the Licence Renewal Agreement with London Hydro Inc., **BE APPROVED** by the Board of Management for the Lake Huron Water Supply System, for the term of April 1, 2014 to March 31, 2029 and the Board Chair and

Administrative Officer **BE AUTHORIZED** to execute the agreement, as appended to the above-noted report. **CARRIED**

Motion Passed

5. Deferred Matters/Additional Business

None.

6. Next Meeting Date

March 7, 2024

7. Confidential

WALDEN AND BRENNAN

That the Lake Huron Primary Water Supply System Joint Board of Management convene In Closed Session for the purpose of considering the following:

7.1 Litigation/Potential Litigation/Matters Before Administrative Tribunals

A matter pertaining to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board with respect to matters that may result in potential litigation by the Lake Huron Primary Water Supply System.

The Lake Huron Primary Water Supply System Joint Board of Management convened In Closed Session from 12:47 PM to 12:58 PM.

8. Adjournment

The meeting adjourned at 12:59 PM.

Board of Management Report

Subject: Quarterly Compliance Report (4th Quarter 2023: October - December)

Overview:

- There were no adverse water quality incidents (AWQI) reported during the 4th quarter 2023.
- There are no new or proposed regulatory changes which might have a significant impact on the regional water system.

Recommendation

That the Board of Management for the Lake Huron Primary Water Supply System **RECEIVE** this report for information.

Background

Pursuant to Board of Management resolution, this Compliance Report is prepared on a quarterly basis to report on general, regulatory, and contractual compliance issues relating to the regional water system. For clarity, the content of this report is presented in two basic areas, namely regulatory and contractual, and does not intend to portray an order of importance or sensitivity nor is it a complete list of all applicable regulatory and contractual obligations.

Discussion

Regulatory Issues

Recent Regulatory Changes: At the time of drafting this report, there were no new regulatory changes for this reporting period which may significantly impact the Lake Huron Primary Water Supply System (LHPWSS).

New Environmental Registry of Ontario (ERO) Postings: At the time of drafting this report, there were no new postings on the ERO that may have a significant impact on the LHPWSS.

Water Quality Quarterly Report: The [Water Quality Quarterly Report](#) for the period of October 1 – December 31, 2023, was completed by the operating authority, and is posted on the Water Systems' website for public information.

Note: In order to better comply with the Accessibility for Ontarians with Disabilities Act, 2005, the detailed tables of water quality test results which were previously appended to this Report have been removed. The full list of test results of drinking water quality parameters is posted on the water system’s website and available in print at the Board’s Administration Office in London upon request. In addition, detailed water quality information is also published within the water system’s Annual Report required by O.Reg. 170/03 under the Safe Drinking Water Act.

Adverse Water Quality Incidents (AWQIs): There were no AWQI reported by the operating authority or adverse laboratory results reported by the third-party accredited laboratory during this quarter.

Compliance Inspections: The annual inspection by the Ministry of the Environment, Conservation and Parks (MECP) was conducted on October 23, 2023. The final inspection report was received on January 5, 2024 and is the subject of a separate report to the Board.

Contractual Issues

ARTICLE 3, “Operation and Maintenance of the Facilities – General”: Board staff informally meets with OCWA on a monthly basis to discuss operations and maintenance related issues, and formally on a quarterly basis to review contractual performance. The 2023 fourth quarter Contract Report was received from OCWA on January 29, 2024, and was scheduled to be discussed at the quarterly administration meeting between Board staff and OCWA on February 8, 2024. Copies of the monthly Operations and Maintenance Reports, and quarterly Contract Reports are available at the Board’s Administration Office in London upon request.

Conclusion

Board staff will continue to review new and proposed legislation for potential impacts to the LHPWSS. Board staff will continue to meet with the operating authority on a regular basis to discuss regulatory and contractual compliance issues, and ensure any non-compliances are addressed in a timely manner.

Prepared by: Erin McLeod, CET
Quality Assurance & Compliance Manager

Submitted by: Andrew J. Henry, P.Eng.
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Board of Management Report

Subject: Environmental Management System and Quality Management System

Overview:

- This report provides a summary of Environmental Management System (EMS) and Quality Management System (QMS) activities that took place during the fourth quarter of 2023 (Q4).
- A Management Review meeting was held on December 14, 2023. The meeting minutes are attached to this report as [Appendix A](#).
- An internal Environmental Compliance Audit (Migratory Birds Regulations) was conducted on October 13, 2023. The Internal Audit Summary Report is included as [Appendix B](#).
- An external ISO 14001:2015 Reaccreditation Audit was conducted by Intertek on October 18 & 26, 2023. The Audit Summary Report is included as [Appendix D](#).
- An internal Environmental Compliance Audit (Transportation of Dangerous Goods Act) was conducted on December 14, 2023. The Internal Audit Summary Report is included as [Appendix C](#).

Recommendation

That the Board of Management for the Lake Huron Primary Water Supply System **RECEIVE** this report for information.

Background

Environmental Management System (EMS)

The Lake Huron Primary Water Supply System (LHPWSS) has an Environmental Management System (EMS) which has been registered to the ISO 14001 standard since 2003. The LHPWSS underwent a three-year registration audit in October 2023 and was recommended for registration to the ISO 14001:2015 standard for a three-year period.

The continued utilization and registration of the EMS to the ISO 14001 standard is a requirement of the Service Agreement with Ontario Clean Water Agency (OCWA), the contracted Operating Authority for the LHPWSS.

Quality Management System (QMS)

The existing EMS has been integrated with a QMS that meets the requirements of the province's Drinking Water Quality Management Standard, 2017 (DWQMS). The combined EMS/QMS is maintained by the contracted Operating Authority.

The *Safe Drinking Water Act, 2002* (SDWA) and the water system's Municipal Drinking Water License (MDWL) require that an accredited Operating Authority be in operational charge of the drinking water system. To become accredited, the Operating Authority must implement and maintain a QMS, which includes an Operational Plan meeting the requirements of the DWQMS and must undergo yearly external audits.

OCWA successfully received full scope DWQMS re-accreditation in October 2022 and is currently accredited for the three-year period ending in 2025.

Discussion

Management Review

The documented EMS/QMS and its performance requires Management Review by Top Management a minimum of once every calendar year to ensure that the Board's management team and the Operating Authority stay informed of environmental and quality related issues. Items discussed at the Management Review meetings include, but are not limited to, water quality test results, environmental and quality performance, legislative changes, identified non-conformances, corrective and preventive actions, staff suggestions, changing circumstances and business strategies, and resource requirements. Corrective and preventive actions include not only those to address non-conformance issues and opportunities for improvement identified as part of internal and external audits, but also non-compliance issues identified by the Ministry of the Environment, Conservation and Parks (MECP), suggestions from staff, and opportunities for improvement identified during the Management Review process.

To carry out more effective Management Review meetings, the Board of Management's administration has opted to conduct shorter meetings at more frequent intervals. Although each required Management Review input may not be covered at every meeting, over the course of the year all required inputs are reviewed at least once. Management Review meetings are held in a combined format for both the LHPWSS and the Elgin Area Primary Water Supply System (EAPWSS).

A Management Review meeting was held on December 14, 2023. The meeting minutes are included as [Appendix A](#) for the information of the Board of Management.

Internal Audits

Pursuant to the international ISO 14001 standard and the provincial DWQMS, periodic "internal" audits are performed by the Board of Management's administration to ensure continued compliance with legislated, contractual, and other requirements, as well as conformance with the ISO 14001 standard and DWQMS. Internal audits also ensure that the ongoing operation of the drinking water system conforms to the EMS and QMS as implemented. As required by the standards, internal audits are performed a minimum of once every calendar year.

An internal Environmental Compliance Audit (Migratory Birds Regulations) was conducted on October 13, 2023. There were no non-conformances and no opportunities for improvement identified. The Internal Audit Summary Report is included as [Appendix B](#) for the information of the Board of Management.

An internal Environmental Compliance Audit (Transportation of Dangerous Goods) was conducted on December 14, 2023. There were no non-conformances and no opportunities for improvement identified. The Internal Audit Summary Report is included as [Appendix C](#) for the information of the Board of Management.

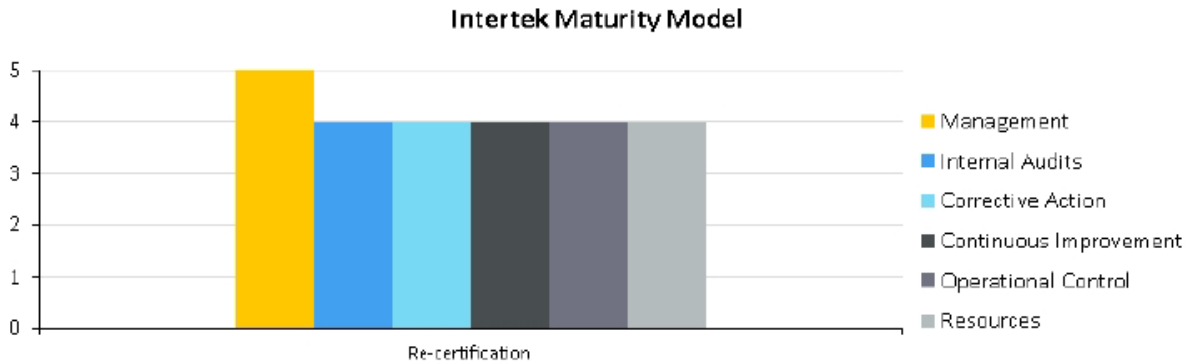
External Audits

Annual surveillance audits (third-party external audits) are conducted for both the EMS and QMS, with a recertification audit taking place every third year. The external registrar for both the EMS and QMS is currently Intertek. External audits review all aspects of the EMS or QMS, including the scope and results of internal audits, subsequent management reviews, and corrective action processes.

An external ISO 14001:2015 Recreditation Audit was conducted by Intertek on October 18 & 26, 2023. There were no non-conformances and seven (7) opportunities for improvement identified. The Audit Report is included as [Appendix D](#) for the information of the Board of Management.

During the external audit closing meeting, it was noted by the external auditor that continuous improvement is evident for the LHPWSS. The organization continues to make improvements where possible, including automating and streamlining processes. The level of engagement and buy in is a model for other organizations. Intertek has scored the maturity of the LHPWSS's EMS and the management processes have been deemed outstanding (i.e., benchmark). The remaining processes related to internal audits, corrective actions, continuous improvement, operational control and resources are all rated as mature. The Intertek Maturity Model for the EMS is depicted in Figure 1.

Figure 1: Intertek Maturity Model for the EMS



Rating: 5=Benchmark | 4=Mature | 3=Meets Intent | 2=Beginning | 1=Not Evident

Corrective and Preventive Actions

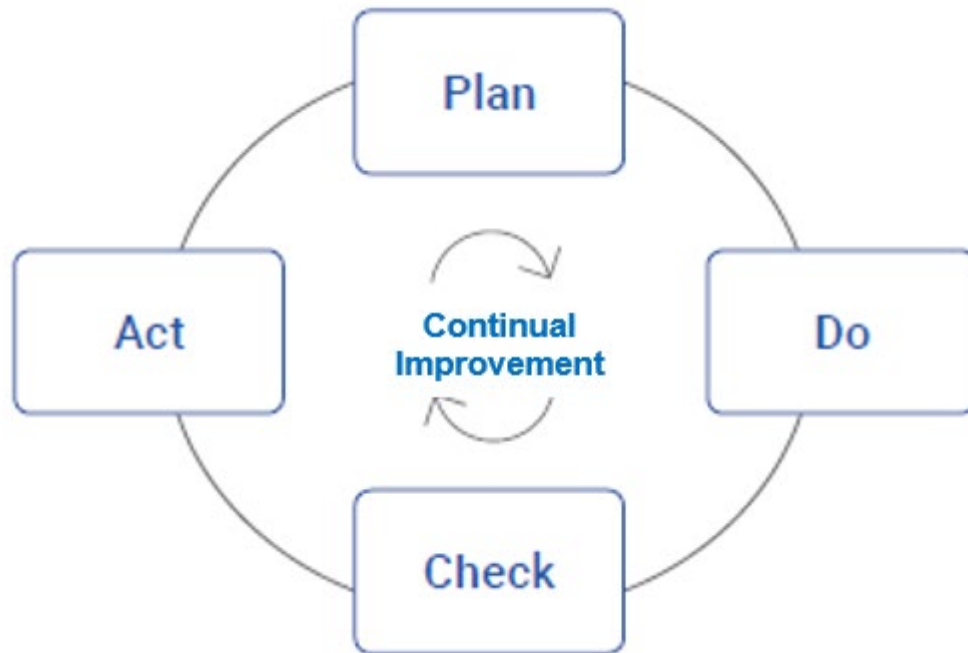
For the EMS/QMS to be effective on an on-going basis, an organization must have a systematic method for identifying actual and potential non-conformities, making corrections, and undertaking corrective and preventive actions, preferably identifying, and preventing problems before they occur. The Internal Audit process and Management Review are the two main drivers for proactively identifying potential problems, opportunities for improvement and for the implementation of corrective actions for the LHPWSS. Preventive actions may originate from identified opportunities for improvement as part of an audit, but also staff suggestions and discussions with management.

It is important to note that action items should not be construed as compliance failures, but rather an action to be undertaken which will improve the LHPWSS's overall performance.

Action items are the result of the “Plan-Do-Check-Act” continual improvement process. The identification of action items is a critical component of continual improvement and an essential element of management systems. The identification of action items should be seen as a positive element, as this drives continual improvement.

A key concept of the Plan-Do-Check-Act continual improvement process (Figure 2) is that it does not require nor expect 100% conformance but promotes an environment of continual improvement by identifying shortfalls, implementing corrective and preventive measures, and setting objectives and targets for improvement.

Figure 2: Plan-Do-Check-Act Continual Improvement Process



The following summarizes the seven (7) new approved action items that have been added to the EMS/QMS action item tracking system during Q4:

- Seven (7) new action items were added as a result of the external ISO 14001:2015 Reccreditation Audit conducted by Intertek on October 18 & 26, 2023.

As of February 02, 2024, there are currently thirty-six (36) open action items in the LHPWSS tracking system. All action items are prioritized and addressed using a risk-based approach, and deadlines established given reasonable timeframes and resources that are available. Board of Management staff are pleased with the performance of the corrective and preventive action process and have no concerns with the number of open action items.

Conclusion

The Internal Audits and frequent Management Review meetings continue to effectively identify and manage system deficiencies. The EMS/QMS for the LHPWSS continues to be suitable, adequate, and effective. Activities by OCWA continue to address the need for change, and the management systems are being revised and refined as required.

Prepared by: Jennifer Levitt
Compliance Coordinator

Erin McLeod, CET
Quality Assurance & Compliance Manager

Submitted by: Andrew J. Henry, P.Eng.
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: [Appendix A](#) – Management Review Meeting Minutes (December 14, 2023)
[Appendix B](#) – Internal Environmental Compliance Audit Summary Report – Migratory Birds (October 13, 2023)
[Appendix C](#) - Internal Environmental Compliance Audit Summary Report – Transportation of Dangerous Goods Act (December 14, 2023).
[Appendix D](#) – External ISO 14001:2015 Reccreditation Audit Report (October 18 & 26, 2023)

Appendix A: Management Review Meeting Minutes (December 14, 2023)

Lake Huron & Elgin Area Primary Water Supply Systems EMS/QMS Management Review

Date: December 14, 2023

Time: 1:00pm

Location: Virtual – Microsoft Teams

Attendees: Andrew Henry (RWS), Erin McLeod (RWS), Jennifer Levitt (RWS), Allison McCann (OCWA), Matt Bender (OCWA), Randy Lieber (OCWA), Greg Henderson (OCWA), Denny Rodrigues (OCWA)

Regrets: -

N.B.: Management Review meetings are held in a combined format for both the Lake Huron Primary Water Supply System (LHPWSS) and the Elgin Area Primary Water Supply System (EAPWSS).

-----Meeting Notes-----

1. Review and Approval of Previous Meeting Minutes (September 14, 2023)

The minutes from the previous meeting (September 14, 2023) are posted to SharePoint. Minutes circulated to comment. No concerns noted and documents are approved.

2. Results of Board Meetings

Elgin Board Meeting (October 5, 2023)

- Quarterly Compliance Report: The report was received for information.
- EMS/QMS Report: The report was received for information. Staff were congratulated on the recent Asset Management Award. It was noted that the total number of open action items was reduced, with a thank you to staff. There was general discussion on the Lake Erie Lakewide Action and Management Plan (LAMP) and the process for reviewing and commenting on regulatory or other changes that may impact the EAPWSS.

Huron Board Meeting (October 13, 2023)

- Quarterly Compliance Report: The report was received for information.
- EMS/QMS Report: The report was received for information.
- Re: the Huron WTP proposed new administration building, the Board endorsed a recommendation to pursue Leadership in Energy and Environmental Design (LEED) silver certification of the overall building addition and renovation project, and strive to meet the zero-carbon building standard, where feasible.

Huron Board Meeting (December 7, 2023)

- Quarterly Compliance Report: The report was received for information.
- EMS/QMS Report: The report was received for information. There was discussion about Maple Leaf Foods (a new City of London customer) as a significant water user and the impacts on revenue. There was general discussion about staff turnover and employee retention.

Elgin Board Meeting (December 7, 2023)

- Quarterly Compliance Report: The report was received for information.
- EMS/QMS Report: The report was received for information.
- Re: the process optimization program update, there was discussion about extreme weather or storm events and the impact of Kettle Creek on Lake Erie and the Elgin Area WTP intake during these events.
- General discussion about the recent taste and odour event impacting the EAPWSS municipalities. Sep. to Dec. is the typical season for taste and odour issues due to lake volatility, storm events, changing temperatures etc. Additional sampling confirmed there is no risk to human health. PAC is being added to combat taste and odour, but it can be difficult for operations to keep up with dosage adjustments. Retention time through the system was noted, as different municipalities will be affected at different times. The Board requested that good communications protocols be in place.

3. DWQMS External Audit Report (LHPWSS) – September 18, 2023

No non conformances (NC).

One (1) Opportunity for Improvement (OFI) as follows:

- Element 5 – Document and Records Control – There is an opportunity to ensure document control (e.g., LH-ADMIN-200 header identifies v.12.0 but SharePoint Version History identifies V13.0).

Action items to address OFIs were assigned, approved and added to the tracking spreadsheet.

4. EMS External Audit Report (EAPWSS) – September 27-28, 2023

No Non Conformances.

Three (3) OFI's as follow:

- OFI #1 - Competency: Eliminate duplication between the Orientation Checklist and Operator Competency Form EF-ADMIN-1402 and ensure Supervisor sign-off date.
- OFI #2 - Operational planning and control (Management of Change): Update EF-ADMIN-2301 with regard to EA-ADMIN-2300 as the latter is now part of the tender document (e.g., RWS Low lift service water project for EA4137 Elgin LL Service Water Connection by Birnam) and streamline with completion of EF-ADMIN-1700 and acknowledgement via RWS contract signing).
- OFI #3 - Operational planning and control (Waste Management): Ensure regulatory requirements are met, there is storage of subject waste opportunity to:
 - 1a. review retention practices (e.g., RMF polymer disposal storage of subject waste).
 - 1b. clarify records within EA-ADMIN-200 Table of Records.
 2. confirm process for waste receipt (e.g., % difference between amount shipped and time to destination).

Action items to address OFIs were assigned, approved and added to the tracking spreadsheet.

5. EMS External Audit Report (LHPWSS) – October 18 & 26, 2023

No Non Conformances.

Seven (7) OFI's as follows:

- OFI #1 - Environmental Aspects: Review the Aspects & Impact Assessment extreme weather impacts to other pump stations aside from McGillivray ("N" also identified for Arva).
- OFI #2 - Competency:
 - i) eliminate duplication between the Orientation Checklist and Operator Competency Form LF-ADMIN-1402, and
 - ii) review Maximo training for M. Reinhard and P. Sherban.

- OFI #3 - Operational Planning and Control (Contractor Management): Review LH-ADMIN-1700 Subcontractor process to ensure sign-offs are completed in a timely manner (e.g., Chemtrade alum and Dielco's Chad LF-ADMIN-1700 sign-offs haven't been completed since Nov- and Feb-2021 although deliveries in place 2-3x / week for the former and latter regularly completing work).
- OFI #4 - Operational Planning and Control (Maintenance): Review Maximo maintenance Work Order closure to ensure completion (e.g., KB1 WO35714 scrubber media sample closure 11-Oct-2023 despite no receipt of report) and continuity (e.g., WTP annual scrubber maintenance 141730 and 87465 records prior to 2023).
- OFI #5 - Operational Planning and Control (Management of Change): Update LF-ADMIN-2301 with regard to LH-ADMIN-2300 as the latter is now part of the tender document and streamline with completion of LF-ADMIN-1700 and acknowledgement via RWS contract signing.
- OFI #6 - Operational Planning and Control (Waste Management): Storage of subject waste to: Part 1a - review retention practices (e.g., RMF polymer disposal storage of subject waste). Part 1b - clarify records within LH-ADMIN-200 Table of Records. Part 2 - confirm process for waste receipt (e.g., % difference between amount shipped and time to destination).
- OFI #7 - Evaluation of Compliance - Ensure all obligations within the Legal Register are audited (e.g., some observed to be overdue from 2019).

Action items to address OFIs were assigned, approved and added to the tracking spreadsheet.

6. Env. Compliance Internal Audit – Migratory Birds (LHPWSS) – October 25, 2023

No non conformances or OFI's identified.

7. Corrective Action Forms:

One Correction Action form related to the Elgin RMF Total Chlorine Residual Monitoring Failure (September 18 - October 4, 2023) resulted in three (3) new action items.

8. Management of Change:

One Management of Change form (Project #EA4137 – Elgin Low Lift Service Water Connection) resulted in three (3) new action items.

9. Compliance Obligations Update

Health Canada Consultation:

[Consultation on guidelines for Canadian drinking water quality: Iron](#)

Source: Health Canada

Date Posted/Notice Received: September 29, 2023

Comments Due: November 28, 2023 (Closed)

Summary:

The existing guideline technical document on iron in drinking water, developed in 1978, recommends an aesthetic objective (AO) of ≤ 0.3 mg/L. Health Canada is proposing to reduce the AO to ≤ 0.1 mg/L for total iron in drinking water based on aesthetic and treatment considerations. The stated goal for the new AO is to minimize the occurrence of discoloured water due to the presence of iron oxides and to improve consumer confidence in drinking water quality. A literature review confirms there is still no need for a health-based guideline.

Potential Impacts:

No impacts anticipated.

LHPWSS lab results: There have been no detects for iron (total) in the treated water (2019-2023).

EAPWSS lab results: There have been several detects for iron (total) in the treated water, with results below the current and proposed AO. The max. value (2019-2023) was 0.032 mg/L. Iron solubility typically changes with seasonal lake turnover events, causing temporary seasonal increases.

Ontario Consultation:

[Changes to the Protocol of Accepted Drinking Water Testing Methods and Practices for the Collection and Handling of Drinking Water Samples Documents](#)

Source: Ministry of the Environment, Conservation and Parks (MECP)

Date Posted/Notice Received: December 12, 2023

Comments Due: January 26, 2024

Summary:

MECP is proposing to update the Protocol of Accepted Drinking Water Testing Methods (Testing Protocol) document referenced by [O.Reg. 248/03](#) (Drinking Water Testing Services) under the Safe Drinking Water Act, 2002. The changes reflect advances in drinking water testing methods and current industry knowledge. Updates to the Practices for the Collection and Handling of Drinking Water Samples Document

(Sampling Document) are also proposed in conjunction with the Testing Protocol to ensure consistency.

Potential Impacts: None anticipated. Updated external laboratory scope of accreditation certificates may be required once the new protocol is approved.

ERIN comment – When laboratory testing protocols get updated the laboratory certification requirements may need to be updated.

[Proposal: Streamlining environmental permissions for stormwater management under the Environmental Activity and Sector Registry](#)

Source: MECP

Date Posted/Notice Received: August 31, 2023

Comments Due: October 30, 2023 (Closed)

Summary:

MECP is proposing:

- A new regulation under the Environmental Protection Act (EPA), to allow owners of certain stormwater management works to self-register on the Environmental Activity and Sector Registry (EASR).
- To amend [O.Reg. 525/98](#) under the Ontario Water Resources Act, to exempt some stormwater management works in residential areas from approval requirements.
- To amend [O.Reg. 287/07](#), made under the Clean Water Act, 2006, by removing the need for, limiting, or restricting the types of policies to be included in source protection plans where a significant drinking water threat is being managed through registration on the EASR, and to allow for amendments to existing source protection plans without following the usual process.

Potential Impacts:

- MECP will maintain source protection plan requirements for works that are a significant drinking water threat, including where the relevant source protection plan prohibits the establishment of the works.
- If stormwater management works are identified as a significant drinking water threat, and the relevant source protection plan prohibits the establishment of the works, the activity is ineligible to register on the EASR (and also ineligible for an Environmental Compliance Approval (ECA)).
- Risks to sources of drinking water can be addressed by the rules proposed for the new regulation. Proponents would be required to identify whether the stormwater management works is a significant drinking water threat. If it is, additional design measures and implementing a monitoring plan may be required.
- If the stormwater management works that are determined to be a significant drinking water threat, and the local source protection plan prohibits it, the works

would not be eligible for registration on the EASR and would continue to be prohibited.

- The ministry is proposing the following amendments to O.Reg. 287/07:
 - remove the need for, limit, or restrict the types of policies to be included in source protection plans where a significant drinking water threat is being managed through an EASR registration or prohibition
 - allow for amendments to be made to source protection plans without undergoing the existing amendment processes when the amendment is to remove policies for significant threats that are managed through the new regulation on the EASR

[Proposal: Streamlining permissions for water takings for construction site dewatering activities and foundation drains](#)

Source: MECP

Date Posted/Notice Received: August 31, 2023

Comments Due: October 30, 2023 (Closed)

Summary:

MECP intends to update rules related to water takings for construction site dewatering activities and foundation drains.

Proposed amendments to [O. Reg. 63/16](#) (Water Taking) under the Environmental Protection Act (EPA) for construction site dewatering include:

- Removing the current water taking limit of 400,000 L/day from one or more dewatered work areas at a construction site.
- Requiring self registration EASR for the taking of any quantity of groundwater or stormwater greater than 50,000 L/day from a dewatered work area at a construction site.
- Removing the requirement to notify the local conservation authority for takings of > 1 year.

Proposed amendments to [O. Reg. 387/04](#) (Water Taking and Transfer) under the Ontario Water Resources Act include:

- Exempting residential foundation drainage systems from requiring a Permit To Take Water (PTTW) for water taking of up to 379,000 L/day. A PTTW will still be required for water taking of more than 379,000 L/day from residential foundation drainage systems.

MECP is also seeking feedback on the impact that municipal sewer use bylaws have on the design and long-term operation of foundation drains that are required for residential buildings where foundations are constructed below the water table.

Potential Impacts: No major impacts anticipated.

RWS comment – A copy of the MECP webinar slides on this subject can be provided for more information upon request.

RWS comment – RWS is closely watching the proposed Grand Bend Stormwater Management Master Plan for potential impacts to the LHPWSS. Changes to stormwater management in this area may impact the intake protection zone models. There is a discontinuity between proposed activities, and future impacts once implemented.

[Proposal: Proposed regulatory amendments to encourage greater reuse of excess soil](#)

Source: MECP

Date Posted/Notice Received: October 17, 2023

Comments Due: December 1, 2023 (Closed)

Summary:

MECP is proposing to amend [O. Reg. 406/19](#) (On-Site and Excess Soil Regulation) and the Rules for Soil Management and Excess Soil Quality Standards. The proposed amendments are intended to make the regulation easier to understand and more practical to implement, and to reduce requirements on lower risk activities to achieve greater reuse of readily usable excess soils to prevent usable soils being disposed of in landfill. Refer to the posting for a list of changes, exemptions and clarifications to the regulation.

Potential Impacts: None anticipated.

Federal Consultation:

[Amendment to the Transportation of Dangerous Goods Regulations - Site Registrations - SOR/2023-206](#)

Source: Transport Canada

Date Posted/Notice Received: October 25, 2023

Comments Due: N/A

Summary:

The Transportation of Dangerous Goods Regulations (TDGR) have been amended to include the regulatory requirement for Site Registration for all persons who import, offer for transport, handle or transport dangerous goods at a site located in Canada.

The registration requirement is found in the new Part 17 of the TDGR.

All persons who import, offer for transport, handle or transport dangerous goods in Canada must register in the new [Client Identification Database](#), if applicable. These persons have up to one year from the date of the amendment publication to complete their registrations (i.e., until October 25, 2024). All registered persons must provide administrative information and information concerning the dangerous goods and operations being conducted at the sites they own or operate in Canada.

Potential Impacts:

The [Frequently Asked Questions](#) section of the Client Identification Database clarifies the requirements for registration for goods being received. This is a “post transportation activity” and therefore registration is not required. If a site is only receiving dangerous goods that will be used in their scope of work and not conducting any other dangerous goods activities (i.e., import, offer for transport, handle or transport) then they are not required to register.

10. Visitor and Contractor Management Software

Attended three (3) software demonstrations of Contractor Management Software:

- On-Site Location - based out of Canada - preferred vendor (IT review currently in progress)
- The Receptionist - based out of the US
- Honeywell Sine - based out of Australia

End of Meeting

Appendix B: Environmental Compliance Audit Summary Report – Migratory Birds (October 13, 2023)

Audit Purpose:

The purpose of the audit was to assess fulfillment of compliance obligations with applicable legislative requirements (e.g., regulations, bylaws). Internal compliance audits promote continual improvement in the LHPWSS.

Non-conformances and opportunities for improvement are listed below.

Auditor Qualifications:

- Jennifer Levitt has completed an ISO 14001:2015 Internal Auditor training course and is deemed competent to complete auditing of management systems.

Methodology:

The internal audit was conducted as outlined in procedure LH-ADMIN-1600 (Compliance) of the EMS Manual.

The desktop audit was conducted for the LHPWSS (Huron Water Treatment Plant) which is operated by Ontario Clean Water Agency (OCWA), the contracted Operating Authority. The audit checklists were generated using Nimonik Environmental Criteria Software. The audit reviewed the planned processes and programs to evaluate how well legislative requirements are integrated into the LHPWSS and to ensure effective fulfillment of compliance obligations. This audit focused on the period between August 14, 2019 to October 13, 2023.

Note: The internal audit was conducted through a review of a sampling of documents, limited interviews, and observations by the auditors to demonstrate conformance with applicable legislation. The review and internal audit should not be construed as a complete and comprehensive review of all aspects/risks and all documents.

Findings:

The following is a summary of the audit findings, including non-conformances and opportunities for improvement.

Definitions:

- A non-conformance (NC) is a non-fulfilment of a requirement.
- An Opportunity for Improvement (OFI) describes a requirement that can be more effectively addressed.

- An observation is a comment or remark provided to share the conditions found on the day of the audit, typically related to an “out of scope” finding.

Areas Visited:

- Lake Huron Water Treatment Plant (WTP), 71155 Bluewater Highway, South Huron

Interviews Conducted:

- Allison McCann, Safety, Process and Compliance (SPC) Manager, QMS Representative - OCWA

Summary of Findings

Non-Conformances (NCs)

No NCs were identified as part of the internal audit.

Opportunities for Improvement (OFIs)

No OFIs were identified as part of the internal audit.

Appendix C: Internal Environmental Compliance Audit - Transportation of Dangerous Goods Act (December 14, 2023)

Audit Purpose:

The purpose of the remote audit was to assess fulfillment of compliance obligations with applicable legislative requirements (e.g., regulations, bylaws). Internal compliance audits promote continual improvement in the LHPWSS.

Non-conformances and opportunities for improvement are listed below.

Auditor Qualifications:

- Jennifer Levitt has completed an ISO 14001:2015 Internal Auditor training course and is deemed competent to complete auditing of management systems.

Methodology:

The remote desktop audit was conducted for the LHPWSS facilities which are operated by Ontario Clean Water Agency (OCWA), the contracted Operating Authority. The audit checklist was generated using Nimonik Environmental Criteria Software. The audit reviewed how well legislative requirements are integrated into the LHPWSS and to ensure effective fulfillment of compliance obligations. This audit focused on the period between October 26, 2020 to December 14, 2023.

Note: The internal audit was conducted through a review of a sampling of documents, limited interviews, and observations by the auditors to demonstrate conformance with applicable legislation. The review and internal audit should not be construed as a complete and comprehensive review of all aspects/risks and all documents.

Findings:

The following is a summary of the audit findings, including non-conformances and opportunities for improvement.

Definitions:

- A non-conformance (NC) is a non-fulfilment of a requirement.
- An Opportunity for Improvement (OFI) describes a requirement that can be more effectively addressed.
- An observation is a comment or remark provided to share the conditions found on the day of the audit, typically related to an “out of scope” finding.

Interviews Conducted:

- Allison McCann, Safety, Process and Compliance (SPC) Manager, QMS Representative - OCWA

Summary of Findings

Non-Conformances (NCs)

No NCs were identified as part of the internal audit.

Opportunities for Improvement (OFIs)

No OFIs were identified as part of the internal audit.



Report No.: LH-2024-01-02
Report Page: 20 of 35
Meeting Date: March 07, 2024
File No.:

**Appendix D: ISO 14001:2015 Reaccreditation Audit Report
(October 18 & 26, 2023)**

[See Attachment]

LAKE HURON PRIMARY WATER SUPPLY SYSTEM AUDIT REPORT

Re-certification

Report issued at 15:17 GMT on 06-Feb-2024

LAKE HURON PRIMARY WATER SUPPLY SYSTEM AUDIT REPORT

Client ID#:	CMPY-163895
Client/Address:	LAKE HURON PRIMARY WATER SUPPLY SYSTEM 71155 Bluewater Highway, Grand Bend, Ontario N0M 1T0 , Canada Regional/Divisional Office 13966 Medway Road, RR # 1, Arva, Ontario, N0M 1C0, Canada Regional/Divisional Office 39590 Huron St. Municipality of South Huron, Grand Bend, Ontario, 0L 2L0, Canada Regional/Divisional Office 9064 McGillivray Drive, Brinsley, Ontario, N0M 1A0, Canada
Audit Criteria:	ISO 14001:2015
Audit Activity:	Re-certification
Date(s) of Audit:	Grand Bend, Canada: 18-Oct-2023 Grand Bend, Canada: 26-Oct-2023
Auditor(s) (level):	Sandra Tavares (Lead Auditor, Lead Auditor, Lead Auditor, Grand Bend, Canada)
Scope of Audit and Scope of Certification:	Site: LAKE HURON PRIMARY WATER SUPPLY SYSTEM, Grand Bend, Ontario, Canada ISO 14001:2015: Overall scope/Main and additional sites scopes: Operation and maintenance of the facilities associated with the taking of raw water, subsequent treatment of this water and ultimately in the transmission and storage of potable drinking water.

LAKE HURON PRIMARY WATER SUPPLY SYSTEM AUDIT REPORT

OVERALL RESULT:

No Action Required

The management system was found to be fully effective. (no nonconformities issued)

EXECUTIVE SUMMARY

The EMS appears to be well managed given the conclusions and summary throughout this audit report.

2023 Ontario Water Works Association (OWWA) Water and Energy Efficiency Award pertained to the high lift pump replacements which have resulted in significant energy savings, estimated to be 2000 MWh at the Lake Huron Water Treatment Plant.

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

SWOT ANALYSIS

Strengths	Level of Engagement and buy in is a model for other organisations.
Weaknesses	Rather viewed as challenges rather than weaknesses by the Auditor, as per the RWS Director, the fact that so much has already been addressed by the EMS and as the level of EMS maturity progresses, makes it a challenge to identify further opportunities for improvement. Better integration with Health & Safety Management was also identified.
Opportunities	Refer to OFIs identified.
Threats	Refer to risks identified as part of the 'Risk Assessment / Treatment' Processes summary.

INTERTEK MATURITY MODEL

The score descriptions are generic to all management systems and cannot be customized by the auditor, thus allowing for the consistency of interpretation and standardization of audit results worldwide. The scores provided to your organisation are for benchmarking purposes only and are based on the audit team’s evaluation.

Management

Outstanding

Strong evidence of management commitment, customer and/or interested party satisfaction, knowledge/awareness of policy and objectives being demonstrated consistently by all members of the organization. Responsibility and authority is evident and supported fully via data, trends and related KPI’s. Management reviews are completed as scheduled and attended regularly by all required personnel. Records are complete and demonstrate positive trends in improvement and lessons learned. Senior management is fully engaged in supporting all aspects of the System.

Auditor Comments:

LH-ADMIN-900 (V5.0, 9/13/2023 updated from Compliance to Safety, Process and Compliance Manager similar to other procedure updates) documents a process for **Management Review** that evaluates the continuing suitability, adequacy, and effectiveness of the QMS, tracked on the Management Review Tracking Form, LF-ADMIN-900, to ensure all are reviewed at least annually. Top Management is to conduct a Management Review at least annually with LHPWSS conducting these more frequently, generally quarterly (e.g., 7-Sep- and 22-Nov-2022 and 7-Mar/Jun-2023) with increased frequency as a result of changes in legislation, changing circumstances, or at the request of Top Management. Corrective actions identified during Management Review were confirmed tracked in accordance with LH-ADMIN-400, on the LHPSS Corrective Action Spreadsheet.

Management Review Tracking LF-ADMIN-900 (V.3.0) with 7-Mar-2023 meeting referencing Huron Board Meeting 19-Jan-2023 identifies the **Environmental Policy** endorsed with climate change resiliency as a new commitment, https://huronelginwater.ca/wp-content/uploads/2023/06/2023-06-01-LHPWSS-Environmental-and-Quality-Policy-signed_acc.pdf with and Huron Board Meeting 2-Mar-2023 endorsing new environmental objectives, identifying adequate **resources** and **no complaints**.

Organizational structure including respective roles, responsibilities, and authorities are described within LH-ADMIN-100 (V.9.0, 30-Aug-2023). The RWS Director (e.g., reports and makes recommendations to Board, provides resources) and OA Regional Manager (e.g., infrastructure review, Owner communication through monthly and quarterly meetings) were interviewed with responsibilities confirmed. The Compliance Manager is responsible for arranging and chairing the Management Review described in Element 20. Two Senior Operations Managers are in place - one for Operations (previous Compliance Manager) and the other focusing on Maintenance. RWS Director identified environmental objectives focus on energy efficiency and procurement strategy for the next 5 years with chemical efficiency monitoring.

Internal Audits

Mature

Internal audits are being performed at planned intervals and are based on status and importance of the Management System. Data is being collected analyzed and reviewed by senior management on a regular basis. There exists a link between the internal audit results and the overall health of the Management System. Audit teams are trained,

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

impartial and objective in their approach. Audit reports are clear, concise and supported with applicable correction actions. Management is involved in the corrective action process ensuring timely implementation and overall effectiveness of resolution.

Auditor Comments:

LH-ADMIN-1200 (V.5.0, 9/13/2023) documents an internal audit process which describes the program, including responsibilities, the use of plans and checklists, auditor selection, etc. Internal audits are to be performed at least once every calendar year, previously 10-11 May-2022 and lastly 15-19 May 2023 by Acclaims Environmental Inc. with 13 opportunities for improvement. The audit schedule is to be maintained by the RWS Director or their designate, in consultation with the SPC Manager. Audit plans and reports are to be filed by the Compliance Manager as per LH-ADMIN-200. Non-conformances and opportunities for improvement are to be handled as per and tracked in the LHPWSS Corrective Action Spreadsheet. The audits consider previous internal and external audit results with nonconformities and OFIs identified and initiated following the Corrective & Preventive Action Procedure EA-ADMIN-400 (V.5.0, 13-Nov-2019).

Corrective Action

Mature

The corrective action process has demonstrated to be effective in practice. Data from sources such as customer and/or interested party complaints, internal audits, warranty analysis, defects, internal metrics and supplier performance show stability over time as the system matures. The process includes a thorough review of the effectiveness of the actions taken. There is evidence of problem solving tools being used to support the process.

Auditor Comments:

The audits consider previous internal and external audit results with nonconformities and OFIs identified and initiated following the Corrective & Preventive Action Procedure EA-ADMIN-400 (V.5.0, 13-Nov-2019) which references the use of the CAF Tracking Spreadsheet (V.25.0, 10/14/2023) which lists a few Management of Change and alum incident actions associated with the coagulation project as discussed with the RWS Manager. 2023 Surveillance Audit OFIs were mostly addressed (e.g., capital project remains). Action item status is as follows:

	# Action Items	# Complete	# Incomplete	# Overdue	% Completion
2020	38	38	0	0	100
2021	71	64	7	7	90
2022	100	91	9	9	91
2023	73	53	20	4	73

The audits consider previous internal and external audit results with nonconformities and OFIs identified and initiated following the Corrective & Preventive Action Procedure EA-ADMIN-400 (V.5.0, 13-Nov-2019) which references the use of the CAF Tracking Spreadsheet (V.25.0, 10/14/2023) which lists a few Management of Change and alum incident actions associated with the coagulation project as discussed with the RWS Manager. 2023 Surveillance Audit OFIs were mostly addressed (e.g., capital project remains). Action item status is as follows:

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2021	71	64	7	7	90
2022	100	91	9	9	91
2023	73	53	20	4	73

LAKE HURON PRIMARY WATER SUPPLY SYSTEM AUDIT REPORT

TOTAL 893 857 36 20 96

Continuous Improvement

Mature

Data streams are being used as sources to drive continual improvement over time. These may include management system policy, objectives, and audit results, analysis of data, CAPA and management reviews. There is some evidence of advanced techniques being used during the improvement cycle. Economic benefits have been realized.

Auditor Comments:

Refer to 'Conclusions regarding risk assessment / treatment processes' in relation to the status of objectives and maturity level summaries for 'Corrective Action'.

Operational Control

Mature

Operational Controls are planned and developed. Planning of operational controls is consistent with all other Management processes. Objectives, process requirements, needs for appropriate additional documents and resources, verification and monitoring activities and records requirements have been determined, as appropriate. Processes and activities run consistently. Data is collected, and reviewed to verify the effectiveness of operational controls with evidence of significant improvement trends. Some evidence linking to some key business factors.

Auditor Comments:

Refer to 'Assessment of Implementation related to Significant Aspects' summary and associated 'Conclusions regarding risk assessment / treatment processes' in relation to the status of objectives.

Resources

Mature

Resources required for the effective maintenance and improvement of the management system have been defined and deployed. Improvements have been noted in areas such as customer and/or interested party satisfaction, continual improvement, process variation. Levels of competency have been defined and documented within the existing management system.

Auditor Comments:

Resources required for the effective maintenance and improvement of the management system have been defined and deployed. Refer to summaries for maturity levels for 'Management' related to resources and 'Corrective Action' for improvement and 'Conclusions regarding risk assessment / treatment' related to objectives.

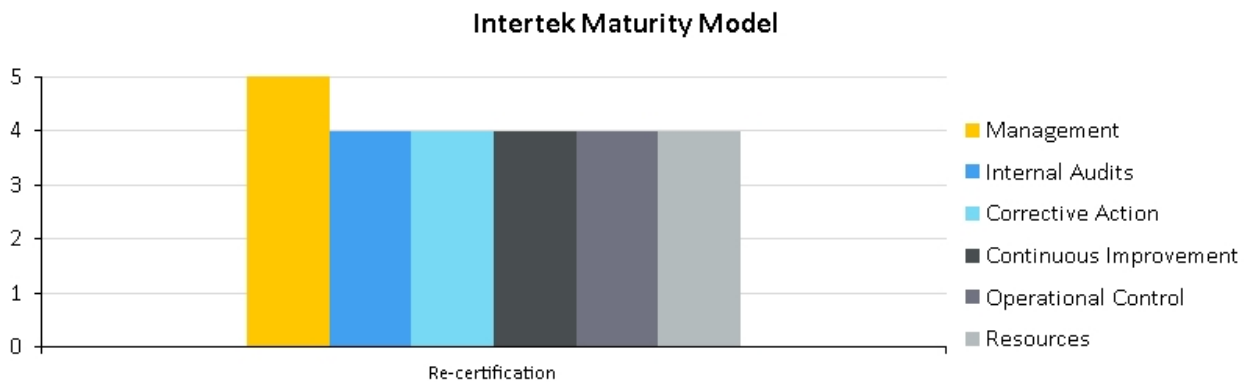
Levels of competency have been defined and documented within the existing management system. LH-ADMIN-1400 (v.12.0, 22-Aug-2023) documents the competencies required for personnel performing duties which was revised since the last external audit to:

- remove reference to LF-ADMIN-1400 as the OA uses LH Internal Training Matrix (quarterly work order for review and updates usually completed by the Team Lead interviewed) to track EMS & OCWA mandatory training requirements,
- update Environmental Compliance 101 training recommendation from 5 to 3 years to align with OCWA's mandatory training program and address CAF #794 corresponding OFI from the Oct-2022 Surveillance Audit (as per the CAF Tracking Sheet, the remaining OFIs identified during the audit have also been completed), and
- add that the OA also uses internal OCWA training records that are prepopulated by Corporate Compliance & Training

LAKE HURON PRIMARY WATER SUPPLY SYSTEM AUDIT REPORT

Department.

Orientation is to be delivered to new employees, with refresher training to be provided approximately every two years thereafter (confirmed). Specific to the DWQMS, the QMS orientation is to include roles, responsibilities, and benefits in achieving conformance; and Emergency Management & associated procedures. Activities to develop and/or maintain are documented, including practical training, professional development training, etc. Refer to 'Assessment of Implementation related to Significant Environmental impacts' in relation to subcontractor competency.



Rating: 5=Benchmark | 4=Mature | 3=Meets Intent | 2=Beginning | 1=Not Evident

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

FINDING SUMMARY

	Minor	Major
Issued during current activity	0	0
Opportunities for improvement have been identified		
Yes		

STATUS OF PREVIOUS AUDIT FINDINGS

Follow-up on findings issued at previous audit:

Prior assessment resulted in no non conformities.

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

EVIDENCE SUMMARY

The state of the management system is summarized below:

Process for Monitoring and Maintaining Compliance with Legal and Other Requirements

As per the 14-Sep-2023 Management Review, there are no new needs and expectations of interested parties (e.g., Oneida added last time), including compliance obligations and Environmental Compliance Internal Audit Report dated 16-Aug-2023 identified 3 NonCompliances and 6 OFIs whereas the 2-Mar-2023 Huron Board Meeting included a compliance obligations update which included RPRA, energy reporting and soils. Compliance Obligations are described within LH-ADMIN-600 (7/31/2023) whereas LH-ADMIN-1600 (both V7.0, 9/13/2023) identifies the compliance audit process, including the use of the Legal Register (V22, 10/14/2023) that includes the date the obligation was last audited. Legal Register (the "not applicable" tab was reviewed and focuses on areas that are either not applicable or project construction related and rely on Project Managers to address). An Environmental Compliance audit is also performed annually. A compliance audit is normally completed by the RWS Compliance Coordinator using the Nimonik list covering Federal and Provincial requirements except for this year when it was completed by an external party.

Assessment of Implementation related to Significant Environmental Aspects

Significant environmental aspects appear to be appropriately managed.

As per 14-Sep-2023 Management Review reviewed with the RWS and OCWA SPC Managers, changes to EMS Aspects Assessment related to new environmental aspects added - extreme weather events (ice storm, tornado, heat wave, deep freeze) and pest control (i.e., pesticides application); High lift pump upgrade projects resulted in 2023 Ontario Water Works Association (OWWA) Water and Energy Efficiency Award with significant energy savings (i.e., 2000 MWh at Huron WTP).

Aspects & Impact Assessment (V14.0) is described within LH-ADMIN-1100 (V3.0, 6/5/2020) and points to the consideration of **life cycle** perspective. Changes to the Aspects Register in the last year confirmed Management Review discussions above. The following was reviewed:

- **refrigerants** at McGillivray Pump Station (PS; Art Blake KB1 19-May-2023 annual and 7-Apr-2022 with contractor having completed orientation as per Huron Subcontractor and Supplier Sign-Off spreadsheet and ODP certificate for Terry exp.2027), non-hazardous waste solids (i.e., HVAC filters) at Komoka Mt. Brydges PS and water conservation at remote stations (McGillivray PS, Arva Valve House).
- **high water level and storm events** as a new environmental aspect (Lake Huron and related April and October erosion inspections every 6 months PM5632 scheduled for Apr-2024 completed 5x and lastly 25-Oct-2023 and 24-Apr-2023) associated with land erosion has impacts to infrastructure and associated maintenance and capital rehab although not significant).
- **Electricity Consumption** aspect operating process equipment (pumps) due to HLP replacement (keeping two old HLPs and installing 4 new HLPs to conserve energy). Savings of MWH by month has increased since July 2023 when only new pumps are running 226-230, strategy is a focus now with LH-ADMIN-2100 having no changes relating to process, only title changes
- **Waste** - Non-Hazardous, pertaining to Solids (non-recyclables such as Filter media, fiber & foam filters,

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

Recyclables (paper, plastic, cans, scrap metals), Wastewater (septic tank and oil/grease separator), Dewatered residuals to landfill with LH-PROC-100 (V6.0, Jan-2023 as a result of RPRA) in place as operational control as well as LH-PROC-200 Waste Manifest Completion (V5.0 as a result of RPRA) and LH-PROC-1200 Sludge Dewatering Disposal (V5.0, new sludge location to South Huron wilt ECA in place for review).

- **Spills** related to Process/Treated Water upsets pertaining to Handling and storing of compressed gases (propane - fork truck; oxygen & acetylene - welding equip and chlorine gas, handling and storing of chemicals (liquid and dry), planned discharges of potable water, storing petroleum products (diesel, waste oil & oil), major pipeline break, or reservoir infrastructure failure and refrigerants (air handling/condensing units & air conditioning units) with one 10L hydraulic non-reportable leak incident reported documented on LH-ADMIN-400 (V3.0, 7/3/2023) with waste pickup 16-Mar-2023 (waste manifests via 28-Mar-2023 RPRA 2100L 252L due to rinsing of chamber in latter incident and waste received Mar-29 with waste class review which includes lab wastes).

Alum delivery was observed with TDG license expiring for driver (Jim) in 2026 and spill kit in place in truck with hose inspections completed confirming LH-PROC-400 (V5.0). HT-RMF-005A (2021 CH2M Hill) drawing of double walled catchment holds 10KL at the Huron RMF.

- **Water Consumption taking and Optimization** relates to service/process water within WTP or Pumping Station and Water conservation and efficiency by customers/consumers. Backwash savings ties into less water taking and optimisation which relates to objective.

- **Air Emissions** to Outdoors via Emergency generators (diesel), Exhaust fans, including chemical storage areas; Natural gas boilers (TSSA 2 year reminder with new certs posted Jan-2023 WO110858), water heaters, space heaters; Welding Station; Sandblaster, PAC dust collector (annual 4-Apr-2023 128656WO), Dehumidifiers (WTP monthly electrician inspection); Emergency chlorine gas scrubbers, Using fleet vehicles; Residuals trucking; Transportation of raw materials; Outdoor Noise Equipment operation; construction with LH-ADMIN-1300 Air Emissions (V5.0, form 3 for new generator at McGillivray 23-Aug-2023 Form 3 to support Air emissions replacement of 60kW with 450kW to support Air & Noise Emission) as operational control as well as LH-PROC-1000 (V3.0, 10/7/2019 pertaining to filter changes) PAC Delivery. PAC drum delivery. Sodium hypo LH-PROC-1150 (V3.0) also in place to prevent spills.

- **Chemical Usage** is identified as part of maintenance in disinfection, super- and de-chlorination in relation to cleaning and filter media top-up as well as water treatment with the use of Alum, Polymer, PAC, Chlorine Gas, Sodium and Hypochlorite and Residuals Treatment using Polymer, Sodium Bisulphite, and various procedures in place.

- **Energy** encompasses electricity via operating process equipment (pumps), lighting and heating as well as natural gas consumption associated with boilers and dehumidifiers. LH-ADMIN-2100 (Electricity Use) is in place for management. Fuel consumption is associated with backup generators and vehicles. Oil consumption is related to process equipment (i.e., pumps) and transformers which have an associated maintenance program as the operational control.

Review and conclusion of client performance trends since last certification/recertification (at recertification audit and last surveillance audit prior to recertification)

No external nonconformities were identified within the last certification cycle. All OFIs are considered and most implemented. The internal audit process appears to be effective with findings, both nonconformity, noncompliance and opportunities for improvement identified and addressed.

Continual improvement is evident (refer to 'Conclusions regarding risk assessment / treatment processes' summary in

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

relation to objectives.

Identified opportunities for improvement

6.1.2 Environmental aspects - There is an opportunity to review the Aspects & Impact Assessment extreme weather impacts to other pump stations aside from McGillivray ("N" also identified for Arva).

7.2 Competency - There is an opportunity to:

- i) eliminate duplication between the Orientation Checklist and Operator Competency Form LF-ADMIN-1402, and
- ii) review Maximo training for M. Reinhard and P. Sherban.

8.1 Operational planning and control (Contractor Management) - There is an opportunity to review LH-ADMIN-1700 Subcontractor process to ensure sign-offs are completed in a timely manner (e.g., Chemtrade alum and Dielco's Chad LF-ADMIN-1700 sign-offs haven't been completed since Nov- and Feb-2021 although deliveries in place 2-3x / week for the former and latter regularly completing work).

8.1 Operational planning and control (Maintenance) - There is an opportunity to review Maximo maintenance Work Order closure to ensure completion (e.g., KB1 WO35714 scrubber media sample closure 11-Oct-2023 despite no receipt of report) and continuity (e.g., WTP annual scrubber maintenance 141730 and 87465 records prior to 2023).

8.1 Operational planning and control (Management of Change) - There is an opportunity to update LF-ADMIN-2301 with regard to LH-ADMIN-2300 as the latter is now part of the tender document and streamline with completion of LF-ADMIN-1700 and acknowledgement via RWS contract signing.

8.1 Operational planning and control (Waste Management) – To ensure regulatory requirements are met, there is an opportunity to:

- i. for storage of subject waste to:
 - a. review retention practices (e.g., RMF polymer disposal storage of subject waste).
 - b. clarify records within LH-ADMIN-200 Table of Records.
- ii. confirm process for waste receipt (e.g., % difference between amount shipped and time to destination).

9.1.2 Evaluation of compliance - There is an opportunity to ensure all obligations within the Legal Register are audited (e.g., some observed to be overdue from 2019).

Conclusions regarding risk assessment/risk treatment processes

Risk assessment / treatment appears to be effective.

LH-ADMIN-1500 (6.0Version number 6.0, 9/13/2023) describes the Objectives, Targets & Programs process which includes the use of Environmental Management Program Form (LF-ADMIN-1500, V3.0) and includes reference to significant aspects, compliance obligations and **risks** and opportunities. 2 EMS Objectives were reset for July 1/2017 through 31-Dec-2022 (coincides with OCWA's contract start and end dates) and include:

- **Reducing the demand on electrical generation through conservation and displacement** previously at <700kwh/ML and now 670kwh/ML which may decrease further as a result of new pumping strategy and annual operation (673.8 in 2018, 662.7 in 2019, 668 in 2020, 677 2021, and 669.1 2022 with a sharp decrease as a result of using new pumps strictly with an operation strategy provided by AECOM).
- **Reducing the use of chemicals in production of potable water** <48kg/ML and now <44 (52.9 in 2017, 47.4 in 2018,

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

2019 45.3, 2020 44.4, 2021 41.6, 2022 42.5) with LH1260 Huron Flash Mix / Coagulation Upgrade remaining as further contributing to these numbers addressing inefficient mixing to decrease chemical costs / usage and observed mostly completed but with changes needed as it is not working and planned for Q42023/Q12024. Agreed on new design by Jacobs as a result of design flaw.

Although no baseline is in place (e.g., backwash) **optimising process water's** target remains to be determined.

Coagulation will also contribute as filters will operate better. Water Quality Facility Plan will also contribute to chemical efficiencies tied into filter performance and feeds into electrical performance as well.

Conclusions regarding context of the organization

Context of the organisation appears to be well managed.

External and Internal issues discussions during the 14-Sep-2023 Management Review included Aging (i.e., **life cycle**) infrastructure (e.g., high lift pump completed and coagulation system is a concern with alum needed, Exeter concrete deterioration [i.e., **maintenance** project OCWA discussed with Asset Management Specialist via WO132603 corrective work order with status approved] and McGillivray electrical upgrade observed; addressed plant and now moving to transmission such as Arva repair on reservoir Victaulic coupling WO138192 in progress with a number of actions identified), water demand well within capacity, resource inputs (e.g., chemical costs which have remained pretty much the same except for sodium metabisulphite with 30% reduction in backwashes to the lake), Senior government incentives and funding (in relation to Oneida pipeline with a signed agreement in place extending pipeline by 20km and minimal demand about 2000 people), Public engagement (tours); and **Supply chain** interruptions/delays (quarterly chemical contracts are now annual again).

Additional information/unresolved issues

None identified

Communication/Changes during the visit (if applicable)

Refer to revised Audit Plan

References to appendices:

Audit plan; Audit plan (as executed)

Have all shifts been audited:

Yes

The audit has been performed according to audit plan meeting audit objectives, scopes and duration (on-site and off-site) as given within the audit plan

Yes

Have there been any changes to Scope?

LAKE HURON PRIMARY WATER SUPPLY SYSTEM AUDIT REPORT

Yes

Operation and maintenance of the facilities associated with the taking of raw water, subsequent treatment of this water and ultimately in the transmission and storage of potable drinking water.

Have there been any changes to Headcount?

No

Have there been any Address Changes?

No

Have there been any Sites Added / Removed?

No

Have there been any Other Changes?

No

LAKE HURON PRIMARY WATER SUPPLY SYSTEM **AUDIT REPORT**

LEAD AUDITOR RECOMMENDATION

Lead Auditor's Recommendation for ISO 14001:2015

The management system is in conformity with the audit criteria and can be considered effective in assuring that objectives will be met. Continued certification is therefore recommended.

OTHER OR ADDITIONAL LEAD AUDITOR RECOMMENDATION

Not applicable

CLIENT ACKNOWLEDGEMENT

Client Representative Name and Mailing Address:	Allison McCann, Safety, Process and Compliance Manager 71155 Bluewater Highway Grand Bend, Ontario N0M 1T0 Canada
Acknowledged By:	Allison McCann Safety, Process and Compliance Manager

This report is based on a sample of evidence collected during the audit; therefore the results and conclusions include an element of uncertainty. This report and all its content is subject to an independent review prior to a decision concerning the awarding or renewal of certification.

Board of Management Report

Subject: Quarterly Operating Financial Status – 4th Quarter 2023

Overview:

- This report shows the current fiscal year’s 4th quarter in comparison to its Budgeted amount and the previous year’s same time period.

Recommendation

That the Board of Management for the Lake Huron Water Supply System **RECEIVE** this report regarding the Operating Financial Status Report for the period of October 1 to December 31, 2023, noting that this report is unaudited and subject to adjustments including the preparation of the financial statements and completion of the annual audit.

Previous and Related Reports

June 2, 2023	Quarterly Operating Financial Status – 1 st Quarter 2023
October 5, 2023	Quarterly Operating Financial Status – 2 nd Quarter 2023
December 7, 2023	Quarterly Operating Financial Status – 3 rd Quarter 2023

Background

At the request of the Board of Management, a Financial Status Report is provided on a quarterly basis for information. The financial status provides a high-level overview of incurred expenditures and revenues on a cash-flow basis and is compared to the approved operating budget of the water supply system. All expenditures and revenues provided in this Financial Status Report are unaudited and may include accrued and/or unaccrued expenses from a previous or future fiscal year.

A high-level summary of incurred expenses and revenues for the water supply system is attached to this report as Appendix A for the fourth quarter 2023 (October 1 to December 31) as well as a comparative accumulation of expensed for the year to date.

Note: The reported expenditures and revenues may be subject to adjustments, including but not limited to corrections and entries required for the preparation of financial statements and completion of the annual audit.

Discussion

For the information and reference of the Board, the following highlights of the attached summary provides a brief explanation of notable deviations from the approved budget and/or clarifications of the financial summary:

- Contracted Operating Services in the summary report reflects the total direct operating costs of the contracted operation of the water treatment and transmission system, as well as other related contracted services. The total accumulated operating costs over the year (unaudited) is higher than the same period in 2022 and is reflective of contractual increases in service agreements with the operating authority and other contracted services.
- Contracted Administrative Services in the summary report reflects the fees paid to the City of London.
- Electricity expenditures include the purchase of energy and related energy management service charges for the water system. Total electricity expenses for the year are approximately \$413,000 lower than the previous year.
- Salaries, wages and benefits expenditures include all direct labour costs for administrative staff including benefits. Variations over the same period in 2022 are attributed to annual salary adjustments and an increase in personnel.
- Administration and Other Expenses relates to various overhead operating expenses, including subscriptions and memberships, office supplies and property taxes. The expenses are higher than the same period in 2022 mainly due to an increase in property taxes.
- Vehicles and Equipment expenditures include costs associated with vehicles, computers and office equipment for administrative staff. Though the costs are within budget, they are higher than 2022 due to transferring costs from the capital budget to operating.
- Purchased Services and Professional Fees largely relates to allowances for ad hoc professional consulting and legal services, security services, office lease, telephone charges, network and SCADA maintenance, printing services, and pipeline locate costs. The nominal cost difference when compared to the same period in 2022 is largely attributed to increased insurance costs.
- Debt Principal and Interest payments occur twice per year; in the first and third quarter.

- Contributions to the Reserve Funds occur at the end of the fiscal year as part of the year-end audit preparation process, where the actual contributions are the total remaining revenue in excess of expenditures. Accordingly, the amount of the anticipated contribution is currently adjusted to reflect the additional revenue and expenses incurred and may be subject to further adjustment as a result of the completion of the year-end financial statements and audit.

Prepared by: Archana Gagnier
Budget and Finance Analyst

Submitted by: Andrew J. Henry, P.Eng.,
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: Operating Financial Status Summary – 4th Quarter 2023

Quarterly Financial Summary Report

Lake Huron Water Supply system

4th Quarter 2023 (October 1 to December 31)

(\$,000's)

	Approved 2023 Budget	Q4 - 2023	2023 Year to Date	Year To Date Variance	2022 Year To Date
Total Revenue	24,499	5,934	24,416	83	23,787
<u>Expenditures:</u>					
Contracted Operating Services	8,558	2,147	7,862	696	7,157
Contracted Administrative Services	328	53	302	26	298
Electricity	3,000	694	2,931	69	3,344
Salaries, Wages, Benefits	1,043	356	1,046	(3)	911
Administration and Other Expenditures	510	36	459	51	442
Vehicles and Equipment	168	105	160	8	79
Purchased Services & Professional Fees	1,521	264	1,418	103	1,250
Debt Principle Payments	1,113	7	1,113	0	1,292
Interest on Long-Term Debt	77	-8	74	3	94
Contributions to Reserve Funds	8,180	8,180	9,051	(871)	0
Total Expenditures	24,499	11,834	24,416	83	14,867

Board of Management Report

Subject: Capital Status Report

Overview:

- This report shows the current fiscal year's status of all capital projects.
- Three capital projects are recommended to be closed with surplus funding in the approximate amount of \$151,637 released to the Reserve Funds.

Recommendation

That, on the recommendation of the Chief Administrative Officer, the Board of Management for the Lake Huron Primary Water Supply System take the following actions regarding capital projects:

- a) The Board **CLOSE** projects **LH1246** LL Building – Curtain Wall, **LH1257** Chamber 63 Access Culvert and **LH2040** Remote Site Generator with surplus funding in the approximate amount of **\$151,637** be released to the Reserve Funds; and
- b) The Board **RECEIVE** this report for information.

Previous and Related Reports

Capital Status Report – October 2023

Background

The Capital Project Status Report, attached for the Board's information, provides a brief overview of the status of current capital projects for the Lake Huron Primary Water Supply System. This report is provided for the general information of the Board.

The status report is divided into four categories of projects, namely:

1. **Ongoing Projects:** This section provides a summary list of all projects which are funded by the Board through the Capital Budget, and which are currently in-progress. Board funded projects are typically for the replacement or upgrade of existing assets, the construction of new assets, or engineering studies and assessments, as approved by the Board.

Under the terms of the Service Agreement with the contracted operating authority, the Board is also required to pay for some maintenance/repair activities. The benchmark used in the operating contract is that if the value of the material and any contracted labour is over \$30,000 (indexed annually to inflation from the start of the contract), the project is considered Capital Maintenance and the contracted operating authority would fund the first \$30,000 (indexed), with the balance funded by the Board. Accordingly, the Board maintains an annual “fund” within the Board’s capital budget to pay for these projects as they arise.

2. a) Completed Projects - Release Surplus to Reserve Funds: This section provides a summary list of all projects which are presently completed and do not require additional funds from that budgeted. Should the Board approve the closure of the listed projects, it is the recommendation of staff to release the surplus funds, if any, to the appropriate Reserve Fund.

b) Completed Projects – Reduce Authorized Debt: In the case where the project is funded through the issuance of a debenture, should the Board approve the closure of the listed project it is the recommendation of staff to reduce the previously authorized but unissued debt for the project(s).

3. Completed Projects - Additional Funding Required: This section provides a summary list of all projects which are presently completed but require additional funds from that originally approved by the Board. Should the Board approve the closure of the listed projects, it is the recommendation of staff to provide the required additional funding from the Board’s Reserve Fund.

Discussion

For the information and reference of the Board, the following is the Capital Project Status Summary:

1. Ongoing Capital Projects

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
LH1016	Huron Safety Railing Replacement	\$500,000	\$484,094	Project ongoing
LH1021	Huron Low Lift Pump 6 Refurbishment	\$290,000	\$139,460	Project ongoing
LH1107	SCADA/PLC Software Review & Upgrade	\$500,000	\$144,958	Project ongoing
LH1207	Concrete Crack Injection	\$220,000	\$216,647	Ongoing project
LH1216	Closed Loop Chlorine Control	\$135,000	\$106,294	Project ongoing
LH1219	Filter Backwash Turbidity Meters	\$250,000	\$233,241	Warranty period
LH1229	Security Upgrades	\$1,053,000	\$758,169	Project ongoing
LH1230	High Lift Pump Replacement	\$13,557,000	\$9,270,923	Warranty period
LH1232	Arva Victaulic Repair	\$175,000	\$134,561	Project ongoing
LH1242	Hydraulic/Transient Model Update and Monitoring	\$540,000	\$389,894	Project ongoing
LH1243	McGillivray Electrical Upgrades	\$11,887,175	\$6,705,604	Project ongoing
LH1245	Walking Beam Flocculator Rehab	\$400,000	\$389,669	Project ongoing
LH1251	PAC Feed/Transfer Pump System Replacement	\$260,000	\$54,104	Project ongoing
LH1256	Crop Yield Monitoring – 2014 Pipeline Twinning	\$1,500,000	\$231,070	Project ongoing

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
LH1260	Flash Mixer Upgrade	\$1,437,000	\$1,136,384	Project ongoing
LH1261	PLC Replacements	\$40,000	\$4,351	Project ongoing
LH1264	Vehicle Door Replacements	\$225,000	\$205,593	Project ongoing
LH1267	Plant Interior Door Replacement	\$80,000	\$64,311	Project ongoing
LH1272	Service Water Pipe Replacement	\$100,000	\$74,001	Annual program
LH1273	(PS3) Exeter-Hensall Pump Control Upgrades	\$100,000	\$7,441	Project ongoing
LH1274	SCADA Control Modifications	\$100,000	\$2,160	Project ongoing
LH1277	IT Asset Replacement Program	\$425,000	\$269,409	Project ongoing
LH1279	Cyber Intrusion Detection System	\$10,000	\$0	Project ongoing
LH1284	Huron Flocc Gear Drive	\$300,000	\$308,537	Project ongoing
LH1285	Pressure Reducing Valve	\$425,000	\$0	Project ongoing
LH1316-22	Annual Maintenance (2022)	\$125,000	\$75,808	Annual program
LH1316-23	Annual Maintenance (2023)	\$125,000	\$18,410	Annual program
LH1317	Distressed Pipe Replacement	\$2,150,000	\$1,474,215	Project ongoing
LH1352	Arva Reservoir Structural Repairs	\$50,000	\$405	Project ongoing
LH1353	WTP Modifications	\$850,000	\$355,755	Multi-year project

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
LH1380	Clarifier Upgrades	\$350,000	\$272,513	Project ongoing
LH1388	Coagulation Optimization Study	\$50,000	\$0	Project to be initiated
LH1408	Oneida Transmission Pipeline	\$25,200,000	\$273,749	Project ongoing
LH1900	Record Drawings & Documents	\$491,000	\$406,649	Multi-year project
LH1426	Microbial Inactivation and Storage EA	\$1,000,000	\$475,224	Project ongoing
LH1901	Water Quality Facility Plan	\$290,000	\$93,692	Project ongoing
LH2036	Roof Drain Replacement	\$75,000	\$69,885	Project ongoing
LH2038	Chamber Flood Prevention/Rehab	\$175,000	\$156,834	Project ongoing
LH2042	Pipeline-A Double Isolation Valve	\$1,247,000	\$26,566	Project ongoing
LH2044	Sub-Basement Drain Study	\$25,000	\$0	Project ongoing
LH2045	Monitoring Station Controls Upgrades	\$275,000	\$20,529	Project ongoing
LH2046	Asset Condition Field Assessment	\$110,000	\$80,591	Project ongoing
LH2048	De-Chlorination at Remote Stations	\$125,000	\$0	Project ongoing
LH2049	Office Expansion	\$100,000	\$13,714	Project ongoing
TOTAL		\$67,322,175	\$25,145,414	

2.a) Completed Projects – Release Surplus to Reserve Funds \$151,637

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
LH1246	LL Building – Curtain Wall/Clearstory Window Replacement	\$425,000	\$382,042	Project completed
LH1257	Chamber 63 Access Culvert	\$405,000	\$299,111	Project completed
LH2040	Remote Site Generator Connections	\$20,000	\$17,210	Project completed
TOTAL		\$850,000	\$698,363	

2.b) Completed Projects – Reduce Authorized Debt/Other Sources

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
TOTAL		\$ 0	\$ 0	

3. Completed Projects – Additional Funding Required

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
TOTAL		\$ 0	\$ 0	

* Expended as of December 31, 2023

Prepared by: Archana Gagnier
Budget and Finance Analyst

Submitted by: Billy Haklander, P. Eng., LL.M
Senior Manager, Capital Programs

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Board of Management Report

Subject: Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment – Application for Minor Variance

Overview:

- A new administration building extension is proposed for the Lake Huron Water Treatment Plant.
- A minor variance application will be submitted to the Municipality of South Huron for the siting of the proposed administration building, due to the proximity of the proposed building to the northerly property line along Waterworks Road.

Recommendation

That, on the recommendation of the Chief Administrative Officer, the Board of Management for the Lake Huron Primary Water Supply System **RECEIVE** this report for information regarding the Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment (LH1353) project minor variance application.

Previous and Related Reports

- | | |
|------------------|---|
| December 7, 2023 | Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment – Extension of Consulting Engineering Services |
| October 13, 2023 | Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment |
| January 19, 2023 | LH1353 WTP Modification/Renovation & LH2047 Electric Vehicle Charging Stations |

Background

In early 2022, Board staff initiated an administration and operational staff needs assessment for the Lake Huron Water Treatment Plant. Subsequently, in 2023 the Lake Huron Primary Water Supply System (LHPWSS) retained Stantec Consulting Ltd. (Stantec), through a competitive Request for Proposal process to further build on the initial assessment work. Stantec worked with Board staff to investigate and develop potential alternate design concepts for the WTP site redevelopment, including a new administration building and renovation of selected plant working areas to ensure functionality and long-term suitability. The results of that assignment, including renderings of the preferred design concept and recommendations to pursue LEED

certification and potentially meet the Zero-Carbon Building Standard, were presented to the Board at the October 13, 2023 Board meeting.

Discussion

The new administration building at the Lake Huron water treatment plant is proposed to encroach into the municipal zoning sideyard building setback along the Waterworks Road northerly property line. This encroachment is necessary to site the building while maintaining the functionality of the existing interior parking lot and loading & unloading zones. The northerly property line and separation distance between north property line to the travelled portion of Waterworks Road remains unaffected. The proposed administration building will replace the security trailer and the concrete block Maintenance garage building, as illustrated in the previous renderings provided to the Board illustrating existing and proposed conditions.

Stantec, acting as an agent of the LHPWSS, will be preparing and submitting an application to the Municipality of South Huron for a minor variance to permit the sideyard setback encroachment. The intention is to submit our application for consideration at a spring South Huron Committee of Adjustment meeting.

Concurrent with the minor variance application process, Board staff have engaged with neighbouring residents and property owners regarding the proposed building extension. This included a notification letter and a virtual meeting held on February 28, 2024. The Municipality of Bluewater was also made aware of this communication and the minor variance application.

Conclusion

Board staff are preparing a minor variance application to the Municipality of South Huron for the siting of the proposed administration building and will be engaging with the local community in conjunction with and to support that application process.

Prepared by: Ryan Armstrong, C.E.T.
Asset Management Coordinator

Submitted by: Billy Haklander, P. Eng., LL.M
Senior Manager, Capital Programs

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Board of Management Report

Subject: Ministry of the Environment, Conservation and Parks Inspection Report

Overview:

- The 2023-2024 annual Ministry of the Environment, Conservation and Parks (MECP) Inspection Report was received on January 5, 2024.
- The final inspection report identified one (1) non-compliance, resulting in a final inspection rating of 99.35%.
- Corrective actions to address the non-compliance have been completed as required.

Recommendation

That the Board of Management for the Lake Huron Water Supply System **RECEIVE** this report for information.

Background

The Ministry of the Environment, Conservation and Parks (MECP) conducts an inspection of the Lake Huron Water Supply System (LHWSS) annually. The objective of the inspection is to determine the compliance of the drinking water system with specified requirements under the Safe Drinking Water Act and associated regulations, as well as licences and permits issued by the MECP. An inspection report is issued by the MECP which outlines any non-compliances as well as recommended best management practices for the water system's consideration.

Violations identified within an inspection report, if any, have been evaluated by the MECP based on the potential and degree of risk to consumers. Any identified violations are monitored for compliance with the minimum standards for drinking water in Ontario as set forth under the Safe Drinking Water Act and associated regulations. Where risk is deemed to be high and/or compliance is an ongoing concern, violations are forwarded to the Ministry's Investigation and Enforcement Branch by the Ministry Inspector.

Discussion

Inspection Findings

The MECP conducted an announced "detailed" physical inspection of the LHWSS on October 23, 2023. The final inspection report was issued by the MECP on January 5, 2024. The inspection covered the period from November 1, 2022 through September 30, 2023. The final inspection rating was 99.35%.

There was one (1) non-compliance identified by the Ministry Inspector. The non-compliance was related to the “Logbooks” section of the inspection checklist. Corrective actions were required by the operating authority to address the non-compliance.

Operators are required to document their operational checks and other activities in a regulatory logbook. The inspector noted that most operators are diligently documenting their activities; however, there were a number of logbook discrepancies related to one specific operator.

Record-keeping requirements are outlined in s.27 of [O.Reg. 128/04](#) (Certification of Drinking Water System Operators and Water Quality Analysts). Corrective actions required by the MECP inspector were to ensure the record-keeping requirements are complied with and provide training to all operators on these legislative requirements.

The corrective actions were completed by the deadline established by the MECP inspector. The operating authority completed the required training and submitted the corresponding documentation (i.e., training records) to the Ministry Inspector on January 31, 2024.

For the Board’s information and reference, the specific details of the non-compliance and required corrective actions are found in [Appendix A](#) of this report.

Due to the length of the Ministry’s final inspection report, this Board report contains a summary only for the general information of the Board. Copies of the complete inspection report, as issued by the MECP, are available to the Board, the benefiting municipalities, and the public at large from Board staff at the Regional Water Supply office in London upon request.

It is noted for the Board’s information and reference that these annual inspection reports were previously posted to the water systems’ website for ease of public access. Unfortunately, the inspection report issued by the MECP does not comply with the Accessibility for Ontarians with Disabilities Act. As a result, previous inspection reports have been removed from the water systems’ website. This and future annual inspection reports issued by the Ministry will only be made available upon request until such time as the Ministry makes the document compliant with the Act.

Risk Rating

The MECP applies a risk rating methodology to establish an annual inspection rating. Any non-compliance identified in the inspection report is evaluated based on the potential to compromise the delivery of safe drinking water to the public. For example, a “failure to document” may have a relatively low risk to the consumer, whereas a “failure to disinfect” would have a relatively high risk. The primary goal of this type of assessment is to encourage ongoing improvement and to establish a way to measure improvement, which is weighted by the severity of the risk. A low inspection rating does

not necessarily mean that drinking water is unsafe, but rather it is an indication of the degree to which there is room for improvement with respect to a drinking water system’s operation and related administrative activities.

This methodology of risk assessment and rating has been used consistently by the MECP since the 2008-2009 inspection period, and therefore can serve as a comparative measure both provincially and specifically to the LHWSS since that time. The methodology utilized for annual inspections is reviewed by the MECP every three years. If changes occur in the application of the methodology and risk ratings, ratings from one three-year period may be slightly inconsistent with another.

The following table outlines inspection ratings for the LHWSS over the last five years:

Inspection Year	Final Inspection Rating	# of Non-compliances	Type of Inspection	Operating Authority
2019-2020	93.25%	2	Detailed	OCWA
2020-2021	100.00%	0	Detailed	OCWA
2021-2022	100.00%	0	Detailed	OCWA
2022-2023	91.12%	3	Focused	OCWA
2023-2024	99.35%	1	Detailed	OCWA

Correspondence and Communications

Prior to issuing the final inspection report, the Ministry Inspector issued a draft copy to the operating authority, providing the opportunity to comment or request clarification on the findings. The operating authority provided Board staff with a copy of the draft report for review and comment.

Board staff opted not to comment on the specific details of the non-compliance, as it relates to the operating authority’s operations. Board staff submitted minor administrative comments only.

The non-compliance is scheduled to be discussed at the March 5, 2024, Management Review meeting between top management and staff. The discussion will include a root-cause analysis of the non-compliance. Further internal action items may be assigned to prevent reoccurrence. Any subsequent action items identified will be added to the water system’s corrective action tracking system. Board staff monitor and track the status of corrective action items through its Environmental Management System (EMS) and Quality Management System (QMS).

Conclusion

The MECP inspection report has indicated that not all requirements of applicable legislation were met by the LHWSS for this inspection period. Corrective actions have been completed, as required, to address the non-compliance. Board staff will continue to discuss any inspection findings with the MECP Regional Office to ensure that inspection findings are consistent, appropriate and relevant to the LHWSS.

Prepared by: Erin McLeod, CET
Quality Assurance & Compliance Manager

Submitted by: Andrew J. Henry, P.Eng.
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: [Appendix A](#): Summary of Non-compliance Items

Appendix A: Summary of Non-compliance Items

Non-compliance #1

Question Group: Logbooks

Question: Are logbooks properly maintained and contain the required information?

Compliance Response/Corrective Action(s):

Logbooks were not properly maintained and/or did not contain the required information.

Ontario Regulation 128/04 s. 27, stipulate the requirements for record keeping for the operations of a subsystem. The Operating Authority for the Lake Huron Primary Water Supply System has transitioned over to electronic logbooks from physical logbooks. An electronic logbook allows operators to securely access a single digital log keeping system which has eliminated the need for multiple logbooks associated with the drinking water system. According to the log records provided for review, most operators diligently document scheduled operational checks, manual free chlorine residuals and any other operational or maintenance activities that may have occurred within the system.

However, it was determined that there were a number of discrepancies in the logbook entries for one Operator regarding proper documentation of activities. This Operator documented activities related to completing laboratory and operational tests, but upon further inquiry, these activities did not actually occur. The MECP discussed this issue with the Operating Authority who confirmed the discrepancies associated with the activities of this Operator, and as such, the Owner/Operating Authority has not complied with the requirements prescribed by Ontario Regulation 128/04, Section 27.

CORRECTIVE ACTIONS:

From herein, the Owner/Operating Authority shall ensure that the requirements stipulated in O. Reg 128/04 s.27 are complied with. The Owner/Operating Authority shall provide training to all operators on the legislative requirements of Ontario Regulation 128/04 s.27. The Operating Authority shall submit documentation to ensure compliance with the aforementioned including an operator sign off sheet to the undersigned Water Compliance Officer, no later than January 31, 2024.

Status Update: The corrective action was completed. The operating authority completed the required training and submitted the corresponding documentation (i.e. training records) to the Ministry Inspector on January 31, 2024.

Board of Management Report

Subject: Naming of Property and Buildings Policy

Overview:

- The proposed Naming of Property and Buildings Policy is intended to provide a framework for the consideration and approval of names for properties and buildings owned by the regional water system.
- The proposed Policy also provides guidance for the consideration of what names may be considered when naming or re-naming properties and buildings.
- The Policy will also be used by staff to reconcile and recommend existing naming conventions where historically a property and/or building has multiple named references.

Recommendation

That the Board of Management for the Lake Huron Water Supply System take the following actions with regard to amendments and revisions to the Naming of Property and Buildings Policy for the Lake Huron Water Supply System:

- a) The Board of Management for the Lake Huron Water Supply System **APPROVE** the proposed Naming of Property and Buildings Policy as appended as Schedule “A” of the proposed Bylaw 10-2024 attached to this report; and,
- b) The Board of Management for the Lake Huron Water Supply System **RECEIVE** this report for information.

Previous and Related Reports

None

Background

The water treatment plant and associated infrastructure was originally constructed in the late 1960’s, and was owned and operated by the Ontario Water Resources Commission; a commission of the Province of Ontario, which eventually was merged to form the Ministry of Environment in the 1970’s. Since the time of the original construction and ownership, naming conventions and references to the various properties and buildings have been inconsistent and varied widely by different agencies, municipalities and people.

Having a consistent framework and guidelines for the consideration and approval of names for properties and buildings ensures consistency in referencing these assets, and a process for considering a request to re-name properties and buildings in future.

Discussion

The proposed Naming of Properties and Buildings Policy offers a balanced framework for the consideration of names for assets owned by the regional water system and identifies the process for approving the adoption of names and/or requests to rename properties and buildings. The Policy framework considers specific naming principles, as well as priorities and criteria for the names being considered, whereby names associated with geographic areas, dominant environmental or ecological features, and community references are given priority over considerations for naming properties and buildings after external organizations.

The Policy explicitly specifies that corporate sponsorship naming will not be considered under any circumstances and property and buildings will not be named after identifiable individuals.

Where the Board deems a name or re-naming request to be not acceptable, it may offer alternatives including the use of plaques of recognition or the purchase of features such as trees, benches and/or publicly available features including picnic tables.

Reconciliation of Existing Names

Historically, existing buildings and/or properties have often been referred to differently by predecessor owners of the regional water system, as well as municipalities and organizations. For the purposes of this report, a few of the more prominent facilities, exclusive of monitoring stations, is presented below:

Lake Huron Water Treatment Plant: The primary treatment facility is located in the Municipality of South Huron, approximately four (4) kilometres northeast of the village of Grand Bend, and has often been referred to as:

- Lake Huron Water Supply System Number One¹
- Port Blake water plant (with variations)
- Grand Bend water plant (with variations)
- Lake Huron water treatment and pump station

For consistency, staff recommend solely referring to the facility as the “Lake Huron water treatment plant”.

Port Blake Park: This “day park” is part of the property associated with the Lake Huron water treatment plant. This area of the plant property is operated by the Municipality of South Huron as a “day park” under a Licence of Occupancy

¹ The Lake Huron water treatment plant was the first water supply system designed and constructed between 1964 and 1967 by the Ontario Water Resources Commission and publicly dedicated as “Number 1” on September 27, 1968.

granted by the Board. Until such time as the term of the Licence of Occupancy expires or is otherwise terminated, staff recommend continuing to refer to this area of the plant property as the “Port Blake Park”.

McGillivray Pump Station: This facility is located near the mid-point of the transmission pipeline approximately seven (7) kilometres north of the village of Ailsa Craig in the municipality of North Middlesex.

References to this facility have historically included:

- Intermediate booster station
- Brinsley pumping station (with variations)
- McGillivray booster station (with variations)
- McGillivray Reservoir and Pumping Station
- Pump station #2

For consistency, staff recommend solely referring to the facility as the “McGillivray Pump Station”. While the station is located less than two (2) kilometres from the geographical area of “Brinsley” (the intersection of Brinsley Road and McGillivray Drive), most historical references to the facility have used the reference to the former township of “West McGillivray” which was amalgamated in 2001 with other communities to form the Municipality of North Middlesex.

Exeter-Hensall Pump Station: This facility is located less than two (2) kilometres west of the former town of Exeter in the Municipality of South Huron. The pump station includes a small integrated eight-million litre reservoir and together with the pump station, supplies the community of Exeter as well as the communities Hensall and Zurich in the Municipality of Bluewater.

This facility has been referred to as:

- Exeter-Hensall Reservoir and Pumping Station (and E-H Pump Station)
- Pump station #3

For consistency, staff recommend solely referring to the facility as the “Exeter-Hensall Pump Station”.

Arva Terminal Reservoir: This facility is located less than two (2) kilometres west of the village of Arva in the Municipality of Middlesex Centre. The City of London has a pump station on an adjoining property which draws water from the terminal reservoir to supply the majority of the City of London. The reservoir property also includes a pump station immediately adjacent to the terminal reservoir, which is used to supply the communities of Komoka, Killworth, and

Mount Brydges, and with the completion of the transmission pipeline extension from Mount Brydges will also supply the Oneida Nation of the Thames.

References to this property and facility have historically included:

- Arva reservoir
- Arva reservoir and pump station
- Terminal reservoir

For the purpose of differentiating the reservoir (building/asset) from the related property and other buildings/assets in the immediate area, staff recommend solely referring to the facility as the “Arva Terminal Reservoir”, while the property would be generally referred to as the Arva reservoir property.

Komoka-Mt. Brydges Pump Station: This facility is located on the Arva reservoir property, connected to and immediately adjacent to the Arva Terminal Reservoir. The pump station supplies water to the communities of Killworth, Komoka and Mount Brydges, and will supply the Oneida Nation of the Thames in future upon completion of the transmission pipeline extension.

While a relatively new facility, this station has been commonly referred to as:

- Komoka-Mount Brydges Pumping Station (and KMB Pumping Station)
- Pump station #4

As work associated with the extension of the associated transmission pipeline to provide the supply of treated drinking water to the Oneida Nation of the Thames is ongoing, staff would like to reserve considerations for standardizing the name of this facility to a future date and consideration by the Board at a future meeting.

Anticipated Operating and Service Impacts

The proposed Naming of Property and Buildings Policy is intended to maintain the fairness and equitability of considering the naming of property, buildings and related utility assets while ensuring the neutrality of system. There are no current plans for new facility signs; however, the Naming of Property and Buildings Policy will be considered should the Board consider and approve a region-wide branding exercise in future.

Accordingly, there are no circumstances currently being contemplated which would impact the financial plans and projections previously reviewed and approved by the Board.

Conclusion

The Naming of Property and Buildings Policy for the Lake Huron Water Supply System outlines the framework for the consideration and approval of names for properties and buildings owned by the regional water system, as well as the process for consideration and approval of renaming requests.

Submitted by: Andrew J. Henry, P.Eng.,
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: Proposed By-law 10-2024 (Naming of Property and Buildings
Policy)

By-Law No. 10 - 2024

A by-law to adopt the **Naming and Dedications of Buildings and Property Policy** of the Joint Board of Management of the Lake Huron Primary Water Supply System.

WHEREAS the Joint Board of Management for the Lake Huron Primary Water Supply System was established by Transfer Order Lake Huron Area #W1/1998, effective September 15, 2000, pursuant to the *Municipal Water and Sewage Systems Transfer Act, 1997*;

AND WHEREAS section 5(3) of the Municipal Act, 2002 S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Board of Management for the Lake Huron Primary Water Supply System enacts as follows:

1. That the attached Naming and Dedication of Buildings and Property Policy be hereby implemented:

SCHEDULE 'A' - NAMING AND DEDICATION OF BUILDINGS AND PROPERTY POLICY

2. That this by-law shall come into force and effect on March 8, 2024.

PASSED in Open session on March 7, 2024

First Reading – March 7, 2024

Second Reading – March 7, 2024

Third Reading – March 7, 2024



By-Law No. 10-2024 – Schedule ‘A’

Naming of Property and Buildings Policy

Approved: March 7, 2024

Last Revised:

Legislative History: Enacted by Board By-law 10-2024 (March 7, 2024)

Last Reviewed Date:

Policy Lead: Director, Regional Water

1 Purpose

The purpose of this Policy is to provide guidance for the naming of property, buildings and other elements that are owned by the Lake Huron Primary Water Supply System after significant geographical, community and historical elements. This Policy also provides a related process for applying for approval to name or re-name property, buildings and other elements that are owned by the Lake Huron Primary Water Supply System.

2 Applicability

This Policy shall apply to all assets, facilities, buildings, structures, infrastructure and property owned by the Lake Huron Primary Water Supply System, or parts thereof, including those assets, facilities, buildings, structures, infrastructure and/or property which may be licensed, in whole or in part, to a third party or municipality.

3 Definitions

Benefiting Members – shall mean the municipalities, communities, settlements, and/or First Nation which receives treated potable drinking water from Huron pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000, and any Water Supply Agreement with Huron. **Benefiting Member** shall mean the singular of Benefiting Members.

Board of Management (and Board) – shall mean the Board of Management for the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

Director – shall mean the Director of Regional Water for the Lake Huron Primary Water Supply System, or their designate.

Huron – shall mean the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

Huron Property and Buildings – shall mean all real property including unimproved lands, buildings, structures and facilities owned by Huron including but not limited to

dedicated parkland, open space, recreational areas, operations facilities, water-retaining and/or storage reservoirs, pumping stations, pressure surge control tanks and administrative office buildings.

4 The Policy

4.1 Policy Statement

It is the policy of Huron that the Board of Management shall approve the naming and/or re-naming of all property, buildings and related utility elements owned by Huron. Preference shall be given to naming and/or re-naming after significant geographical, community and historical elements.

4.2 Naming Principles

- Names shall be unique; name duplication and similar sounding names shall be avoided.
- Names should maintain a long-standing local area identification with the residents of the communities involved.
- Names shall be understandable to the majority of residents.
- Names shall not be discriminatory, derogatory or political in nature, nor shall the name impact the reputation of the water system.
- Names shall be consistent with any other applicable policies and naming standards.
- Names shall assist with emergency response situations by being consistent with street names and geographical locations.
- Signage shall be consistent with the water system's Logo and Identity Policy and branding guidelines.
- The cost associated with signage will be the responsibility of Huron when the naming or re-naming has been initiated by the Board or a third-party and will be the responsibility of the Benefiting Member when the naming/re-naming has been initiated by the Benefiting Member.
- The Board makes all final decisions concerning what is placed or occurs on the Huron Property and in its buildings.

Property, buildings and related utility elements shall not be named after an identifiable person.

The Board shall retain the right not to name certain facilities of broad community importance, including but not limited to the water treatment plant, reservoirs and pump stations.

An approval of a name/re-naming of a property, building or feature is not a guarantee of a name in perpetuity.

4.3 Naming Priority and Criteria

4.3.1 Priority

Priority shall be given to consistency of naming practice of Huron property and buildings, in order of preference, after:

- a) the community or geographical area which the function or purpose of the building or infrastructure is associated with or benefits from.
- b) the community or geographical area in which the property or building is located to provide a geographical association to help the public to locate a building more easily;
- c) the most dominant "constant feature either within or nearby" the selected site such as an associated significant ecological or natural resource feature;
- d) a historical name related to the heritage and/or history of the area in which the property or building is located, including First Nations traditions and naming of places;
- e) an event of international, national, provincial or regional significance;
- f) an organization to recognize:
 - i. particular activities and significant contributions to Huron; and/or,
 - ii. outstanding contributions or contributions made toward the development and/or enhancement of a property or building.

4.3.2 Specific Criteria When Naming/Re-naming after an Organization.

When a name of an organization is being considered, the following criteria should apply:

- the contribution they have made to public life, the municipal water sector, and the well-being of the region;
- the contribution made toward the acquisition, creation or redevelopment of the property, building or feature; and,
- where the name of an organization is so used, approval shall be obtained from the organization for such naming.

4.3.3 Corporate sponsorship naming will not be considered under any circumstances.

4.4 Application Review and Approval Process

Applicant(s) shall submit a written request for naming a property, building or feature to the Director. At a minimum, the written request shall provide the following:

- background information concerning the rationale for consideration of the request;
- biographical information if named after an organization or an individual; and,
- documentation including letters from organizations and individuals providing substantial support for the request.

The applicant(s) must assume responsibility for securing consensus within the community in which the property or building is located with respect to the application. Opposition to the application must be addressed and resolved by the applicant(s).

4.4.1 Application Review Process

Upon receipt of an application, the Director or their designate shall immediately review the application for its consistency with this Policy. The Director may, at their discretion, reject the application if the proposed name contradicts the requirements of this Policy.

Upon confirmation that the application and proposed name is consistent with this Policy, the Director shall submit a report to the Chief Administrative Officer and the Board requesting the Board's consideration for the application and recommending the approval or denial of the request by the Board.

4.4.2 Application Approval Process

Following completion of the application review process, the Director shall submit a report with the appropriate recommendation to the Board to either approve or not approve the naming/re-naming as requested by the applicant(s). The report shall include the following:

- a recommendation;
- rationale for recommended selection;
- confirmation of the individual's/organization's endorsement and community consensus;
- whether or not a ceremony is required;
- timing of the ceremony;
- future contributions to financing and ongoing maintenance (if applicable);
- the duration of time the name will be used (if applicable); and,

- other associated expenses with respect to signs, ceremonies, record-keeping and how these costs will be addressed.

4.4.3 Civic Re-Naming

Huron believes that existing names may have a historical significance and place within the culture of the community and should not be changed. The Board, in its sole discretion, may consider exceptional situations, and where it can be proven that the majority of the local community are in support of the change. Each application for re-naming will be examined on a case-by-case basis.

1. Priority for re-naming will be granted by the Board in instances where a re-naming is a condition of an agreement with Canada or Ontario related to the awarding of an International, National or Provincial Event/Competition and/or the duration of time agreed upon as part of this condition has expired.
2. Civic names may be changed if there are specific circumstances that arise which warrant a review.

Options to re-naming of an entire building, property or feature could include:

- Amending the name by adding another new name to the existing name; or,
- Subdividing or portioning-off a particular property or feature to be given a new name
- Placing the names of an organization (or individuals) on a plaque to recognize their contributions if it is found that it is inappropriate to name a particular property or building in its entirety.

4.4.4 Alternatives to Naming/Re-naming

The Board may consider alternatives to naming/re-naming properties, buildings or features including but not limited to the use of donor plaques or the purchase of features such as trees, benches and picnic tables.

Board of Management Report

Subject: New Connection Policy

Overview:

- The Board last reviewed and approved a New Connection Policy in June 2004.
- The New Connection Policy is intended to provide guidance for how municipalities connect to the regional water system and frame the minimum obligations of all parties involved including the payment of a buy-in charge.
- The proposed revisions to the New Connection Policy amend the framework to include First Nations, and not just municipalities, as well as address the possible segmented addition of communities within a municipality after the initial connection.

Recommendation

That the Board of Management for the Lake Huron Water Supply System take the following actions with regard to amendments and revisions to the New Connection Policy for the Lake Huron Water Supply System:

- a) The Board of Management for the Lake Huron Water Supply System **APPROVE** the proposed New Connection Policy as appended as Schedule “A” of the proposed Bylaw 9-2024 attached to this report; and,
- b) The Board of Management for the Lake Huron Water Supply System **RECEIVE** this report for information.

Previous and Related Reports

10 Jun. 2004	New Connection Policy
15 Jan. 2004	New Connection Policy

Background

The New Connection Policy for the Lake Huron Water Supply System was approved by the Board of Management on June 10, 2004, following consultations with the benefiting municipalities of the regional water system. The intent of the Policy is to provide a framework and guidance for circumstances relating to the supply of drinking water to municipalities who wish to join and connect to the regional water supply system and manage extensions of supplies between municipalities.

The original Policy included the adoption of a buy-in charge which would be imposed for new connections to municipalities which were previously not supplied by the Lake

Huron Water Supply System. The charge was intended to reimburse the system, and reflective of unutilized system capacity paid for by the existing benefiting municipalities, in order to supply drinking water to the new municipality on its maximum day in the connecting year. The buy-in charge was not related to the purchase and acquisition system capacity nor the purchase of a share of the regional system.

Once the (new) municipality connects to the regional water system, the rate for the purchase of water charged to all municipalities on a per cubic meter basis includes, among other things, a proportional payment of existing debt and contributions to the various Reserve Funds which are used for the ongoing renewal and replacement of capital assets and future capital investments.

Discussion

The 2004 New Connection Policy provided an adequate framework for the gross expansion of the regional supply by adding new municipalities to the regional water system, including the addition of the Municipality of Strathroy-Caradoc in 2006. As the regional water system contemplates possible future expansions and circumstances beyond the existing benefiting municipalities, some further refinement to the New Connection Policy is being proposed by staff, outlined as follows:

De-colonialization of Terms and References

The existing Policy tends to refer to only “municipalities” and does not broadly consider communities, including First Nations. While it may be necessary to reference municipalities (and benefiting municipalities) for specific purposes, the language-related amendments in the proposed Policy favours the use of terms like Benefiting Member(s), Prospective Member(s), and “communities” where appropriate, and includes references to both First Nations and municipalities where necessary.

Incremental Addition of Communities

In several instances with existing Benefiting Members, the supply to a municipality is solely for a specific community within the municipality and not all communities (i.e., a village or villages, and other residential areas but not the entire municipality). Conceptually, it is possible for a Prospective Member to join the regional water system and pay the corresponding Buy-In Charge related to the initial supply for only a village. Subsequent to that initial connection, the now-Benefitting Member could extend that initial supply to other villages and communities within their designated municipal boundaries, benefiting from unutilized capacity without the corresponding Buy-In Charge. The proposed amendments to the Policy contemplate the possibility of significant incremental additions of communities within a designated municipal boundary beyond what

would otherwise be considered the “natural growth of the community and municipality”.

The original premise of the New Connection Policy is that the regional water system exists for the benefit of all communities and municipalities connected to it and must plan for the eventual increase in supply and corresponding capacity as its beneficiaries grow. Once a municipality or community connects to the regional water system, no further additional buy-in payments were required as the rate for water charged to all beneficiaries included components for future growth based on projections contemplated in the Master Water Plan and updated on a five-year cycle. The corresponding Financial Plan and financial projections maintain the proportionality of growth and contributions through the unit rate for water charged to the beneficiaries.

In order to implement this amendment, in practical terms, all future Water Supply Agreements entered into between the Lake Huron Water Supply System and a Prospective Member would include provisions for additional payments upon significant expansions of supply.

Anticipated Operating and Service Impacts

The proposed amendments to the New Connection Policy maintain the fairness and equitability of both Benefiting Members and Prospective Members while ensuring the neutrality of system availability and capacity for all Benefiting Members. While there are no current plans for the regional water system which contemplates significant incremental expansion(s) which would trigger an additional buy-in charge, the Policy does allow for the eventual possibility of the charge being imposed.

Accordingly, there are no circumstances currently being contemplated which would impact the financial plans and projections previously reviewed and approved by the Board.

Conclusion

The New Connection Policy for the Lake Huron Water Supply System outlines the framework for the consideration and approval of new connections to the regional water supply systems for communities. The proposed amendments to the policy provide revised wording to ensure consistency in terminology, as well as clarification for the application of the buy-in charge for new communities.

Submitted by: Andrew J. Henry, P.Eng.,
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: Proposed By-law 9-2024 (re: New Connection Policy)

By-Law No. 9 - 2024

A by-law to adopt the **New Connection Policy** of the Joint Board of Management of the Lake Huron Primary Water Supply System.

WHEREAS the Joint Board of Management for the Lake Huron Primary Water Supply System was established by Transfer Order Lake Huron Area #W1/1998, effective September 15, 2000, pursuant to the *Municipal Water and Sewage Systems Transfer Act, 1997*;

AND WHEREAS section 5(3) of the Municipal Act, 2002 S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Board of Management for the Lake Huron Primary Water Supply System enacts as follows:

1. That POLICY 3A – New Connection Policy previously enacted by resolution on October 9, 2003 and amended by resolution on October 28, 2004) be rescinded and the attached New Connection Policy be hereby implemented:

SCHEDULE 'A' – NEW CONNECTION POLICY

2. That this by-law shall come into force and effect on March 8, 2024.

PASSED in Open session on March 7, 2024

First Reading – March 7, 2024

Second Reading – March 7, 2024

Third Reading – March 7, 2024



By-Law No. 9-2024– Schedule ‘A’ New Connection Policy

Approved: March 7, 2024

Last Revised: October 28, 2004

Legislative History: Enacted by Board resolution (October 9, 2003), amended by Board resolution (October 28, 2004), and enacted by Board By-law 9-2024 (March 7, 2024)

Last Reviewed Date: August 1, 2023

Policy Lead: Director, Regional Water

1 Purpose

This policy establishes the process guidelines and fees associated with approving, constructing, and operating a new connection to the Lake Huron Primary Water Supply System for the benefit of a Benefiting Member, a Prospective Member, and/or a First Nation.

2 Applicability

This policy shall apply to all new connections to the Lake Huron Primary Water Supply System, and any extension of water supply from the Lake Huron Primary Water Supply System to municipalities, communities, settlements and/or First Nations serviced by the Water Supply System or who requests to be serviced by the Water Supply System.

This policy shall not apply to an individual business, industry, commercial enterprise, or residential dwelling.

This policy does not preclude the extension of the Lake Huron Primary Water Supply System transmission main, at the sole discretion of the Board of Management, to supply an existing or new municipality or area of an existing or new municipality or First Nation.

3 Definitions

Benefiting Members – shall mean the municipalities, communities, settlements, and/or First Nations which receives treated potable drinking water from Huron pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000, and/or any Water Supply Agreement with Huron. **Benefiting Member** shall refer to any one of the Benefiting Members.

Board of Management (and Board) – shall mean the Board of Management for the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

Prospective Member– shall mean a municipality, community, settlement or First Nation reserved land who is not a Benefiting Member and who wishes to connect to and receive treated drinking water from Huron.

Huron – shall mean the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

4 The Policy

4.1 New Connections to Huron – General

All requests for new connections to Huron shall be approved by the Board of Management for a municipality, community, settlement area, or First Nation reserved land, or a portion of a municipality, community, settlement area, or First Nation reserved land, which are to be serviced by Huron, subject to the following:

- 4.1.1 All proposed connections to Huron shall be located on a Transmission Main owned and operated by Huron at a location acceptable to Huron. The connection must directly supply a water distribution system owned by a municipality or First Nation for the benefit of that particular municipality or First Nation. Proposed connections to Huron via the distribution system of a Benefiting Member is also subject to article 4.2 of this Policy.
- 4.1.2 An engineering review acceptable to Huron in its sole discretion shall be undertaken, at the Prospective Member’s cost, to address at a minimum:
 - a) Available capacity of the Huron water treatment plant to support the current and long-term requirements of the Prospective Member or area of the Prospective Member to be serviced by the proposed connection;
 - b) Available capacity of the primary and/or secondary transmission mains required to meet the current and long-term requirements of the Prospective Member or area of the Prospective Member to be serviced by the proposed connection;
 - c) An impact assessment of the proposed connection on Huron as a whole in consideration of, at a minimum, hydraulic conditions of the transmission main(s), and regulatory restrictions or conditions applicable to the proposed connection; and,
 - d) An impact assessment of the proposed connection on the existing and future capacity of the Lake Huron water treatment plant.

- 4.1.3 The proposed connection must include a monitoring station and bulk water meter, acceptable by Huron in its sole discretion, complete with necessary isolation valves, bypasses, pressure controls, and instrumentation. The monitoring station and bulk water meter, or parts thereof, shall be at the location of the connection, or an alternate location acceptable to Huron.
- 4.1.4 The proposed connection, and any associated transmission pipeline and/or improvements to Huron necessary to accommodate the new connection, shall be constructed at the cost of the Prospective Member, including but not limited to administration costs, interim financing of working capital, associated water treatment capacity improvements, and/or transmission capacity improvements at the reasonable discretion of Huron. The ownership of the monitoring station, bulk water meter, transmission pipeline and system improvements up to but excluding the Prospective Member's water distribution system shall be owned by Huron, without charge to Huron, and unrestricted access to the infrastructure granted to Huron and Huron's Operating Authority.
- 4.1.5 The construction of the proposed connection along with any associated pipelines to be owned and operated by Huron and/or alterations to Huron's existing infrastructure shall be undertaken by Huron and all related capital, administration and engineering costs associated with the connection shall be at the expense of the Prospective Member. The connection shall include but not limited to the following:
- a) The construction of the connection point including but not limited to all associated valves, meters, monitoring and control equipment, and pressure control devices;
 - b) The construction of a new pipeline and associated infrastructure between the connection point and Huron's infrastructure;
 - c) Any additional capital costs required to upgrade existing infrastructure, either owned by Huron or a Benefiting Member, in order to accommodate the new connection and the long-term projected supply requirements of the Prospective Member; and,
 - d) A requirement to amend the Water Supply Agreement to include an additional Buy-in Charge, as outlined in section 4.5 of this Policy, where the Prospective Member's water distribution system is extended within the municipality resulting in a substantive increase in the annual supplied volumes by Huron to the Prospective Member, as outlined in section 4.3.1.

- 4.1.6 Any capital costs required to accommodate the new connection within the Prospective Member's water system or area to be serviced shall be at the expense of the Prospective Member.
- 4.1.7 A Water Supply Agreement acceptable to Huron in its sole discretion shall be executed between Huron and the Prospective Member. Where the water distribution system of a Benefiting Member is necessary to supply treated water to the Prospective Member, the Water Supply Agreement shall also be executed with the applicable Benefiting Member. The Water Supply Agreement shall include, at a minimum:
- a) The payment of a rate payable by the Prospective Member reflective of the rate of water charged by Huron to the Benefiting Member, and if applicable, any additional costs to the Prospective Member by a Benefiting Member for the operation, maintenance and repair of the affected infrastructure to supply the Prospective Member through the Benefiting Member's infrastructure, as well as an allocation of payment of costs for depreciated capital and the assumption of liability and risk;
 - b) The requirement to install appropriate backflow prevention at the connection point; and,
 - c) The location of the connection point and delineation of the respective responsibilities for the operation, maintenance, repair, management and administration of the associated water systems pertinent to the Water Supply Agreement.

4.2 New Connections to Huron through and using the infrastructure of an adjacent municipality

All new connections to Huron to a municipality or area of a municipality and using the infrastructure of an adjacent municipality ("supplying municipality"), which by virtue of the connection is in essence an extension of water supply through the adjacent municipality, shall be approved by the Board of Management and subject to the conditions established under section 4.1 of this policy.

4.3 Expansion of an existing water distribution system within a municipality currently supplied by Huron

With the exception of 4.3.1 below, the gradual and normal expansion of an existing municipal water distribution system within a Benefiting Member, where the expansion is solely within the Benefiting Member and the supply of drinking water is not beyond the Benefiting Member, shall not require approval of Huron.

4.3.1 Substantive expansion of an existing water distribution system within a municipality currently supplied by Huron

Notwithstanding the generality of the foregoing, the following conditions shall apply where the substantive expansion of the Benefiting Member's water distribution system will result in an increase in the annual supplied volume from Huron to the

Benefiting Member is greater than 20% in any of the five (5) years following the expanding year:

- a) A Water Supply Agreement shall be executed between Huron and the Benefiting Member, or an amendment to the Water Supply Agreement if such an agreement pre-exists, which includes, at a minimum, the payment of the Buy-in Charge for the substantive increase in supply pursuant to section 4.5 of this Policy.

4.4 Adjustment of the Appointment of Members to the Board of Management

Upon completion of the connection to Huron and the start of supply of water to the Prospective Member, the Prospective Member shall be designated as a Benefiting Member. The appointment of members to the Board of Management may be altered by the Board of Management, by Bylaw, using the following model:

- a) The appointment of a member or members to the Board of Management by the Benefiting Member where the respective vote of the member(s) appointed by the Benefiting Member shall be approximately proportional to the annual volume of water supplied to the Benefiting Member by Huron, with the exception of the City of London;
- b) The total votes by members appointed by the City of London shall be approximately sixty percent (60%) of the total votes;
- c) Each Benefiting Member may appoint a member or members to the Board of Management in accordance with the bylaw, and for each member appointed the Benefiting Member may, at their sole discretion, appoint an alternate member.
- d) The proportionality of votes to annual volume of water shall be approximately maintained to the reasonable extent possible.
- e) Quorum of the Board of Management shall be adjusted to one (1) member greater than 50% of the total members appointed to Board of Management.
- f) The vote(s) of any member shall not be depleted to less than one (1) vote (1 voting member having 1 vote).

This model is consistent with section 1(i) of the Transfer Order (Lake Huron #W1/1998) issued by the Ministry of the Environment dated September 15, 2000 under the *Municipal Water and Sewage Transfer Act, 1997*.

The current Board member appointments are apportioned between the Benefiting Members as follows:

Appointing Municipality	Membership & Weighted Vote
City of London	4 Members having 4 votes each
Middlesex Centre	1 Member having 1 vote
North Middlesex	1 Member having 3 votes
Lambton Shores	1 Member having 1 vote
Bluewater	1 Member having 1 vote
South Huron	1 Member having 1 vote
Lucan-Biddulph	1 Member having 1 vote
Strathroy-Caradoc	1 Member having 3 votes

4.5 System Capacity

Pursuant to section 4.1 of this Policy, in the case of a Prospective Member, or pursuant to section 4.3 of this Policy, in the case of a Benefiting Member, a Prospective Member or Benefiting Member, as applicable, shall be required to enter into a Water Supply Agreement or amending agreement with Huron which, at a minimum, shall include a buy-in charge associated to the Prospective Member’s proportionate share of the total existing system capacity.

The charge and payment of the buy-in charge is representative of the repayment of costs associated with the utilization by the Prospective Member of existing paid-for but unutilized system capacity by the Benefiting Member and shall not be construed as an apportionment of ownership in Huron by the Prospective Member or apportionment of capacity of Huron.

The value of the buy-in charge shall be established by Huron rates and charges bylaw or as identified in the Financial Plan for Huron and approved by the Board of Management.

Board of Management Report

Subject: Telecommunications and Tower Policy

Overview:

- The Telecommunications and Tower Policy is intended to provide guidance for how organizations may apply for and receive approval for requests to locate or co-locate antenna and related equipment on Board-owned property and communications towers.
- The proposed Telecommunications and Tower Policy further addresses requests to locate communications towers on Board-owned property, including the exclusion of for-profit companies locating towers on Board-owned property for the purposes of a commercial venture or activity.
- The Board may, at its discretion, reduce or waive fees and charges which may be imposed for locating antenna. For example, the Board may wave standard fees associated with an antenna related to first responders and public safety which are co-located on a Board-owned communications tower.

Recommendation

That the Board of Management for the Lake Huron Primary Water Supply System take the following actions with regard to amendments and revisions to the Telecommunications and Tower Policy for the Lake Huron Primary Water Supply System:

- a) The Board of Management for the Lake Huron Primary Water Supply System **APPROVE** the Telecommunications and Tower Policy as appended as Schedule “A” of the proposed Bylaw 11-2024 attached to this report; and,
- b) The Board of Management for the Lake Huron Primary Water Supply System **RECEIVE** this report for information.

Previous and Related Reports

None

Background

The Board has dealt with previous requests to locate or co-locate antenna and related equipment on Board-owned communications towers on a case-by-case basis and through the approval of a licence of occupancy or lease agreement.

The proposed Telecommunications and Tower Policy, as attached to this report, is recommended to formalize the framework and provide guidelines for the consideration

of requests by companies and organizations to locate antenna on Board-owned communications towers or requests to locate communications towers by other third-parties on Board-owned property.

Discussion

While requests are historically infrequent, previous requests to co-locate antenna and related equipment on Board-owned property and assets have been dealt with on a case-by-case basis and approved through a licence of occupancy or lease agreement. These include the antenna and antenna-related equipment installed by London Hydro on the communications tower located at the Arva terminal reservoir for the purpose of radio-read and backhaul communications for London Hydro's meter reading and recording systems.

Some installations predate the transfer of ownership of the regional water system from the province of Ontario to the Board in 2000, and include:

- A communications tower owned by the province of Ontario at the McGillivray reservoir and pump station used for emergency services communications;
- Antenna and radio equipment owned and operated by the London Amateur Radio Club (short-wave radio) co-located on the communications tower located at the Arva terminal reservoir.
- Antenna and radio equipment owned and operated by the Grand Bend Amateur Radio Club (short-wave radio) co-located on the communications tower located at the Lake Huron water treatment plant.

The proposed Policy includes specific provisions of exclusion, including:

- Antenna used by commercial carriers for the purpose of for-profit broadcasting shall not be located on Board-owned towers, facilities, property and/or infrastructure.
- Telecommunications Towers shall not be erected or located on Board-owned property by commercial carriers which are used for the purpose of for-profit broadcasting; and,
- the location or co-location of antenna shall not under any circumstances interfere with the operation, use, administration or management of the regional water system or its property, facilities, infrastructure, or assets including but not limited to dedicated telecommunications and antenna systems used by the regional water systems.

In all cases, the location or co-location of antenna, and/or the location of a telecommunications tower, shall be subject to Board approval and entering into a Licence of Occupancy as outlined by this Policy, as well as conditional on associated

security policies of the regional water system related to the access and use of Board-owned property and facilities.

Anticipated Operating and Service Impacts

Previous requests to co-locate antenna have been considered and approved by the Board on an infrequent and ad hoc basis. The location or co-location of telecommunications antenna and related equipment is subject to confirmation that the proposed equipment will not interfere with the operation of the water supply system, including its own communications networks.

The Policy is not expected to impact operating services or budgets, save and except the additional revenue associated with any future request to locate or co-locate communications antenna on Board-owned property or communications towers.

Submitted by: Andrew J. Henry, P.Eng.,
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: Proposed By-law 11-2024 (Telecommunications and Tower Policy)

By-Law No. 11 - 2024

A by-law to adopt the
**Telecommunications and Tower
Policy** of the Joint Board of
Management of the Lake Huron Primary
Water Supply System.

WHEREAS the Joint Board of Management for the Lake Huron Primary Water Supply System was established by Transfer Order Lake Huron Area #W1/1998, effective September 15, 2000, pursuant to the *Municipal Water and Sewage Systems Transfer Act, 1997*;

AND WHEREAS section 5(3) of the Municipal Act, 2002 S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Board of Management for the Lake Huron Primary Water Supply System enacts as follows:

1. That the attached Telecommunications and Tower Policy be hereby implemented:

SCHEDULE 'A' – TELECOMMUNICATIONS AND TOWER POLICY

2. That this by-law shall come into force and effect on March 8, 2024.

PASSED in Open session on March 7, 2024

First Reading – March 7, 2024

Second Reading – March 7, 2024

Third Reading – March 7, 2024



By-Law No. 11-2024 – Schedule ‘A’ Telecommunications and Tower Policy

Approved: March 6, 2024

Last Revised:

Legislative History: Enacted by By-Law 11-2024 (March 7, 2024)

Last Reviewed Date:

Policy Lead: Director, Regional Water

1. Purpose

The Lake Huron Primary Water Supply System (“LHPWSS”) prioritizes instituting practices which foster a culture of collaboration with and among Benefiting Members and related partner agencies.

The purpose of this Telecommunications Tower Policy (“Policy”) is to ensure consistency in the administration, management and use of the water system’s property, assets and telecommunication infrastructure while considering the safety and security of the water utility.

At all times, the LHPWSS will ensure that it remains compliant with applicable laws and standards that also relate to the subject matter of this policy.

2. Applicability

This Policy applies to all requests to locate and/or co-locate Antenna, Antenna Systems, Telecommunications Towers and other Radiocommunication equipment and infrastructure on LHPWSS owned property, buildings, and infrastructure, including Amateur Radio Service(s).

2.1. Exclusions

This Policy does not apply to Radiocommunication equipment, Antenna and Antenna Systems owned and operated by the LHPWSS for the purpose of the operation of the water supply system, including the Supervisory Control and Data Acquisition (SCADA) system.

3. Definitions

“Amateur Radio Service” – shall mean a radiocommunication service in which radio apparatus are used for the purpose of self-training, intercommunication or technical investigation by individuals who are interested in radio technique solely with a personal aim and without pecuniary interest.

“Antenna” – shall mean the equipment and device mounted on a Telecommunications Tower which may be designed for various uses including but

not limited to cell phones, radio, and satellite communications by sending and/or receiving radio signals. Examples of antenna include but are not limited to whip-type, omnidirectional, microwave and panel antennas.

“Antenna Systems” - shall mean all the components and equipment required on a site, including an antenna and, if required, it’s supporting tower and an equipment shelter, for the operation of a wireless communication network, but does not include a residential use antenna system.

“Benefiting Members” – shall mean the municipalities and First Nations communities which are supplied with treated drinking water from the LHPWSS.

“Board” – shall mean the Board of Management for the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

“Broadcast” or “Broadcasting” – shall mean any radiocommunication in which the transmissions are intended for direct reception by the general public.

“Co-location” – shall mean the placement of multiple telecommunications antennae and/or antenna systems or other platforms on a building, structure or tower by two or more proponents.

“Commercial Carriers” – shall mean for-profit companies, corporations and/or ventures engaged in local, national and/or international Broadcasting and the provision of Radio services for commercial gain, including its agents and/or subcontractors engaged for the purpose of operating, maintaining, and repairing its antenna systems and Towers. Commercial carriers and for-profit ventures include but are not limited to Bell Mobility, Hay Communications, Aliant, Rogers Telecom and Telus.

“Director” – shall mean the Director, Regional Water, for the Lake Huron Primary Water Supply System or their designate.

“Equipment Shelters” – shall mean a shelter containing electronic equipment such as radios, electronic and other equipment necessary to support the operation of the communications site to receive or transmit signals and which is not staffed on a permanent basis and only requires periodic maintenance.

“Fee” – shall mean the annual fee charged by the LHPWSS for the licence of occupancy granted to the Proponent for the term of the licence granted.

“Industry Canada” – shall mean the Federal Department, which is responsible for radio frequency spectrum management. Information outlining the federal process relating to the location of telecommunication and broadcasting antenna systems is available at: <http://www.ic.gc.ca/antenna>

“Lake Huron Primary Water Supply System” and “LHPWSS” – shall mean the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

“Proponent” – shall mean a person or persons, a corporation, or such other entity which requests the use of LHPWSS owned Telecommunications Tower, facility, property or infrastructure or has been approved the use LHPWSS owned Telecommunications Tower, facility, property or infrastructure for the purpose of installing, operating, maintaining, and repairing antenna and/or antenna systems for the purpose of radio communication pursuant to this Policy.

“Radiocommunication” or “Radio” – shall mean any transmission, emission or reception of signs, signals, writing, images, sounds or intelligence of any nature by means of electromagnetic waves of frequencies lower than 3000 GHz propagated in space without artificial guide.

“Telecommunications Tower” and “Tower” – shall mean a structure used to support one or more antenna systems or other platform for the purpose of radio telecommunications and which may include, but is not limited to guyed towers, self-support towers, monopole towers, poles, masts, or other structures which are used to support telecommunication facilities, and which may be located at ground level or on the roof of a building.

3.1. Alteration of Definitions

Given that technology changes rapidly, the LHPWSS may amend these definitions and examples at any time in accordance with section 5 of this Policy, and the definitions and examples are not to be considered exhaustive.

4. Policy

4.1. General Criteria

A request to locate or co-locate an antenna on LHPWSS owned Telecommunications Towers, facilities, property and/or infrastructure shall be subject to the following criteria:

- a) Antenna used by Commercial Carriers for the purpose of for-profit Broadcasting shall not be located on LHPWSS Towers, facilities, property and/or infrastructure.
- b) Telecommunications Towers shall not be erected or located on LHPWSS property by Commercial Carriers which are used for the purpose of for-profit Broadcasting.
- c) The location or co-location of antenna shall not under any circumstances interfere with the operation, use, administration or management of the

LHPWSS or its property, facilities, infrastructure, or assets including but not limited to dedicated LHPWSS telecommunications and antenna systems.

- d) The location or co-location of antenna, and/or the location of a Telecommunications Tower, shall be subject to section 4.4 (Approval) and section 4.5 (Licence of Occupancy) of this Policy, as well as associated security policies of the LHPWSS related to the access and use of LHPWSS property and facilities.

4.2. Operational Need

Notwithstanding section 4.1, the Board, in its sole discretion, may approve a request from a Proponent to locate or co-locate Antenna, or locate a Telecommunications Tower, which are owned, operated, and maintained by a Commercial Carrier for coincident commercial gain, where there is a clear operational need and benefit to the LHPWSS. Operational need and benefit may include but are not limited to radiocommunications and related services necessary for the operation of the LHPWSS including its Supervisory Control and Data Acquisition (SCADA) system and Amateur Radio Service(s).

4.3. Location

Where appropriate, it is preferable to co-locate Antenna and Antenna Systems on the same Telecommunications Tower over the installation of Antenna and Antenna Systems on separate Telecommunications Tower within the same vicinity and on the same property.

Antenna and Antenna Systems are not to be affixed to the side of a LHPWSS building unless approved in writing by the Director.

4.3.1. Location or Co-Location of Antenna

Antenna and/or Antenna Systems, including cabling, shall be securely affixed to the Telecommunications Tower in a manner that is appropriate to the application and consistent with industry standards and best practices.

Antenna and/or Antenna Systems shall not interfere with, impede access to, or otherwise detrimentally affect any other Antenna or Antenna Systems mounted on the Telecommunications Tower.

Prior to executing or as part of the Licence of Occupancy Agreement, the Board, in its sole discretion, may request the Proponent complete a structural study of the Telecommunications Tower at the Proponent's sole expense, including but not limited to the assessment of wind loading, foundational loading, support systems and guys. Where modifications to the Telecommunications Tower is required to facilitate the Proponent's installation, operation, and maintenance of the Antenna and/or Antenna Systems, the Proponent shall be responsible for the

modifications at the Proponent's sole expense prior to the installation of Antenna and/or Antenna Systems.

Where appropriate, the Proponent shall be responsible for the installation, maintenance, repair and replacement of any snow shields and reflectors necessary to facilitate the installation and operation of the Proponent's Antenna and Antenna Systems.

4.3.2. Location of Telecommunications Tower

Where it is not feasible to locate or co-locate Antenna and/or Antenna Systems on an existing Telecommunications Tower, the Board may approve the location of a new Telecommunications Tower on LHPWSS owned property, as stipulated in the Licence of Occupancy Agreement. The installation of the Telecommunications Tower will be constructed at the sole expense of the Proponent. The location of the Telecommunications Tower shall be located in an area which does not impact or impede the ongoing operations, maintenance, repair of the LHPWSS or access to its infrastructure and assets.

Unless otherwise specified in the Licence of Occupancy Agreement, the Telecommunications Tower constructed and installed by the Proponent will become the property of the LHPWSS and at no cost to the LHPWSS.

Where the Licence of Occupancy Agreement specifies that the Telecommunications Tower will remain the property of the Proponent, the Proponent shall be responsible for the removal of the Telecommunications Tower and restoration of the LHPWSS property at the end of the term of the Licence of Occupancy Agreement.

4.3.3. LHPWSS Property

No legal title or interest in the Telecommunications Tower, property, building and/or assets shall be deemed or construed to have been created or vested in the Licence of Occupancy Agreement or anything contained therein, under any circumstances.

4.3.4. Public Consultation

Where the Proponent requests or requires the construction and installation of a new Telecommunications Tower, including the affixation of a mast to a LHPWSS building or structure, the Proponent shall undertake a public consultation process, with the optional participation of LHPWSS staff at the direction of the Director.

Public consultation and the solicitation of comments shall include, at a minimum, property owners and residents within 500m of the proposed location of the Telecommunications Tower.

4.4. Approval

The application and Licence of Occupancy Agreement shall be approved in accordance with the Delegations of Powers and Duties Bylaw, including all terms and conditions of occupancy and any fees and charges imposed through agreement.

4.5. Licence of Occupancy

Proponents must execute a Licence of Occupancy Agreement with the LHPWSS which, at a minimum, will set out: (i) the telecommunications Antenna and/or Antenna Systems and related equipment and infrastructure to be installed, (ii) the location of the approved occupancy, (iii) the specified term with renewal options, (iv) the licence fees payable, (v) the terms and provisions of the licence granted, including but not limited to indemnifications and insurance provisions, and (vi) access and security-related restrictions of the licence granted.

4.5.1. Fees and Charges

The fee(s) payable by the Proponent shall be in accordance with the Board's Fees and Charges Bylaw, together with any costs and charges for addition, modification and/or alteration of LHPWSS infrastructure, Towers and related assets, as well as any charges related to structural assessments which may be required by the LHPWSS in its sole discretion.

The Proponent shall be solely responsible for all applications, costs and charges associated with the installation, maintenance, repair, operation, and removal of their Antenna and Antenna Systems. This includes but is not limited to permits, inspections, insurance, and structural assessment studies, as may be more particularly described in the Licence of Occupancy Agreement and as required by Industry Canada.

4.5.2. Waiver of Fees

At the sole discretion of the Board, the annual Fee payable by the Proponent for the licence granted may be reduced, or waived in its entirety, for the duration of the specified term or portion of the specified term as determined by the Board.

5. Changes

This Policy may be amended in whole or in part or eliminated in its entirety at any time at the sole discretion of the LHPWSS with the approval of the Chief Administrative Officer as recommended by the Director, Regional Water.

Board of Management Report

Subject: Grants and Donations Policy

Overview:

- The Grants and Donations Policy is intended to provide guidance for how organizations may apply for and receive grants and donations for drinking water related initiatives.
- The approval and award of any grant or donation for a drinking water related initiative is subject to Board approval, which may be delegated in accordance with the Delegation of Powers and Duties Bylaw at the Board's discretion.

Recommendation

That the Board of Management for the Lake Huron Primary Water Supply System take the following actions with regard to amendments and revisions to the Grants and Donations Policy for the Lake Huron Primary Water Supply System:

- a) The Board of Management for the Lake Huron Primary Water Supply System **APPROVE** the Grants and Donations Policy as appended as Schedule "A" of the proposed Bylaw 12-2024 attached to this report; and,
- b) The Board of Management for the Lake Huron Primary Water Supply System **RECEIVE** this report for information.

Previous and Related Reports

None

Background

Historically, the Lake Huron Primary Water Supply System has provided grant funds on an ad hoc basis to various community organizations, such as the Children's Water Festival and the Lake Huron Coastal Centre, for specific drinking water related activities and initiatives.

The proposed Grants and Donations Policy, as attached to this report, is recommended to formalize the framework and provide guidelines for organizations to apply for grants and donations and outline the process for consideration and approval.

Discussion

While requests are historically infrequent and were of low dollar value, the ad hoc provision of grants and donations were previously approved by the Chief Administrative

Officer or Director of Regional Water pursuant to the previous Procurement and Disposal Bylaw. With the recent approval of the new Procurement of Goods and Services and Disposal of Assets Policy, this companion Policy formalizes the process by which an organization may request grants or donations for specific drinking water related initiatives.

Preference is given to Initiatives related to municipal drinking water, and the related protection and preservation of the environment affecting drinking water including, but not limited to, source water protection. The provision of drinking water, especially bottled water, for a public event that is unrelated to municipal drinking water or unrelated to the protection and preservation of the environment affecting drinking water shall not be construed as “related to drinking water” for the purposes of this Policy.

Applications are reviewed by the Director of Regional Water for applicability and, if appropriate, may recommend the granting of financial assistance. Requests for financial assistance are subject to Board approval, which may be delegated in accordance with the Delegation of Powers and Duties Bylaw at the Board’s discretion.

Requests for in-kind assistance through the provision of staff and/or non-monetary resources may be approved by the Chief Administrative Officer.

Anticipated Operating and Service Impacts

Previous funding assistance has been provided on an infrequent and ad hoc basis for various initiatives and has typically totaled \$3,000 per year on average. Each application will be considered on its own merits and will be subject to available budgetary funds during the fiscal year. In-kind (staff and resources) grants are subject to availability.

The Policy is not expected to impact operating services or budgets.

Conclusion

The Grants and Donations Policy for the Lake Huron Primary Water Supply System outlines the framework for the consideration and approval of grants and donations from the regional water supply systems for drinking water related initiatives.

Submitted by: Andrew J. Henry, P.Eng.,
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: Proposed By-law 12-2024 (Grants and Donations Policy)

By-Law No. 12 - 2024

A by-law to adopt the **Grants and Donations Policy** of the Joint Board of Management of the Lake Huron Primary Water Supply System.

WHEREAS the Joint Board of Management for the Lake Huron Primary Water Supply System was established by Transfer Order Lake Huron Area #W1/1998, effective September 15, 2000, pursuant to the *Municipal Water and Sewage Systems Transfer Act, 1997*;

AND WHEREAS section 5(3) of the Municipal Act, 2002 S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Board of Management for the Lake Huron Primary Water Supply System enacts as follows:

1. That the attached Grant and Donations Policy be hereby implemented:

SCHEDULE 'A' – GRANT AND DONATIONS POLICY

2. That this by-law shall come into force and effect on March 8, 2024.

PASSED in Open session on March 7, 2024

First Reading – March 7, 2024

Second Reading – March 7, 2024

Third Reading – March 7, 2024



By-Law No. 12-2024 – Schedule ‘A’ Grants and Donations Policy

Approved: March 7, 2024

Revised:

Legislative History: Enacted by By-Law 12-2024 (March 7, 2024)

Last Reviewed Date:

Policy Lead: Director, Regional Water

1 Purpose

The purpose of the Grants and Donations Policy is to ensure that funds are allocated in a fair, transparent and appropriate manner to organizations. This policy establishes the eligibility requirements, identifies the types of funding available, and outlines the application and monitoring requirements for the provision of grants and donations by the Lake Huron Primary Water Supply System.

2 Applicability

The Lake Huron Primary Water Supply System recognizes the valuable contributions made by community organizations, volunteer groups and associations to improve the well-being and the quality of life for the residents in the region. In recognition of these contributions, the Lake Huron Primary Water Supply System is committed to providing modest assistance to such organizations, initiatives and programs through its Grants and Donations Policy.

Preference will be given to initiatives and programs related to municipal drinking water, and the related protection and preservation of the environment affecting drinking water.

3 Exclusions

Individuals, for-profit businesses, publicly funded institutions (i.e., schools, hospitals, etc.), and recreational sports groups are not eligible to apply for grants and donations under this policy. Funds provided under this policy shall not be used to sponsor an individual athlete or a team for a competition, nor to subsidize participation in a sports event.

4 Definitions

“Annual Report” shall mean a report submitted to the Board of Management at least every twelve (12) months providing a summary of grants and payments paid by the Lake Huron Primary Water Supply System in accordance with this policy.

“Board of Management” and **“Board”** shall mean the Board of Management for the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

“Financial Assistance” shall mean a grant that provides funding to an organization and may include a sponsorship of a drinking water-related event by an association.

“Initiative” shall mean any public undertaking of a project, program, and/or event carried out by an organization, group or association for the benefit of the communities served by the Lake Huron Primary Water Supply System.

“Huron” shall mean the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

“In-Kind Assistance” shall mean a grant for the provision of Huron property/facilities, materials or resources, including staff, to an organization for an Initiative. While cash funds are not provided in relation to in-kind grants, it is recognized that such grants will involve either an expense or foregone revenue for the Lake Huron Primary Water Supply System. In-kind grants will include the estimated value of the initiative.

“Organization” shall mean a not-for-profit organization or community group that provides products or services to improve or benefit the communities served by the Lake Huron Primary Water Supply System. Non-profit organizations are usually concerned with generating enough revenue to provide support to the community and objectives of the organization. Non-profit organizations can reinvest any money earned back into their own operation to grow the organization and further support its mission.

5 The Policy

5.1 Eligibility

Applicants must be an Organization who operates within or provides a benefit, either directly or indirectly, to the communities within the region served by Huron.

An Organization can only submit one (1) application per year.

Financial Assistance is intended to be supplementary to an Organization’s main source(s) of revenue and is provided for a specific purpose or initiative. The Financial Assistance shall not be considered as the primary source of funding for the Organization.

All applications shall be related to a future Initiative, and retroactive funding will not be considered. The provision of Financial Assistance shall not be construed or regarded as a commitment by Huron to continue such assistance in future years

and shall only be guaranteed for the fiscal year in which the Organization has applied.

Financial Assistance may be awarded with certain terms and conditions, as recommended by the Director of Regional Water, or designate, acting reasonably. The notification of an award of Financial Assistance shall state if any particular restriction, term or condition applies to the grant, if applicable.

The Board is not obligated to allocate funds to any Organization regardless of the fact that they satisfy the eligibility criteria and meet all the objectives of this Policy.

Requests for Financial Assistance may be reduced in value, at the discretion of the Board, to support a wider range of initiatives during the fiscal year.

Preference will be given to Initiatives related to municipal drinking water, and the related protection and preservation of the environment affecting drinking water including, but not limited to, source water protection. The provision of drinking water, especially bottled water, for a public event that is unrelated to municipal drinking water or unrelated to the protection and preservation of the environment affecting drinking water shall not be construed as "related to drinking water" for the purposes of this Policy.

Unless otherwise approved by the Board, no Financial Assistance will be paid until such time as the annual budget has been approved.

Only one application may be submitted for an Initiative, even if more than one Organization is co-sponsoring, co-organizing or otherwise jointly involved in the Initiative.

5.2 Application

Applications for Financial Assistance may be submitted at any time during the fiscal year.

The maximum amount of Financial Assistance to any Organization in any fiscal year is \$25,000, exclusive of In-Kind Assistance.

5.2.1 Application Process

- a) An application for Financial Assistance and/or In-Kind Assistance shall be submitted by an Organization using the form available on Huron's website.
- b) The application, together with any supporting documentation and information about the Organization and/or the Initiative, shall be submitted to the Director of Regional Water or designate as instructed on the application form.
- c) The application, as submitted, will be evaluated and recommended by the Director of Regional Water for eligibility based on the criteria established by this policy.
- d) All decisions of the Board are final.

- e) Applicants will be notified of the decision.
- f) Applicants recommended and approved for Financial Assistance will be contacted by Huron when payment is available.

5.3 Approval

Unless otherwise specified in the Delegation of Powers and Duties Bylaw or other related Board-approved policy, the Board shall approve all Financial Assistance provided under this policy.

Applications solely for In-Kind Assistance and exclusive of Financial Assistance may be approved by the Chief Administrative Officer on the recommendation of the Director of Regional Water.

5.4 Report

The Director of Regional Water or designate shall provide a report to the Board on an annual basis providing a summary of the Financial Assistance and In-Kind Assistance provided for the fiscal year.

Board of Management Report

Subject: Fees and Charges

Overview:

- The Municipal Act allows municipalities and local boards to impose fees and charges for various services.
- The proposed Fees and Charges By-law sets out recommended rates for fees and charges for services and circumstances that the regional water system has or is likely to encounter in undertaking services for the benefit of the member communities.

Recommendation

That the Board of Management for the Lake Huron Primary Water Supply System take the following actions with regard to amendments and revisions to the Telecommunications and Tower Policy for the Lake Huron Primary Water Supply System:

- a) The Board of Management for the Lake Huron Primary Water Supply System **APPROVE** the Fees and Charges By-law as attached to this report; and
- b) The Board of Management for the Lake Huron Primary Water Supply System receive this report for information.

Previous and Related Reports

None

Background

Section 391 of the Municipal Act, 2001, allows municipalities and local boards to set fees and charges for:

- a) for services or activities provided or done by or on behalf of it;
- b) for costs payable by it, for services or activities provided or done by or on behalf of any other municipality or any local board; and
- c) for the use of its property including property under its control.

Although infrequent, the Board has historically charged for services and circumstances on an ad hoc basis for encroachments, licences of occupancy, and through agreements. The charges recommended by staff in those circumstances have been based on similar charges by municipalities in the region and based on water sector best practices.

The Board sets the rate for water charged to the benefiting municipalities and communities on an annual basis as part of the deliberations and approvals for the annual operating budget.

It is appropriate for the Board to set out a schedule of fees and charges for various services and activities that are undertaken by the regional water system.

Discussion

The proposed by-law establishes various fees and charges for services, activities, occupancy of property that is typically undertaken by the regional water system, or potentially undertaken by the regional water system in future. The by-law is limited to the services and activities within the span of control of the regional water system, and may be amended by the Board as circumstances change from time to time.

Anticipated Operating and Service Impacts

The fees and charges recommended in the proposed by-law are not expected to impact operating services or budgets, with the exception of the nominal additional revenue associated with any future service, activity and/or occupancy that the Board may consider.

Submitted by: Andrew J. Henry, P.Eng.,
Director, Regional Water

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: By-Law 8-2024 Fees and Charges By-law

By-Law No. 8 - 2024

A By-law to establish **FEES AND CHARGES** for the Lake Huron Primary Water Supply System, in accordance with section 391 of the *Municipal Act, 2001*.

WHEREAS the Joint Board of Management for the Lake Huron Primary Water Supply System was established by Transfer Order Lake Huron Area #W1/1998, effective September 25, 2000, pursuant to the *Municipal Water and Sewage Systems Transfer Act, 1997*;

AND WHEREAS Section 391 of the Municipal Act provides that:

Without limiting sections 9 and 11, a municipality and a local board may pass by-laws imposing fees or charges on any class of persons;

- i. For services or activities provided or done by or on behalf of it;
- ii. For costs payable by it for services or activities provided or done by or on behalf of any other municipality or any local board; and
- iii. For the use of its property including property under its control;

Such fees and charges may include the costs of administration, enforcement, and the establishment, acquisition and replacement of capital assets; and

Such fees or charges are payable regardless of whether or not it is mandatory for the local board to do the service or activity or pay costs to allow the use of its property;

AND WHEREAS Section 398 (1.1) of the Municipal Act provides that where fees and charges are imposed by a local board on a person, the fee or charge is a debt owing to the local board;

AND WHEREAS Section 446 of the Municipal Act provides that where a person is required to do a matter or thing, the costs to do the matter or thing is an expense owing to the local board;

AND WHEREAS The Board of Management for the Lake Huron Primary Water Supply System deems it expedient and desirable to set user fees and charges for services provided by the Lake Huron Primary Water Supply System and has given notice of its intent to establish user fees and charges in this by-law;

NOW THEREFORE the Board of Management for the Lake Huron Primary Water Supply System enacts as follows:

1. In this by-law:

“**Board**” shall mean the Board of Management for the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

“**Huron**” shall mean the Lake Huron Primary Water Supply System as established under the *Municipal Water and Sewage Systems Transfer Act, 1997* and pursuant to Transfer Order Lake Huron Area #W1/1998 dated effective September 15, 2000.

“**Municipal Act**” shall mean the Ontario *Municipal Act, 2001*, S.O. 2001, C.25, as amended.

2. The Schedules to this by-law establish and impose Fees and Charges in accordance with section 391 of the Municipal Act.
3. The fees and charges imposed by this by-law shall be due and payable in full without discount by cheque, cash or debit at the time of submitting an application or prior to the request for service.
4. The fees and charges imposed by this by-law constitute a debt owing to the Lake Huron Primary Water Supply System, as set out in section 398 of the Municipal Act.
5. Fees or charges imposed by this by-law are subject to interest, as set out in the *Municipal Act*.
6. The Board, at its sole discretion, may waive the fee or charge, as set out in this by-law, through executed agreement or by resolution of the Board.
7. This by-law shall come into force and effect on July 1, 2024.

PASSED in Open session on _____, 2024

First Reading – _____, 2024

Second Reading – _____, 2024

Third Reading - _____, 2024

Schedule A – Administrative Fees

Service or Activity	Unit of Measure	Fee
Interest on accounts receivable	Per month	1.5%
Interest on Working Capital	Per month	Bank of Canada published rate less 0.25%

Schedule B – Encroachment, Lease, Rental and Occupancy Charges

Service or Activity	Unit of Measure	Fee
Minor Encroachment of Easement (less than 9.3m ² gross occupancy)	Per year	\$100
Encroachment of Easement (greater than 9.3m ² gross occupancy)	Per Year per square meter (gross)	\$12.50
Communications Tower (Property Occupancy, including antenna and related equipment)	Per Year	\$15,000
Antenna Occupancy (per antenna/equipment, excluding snow shields and reflectors)	Per Year	\$4,000
Property Occupancy	Per Year	As recommended by Huron's Chief Administrative Officer
Crane Rental (in-plant fixed cranes and bridge cranes)	Per Day	As per the Crane Rental Agreement

Schedule C – Water-Related Charges

Service or Activity	Unit of Measure	Fee
Water rate	Per cubic meter	As set in Huron’s annual operating budget and approved by the Board
Water meter checked for accuracy at customer request	Each	\$250 plus cost to remove/transport meter to testing facility (refunded if meter is inaccurate)
New Connection Buy-In Charge	Per cubic meter per day of estimated Max. Day in the connecting year	\$725

Board of Management Report

Subject: Lake Huron Primary Water Supply System Master Plan –
Consultant Award (LH2050)

Overview:

- As a condition of the provincial transfer order, issued under the *Municipal Water and Sewage Systems Transfer Act, 1997*, the LHPWSS is required to complete a Master Plan every five years to determine regional system needs over the short and long-term.
- This assignment will follow the Master Plan process, outlined in the Municipal Engineers Association Municipal Class Environmental Assessment document (October 2000, as amended in 2007, 2011, 2015 and 2023).
- A Master Plan will be undertaken for the Elgin Area Primary Water Supply System in parallel with this assignment.

Recommendation

That the Board of Management for the Lake Huron Water Supply System take the following actions with regard to the Master Plan (LH2050):

- a) That the Board of Management for the Lake Huron Water Supply System **ACCEPT** the proposal from AECOM Canada Ltd. (AECOM) for the Master Plan in the amount of \$213,086.50, including contingency and excluding HST, having submitted a proposal which meets the Request for Proposal requirements and was evaluated by Board staff to provide the best value;
- b) That the Board of Management for the Lake Huron Water Supply System **APPROVE** a budget increase of \$35,000.00, based on AECOM's proposal, for a total approved budget of \$235,000;
- c) The Board of Management for the Lake Huron Primary Water Supply System **AUTHORIZE** the Chair and Chief Administrative Officer to execute a consulting services agreement with AECOM to undertake the Master Plan; and,
- d) The Board of Management for the Lake Huron Primary Water Supply System **RECEIVE** this report for information.

Previous and Related Reports

June 4, 2020	Master Water Plan Update
October 5, 2023	2024 Operating and Capital Budgets

Background

The previous Master Plan for the Lake Huron Primary Water Supply System (LHPWSS) was completed and endorsed by the Board on June 4, 2020. An initial Master Plan was first completed for the LHPWSS in 2001, that was later updated in 2003, 2008 and 2014.

The proposed 2024 Master Plan will be undertaken in accordance with the process for Master Plans outlined in the Municipal Engineers Association Municipal Class Environmental Assessment document (October 2000, as amended in 2007, 2011, 2015 and 2023).

As part of this assignment, regional water system needs will be assessed for the short and long term (20+ years) by considering growth and development potential within the region, to ensure level of service is maintained and/or enhanced. Since the last update of the LHPWSS Master Plan, the *More Homes Built Faster Act, 2022*, was released which has the potential to support significant growth and development in the region. The review and evaluation of system needs will consider all regional water system infrastructure including but not limited to the treatment plant, transmission mains, intermediate facilities, and terminal storage.

The proposed Master Plan is intended to evaluate and identify recommended system improvements, including major system upgrade/expansion, to accommodate proposed growth. Some key considerations include:

- Population and corresponding water demand projections for the region supplied by the LHPWSS, including consultation with First Nations and member municipalities;
- Consideration of new communities joining the LHPWSS in future;
- Hydraulic modelling under current and future growth scenarios, including expansion in supply areas; and
- Expansion concept for the treatment plant facility.

An outcome of the Master Plan is a roadmap outlining major system improvements over the next twenty years.

Discussion

In January 2024, Board staff published Request for Proposal (RFP-2021-004) for consulting engineering services for the LHPWSS Master Plan. Three (3) proposals were received by the closing date of February 8, 2024. The proposals were reviewed by Board staff and evaluated against the requirements in the Request for Proposals document.

Based on the evaluation, the proposal from AECOM Canada Ltd. (AECOM) was deemed to offer the best value to the LHPWSS and is recommended by Board staff for award. The Request for Proposal process was undertaken with the assistance of the City of London’s Procurement and Supply Division and complies with the LHPWSS Procurement of Goods and Services and Disposal of Assets Policy.

The overall budget approved for this assignment is \$200,000. AECOM’s proposal included fees of \$213,086.50 including contingency, excluding HST. Board staff recommend that the approved budget for this work be extended from \$200,000 (by \$35,000 to accommodate AECOM’s fees for this assignment, as well as potential additional costs outside of AECOM’s fees.

As the project progresses, the Board will be provided with updates regarding with this Master Plan, which is anticipated to be undertaken over the next year and include hosting two Public Information Centres.

Board staff will identify any efficiencies between the LHPWSS Master Plan and the EAPWSS Master Plan, to ensure these two assignments are completed effectively in parallel.

Project Financial Status

EXPENDITURE	FORECAST	INCURRED
Preliminary Design	\$216,836.97	\$0
Detailed Design	\$0	\$0
Construction Administration	\$0	\$0
Construction	\$0	\$0
Other Fees and Charges	\$0	\$0
Total	\$0	\$0
Approved Budget	\$ 200,000	
Budget Surplus / Deficit	\$(16,836.97)	

Note: Amounts in the project financial status include the non-refundable portion of HST.

Conclusion

This Master Plan assignment will fulfill the LHPWSS's transfer order requirement to complete a Master Plan every five years. The Master Plan informs planning of future improvements for the regional water supply system.

In accordance with the Request for Proposal process issued in January 2024, AECOM was deemed to provide the best value to the LHPWSS. Board staff recommend that the Board accept the proposal from AECOM to undertake consulting engineering services for LH2050 and execute a consulting services agreement.

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