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Council-In-Committee Meeting – November 14, 2023

Subject: Delegated Signing Authority – GRCA Memorandum of Understanding Agreement
Report Number: CAO-23-120
Division: Office of the Chief Administrative Officer
Department:
Ward: Ward 7
Purpose: For Decision

Recommendation(s):

THAT Report CAO-23-120 Delegated Signing Authority – GRCA Memorandum of Understanding Agreement, be received for information; and

FURTHER THAT the CAO and Clerk be delegated the authority to sign Memorandum of Understanding Agreement(s) with the Grand River Conservation Authority, including for Category 2 Programs and Services as attached to Report CAO-23-120 and any similar operational agreements or extension of agreements, provided that the stipulations of said agreements are subject to an approved budget/process and that there are no additional resourcing (FTE) implications for the municipality.

Executive Summary:

The province established new directions and regulations for Conservation Authorities which resulted in a review and categorization of programs and services. Some aspects may require agreements with member municipalities by January 1, 2024 and would be subject to annual budget processes. The Grand River Conservation Authority (GRCA) has requested all 22 municipalities within the watershed to sign a standardized, consistent agreement. Norfolk represents approximately 0.23% of the apportionment which equates to \$2,373 for the Category 2 Programs and Services. This report seeks approval for the authority to sign the requested, standard Memorandum of Understanding (MOU) along with any future updates or related operational agreements to this process provided there are no additional implications.

Discussion:

In accordance with [O.Reg 687/21 – Transition Plans and Agreements for Services](#) under the Conservation Authorities Act, which requires agreements between the Conservation Authorities (CAs) and participating municipalities in certain circumstances, the GRCA has identified that MOU Agreements are needed for their Category 2

Programs and Services. The GRCA Board approved a standard, consistent MOU and Letter Agreement that would be requested to apply to all 22 participating municipalities in the watershed through their September 22, 2023 meeting. The deadline to have agreements in place is by January 1, 2024. See Attachment 1 for the MOU and Letter Agreement.

In advance of this current request, the GRCA provided information and updates about the process, including the categorization of programs and services by 2022 and the potential for an MOU agreement by end of 2023. Under the regulation, the programs and services include:

- Category 1 - mandatory programs and services
- Category 2 - municipal programs and services
- Category 3 - other programs and services

For this purpose, GRCA Category 2 programs and services are identified within Schedule “B” of the attached agreement template and include items such as Sub-watershed Services (studies and monitoring), Conservation Services, Water Quality Programs, along with Watershed Sciences and Collaborative Planning.

There is only a small portion of Norfolk within the northeast area of Ward 7 that is within the Grand River watershed and overall Norfolk only represents a very small portion of the GRCA watershed area (approx. 0.23%). As such, although the overall draft 2024 budget identified for the Category 2 items for all of the participating municipalities is about \$1M, the Norfolk apportionment equates to \$2,373.

Category 1 mandatory programs and services are subject to the existing approved budget and typical annual budget process. At this time, the GRCA has not indicated that any agreement or additional funding is needed for Category 3 items. Also, for awareness, the Long Point Region Conservation Authority (LPRCA) is going through the same process and in contact with municipal staff. To date, there is no indication that any agreement is required for LPRCA Category 2 or 3 services.

Financial Services Comments:

If Council chooses to authorize the signing of the requested MOU with the GRCA to provide Category 2 programs, the Norfolk County apportionment will be included in the annual GRCA budget requisition within the Levy Supported Operating Budget which is subject to Council approval. Per Schedule “C” of the agreement, section 3.0 Payment Amount and Terms, the fee apportioned to Norfolk County for 2024 is \$2,373, however, it should be noted that this fee is conditional on all participating municipalities in the GRCA watershed entering into a MOU with the GRCA. For context, the 2023 mandatory Category 1 fee apportioned to Norfolk County was \$30,400, therefore this additional allocation represents a nominal increase.

Additionally, per paragraph 15(2)&(3) regarding Fees and Payment, the total fees are subject to an annual increase effective January 1st equal to the same percentage as the GRCA's overall combined Category 1 and General operating expenses and capital costs increase, net of any applicable funding reductions. Furthermore, the amount of the fees apportioned to the Municipality shall be provided annually at least 30 days before the General Membership meeting at which the apportionment is approved in accordance with O.Reg.402/22 Budget and Apportionment.

Staff will evaluate the discretionary Category 2 apportionment annually when received and identify any material changes to Council.

Interdepartmental Implications:

Environmental & Infrastructure Services – some of the Category 2 Programs and Services relate to water, wastewater, watershed and sub-watershed items, partnership programs, etc. These services are generally value-added (e.g., we would not be able to do as cost-effective alone) and typically complement and do not duplicate municipal services in these areas.

Community Development - Separately, the CAs are coordinating with the Planning Department to update protocols and procedures for development and land use review under the new legislation/regulations. The intent is to have updated procedures in place by year end as well. This could have resource implications regarding the change to environmental review. Staff are monitoring transitional approaches and will provide a separate report if needed.

Consultation(s):

Initial meetings and review with Finance, E&IS, CAOs Office.
Senior Leadership Team
External Legal review

Strategic Plan Linkage:

This report aligns with the 2022-2026 Council Strategic Priority Sustaining Norfolk - Creating a sustainable community and a positive legacy.

Explanation: The MOU agreement with the CA provides clarity on responsibilities and the activities can help support several areas of strategic focus.

Conclusion:

In accordance with provincial regulatory requirements, the GRCA is required to enter into agreements for municipal programs and services. These would be consistent amongst municipalities in the watershed, Norfolk's share is a very small fraction, and

any financial changes are subject to the typical, annual budget process. Upon review, the recommendation is to proceed with signing the agreement prior to the deadline.

Attachment(s):

- Attachment A - Norfolk County MOU 2024 Category 2 Programs and Services

Approval:

Approved By:
Al Meneses, CAO

Reviewed By:
SLT

Prepared By:
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