

INFO-24-47

Sent Via Email



February 1, 2024

Paul Calandra
Minister of Municipal Affairs and Housing
777 Bay St, 17th floor
Toronto, ON M7A 2J3

Dear P. Calandra:

**The Regional
Municipality of
Durham**

Corporate Services
Department –
Legislative Services
Division

605 Rossland Rd. E.
Level 1
PO Box 623
Whitby, ON L1N 6A3
Canada

905-668-7711
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durham.ca

**Alexander Harras
M.P.A.
Director of
Legislative Services
& Regional Clerk**

**RE: Approval of Memoranda of Understanding between
Durham Region and Partner Conservation Authorities
(2024-COW-4)- Our File: C12**

Council of the Region of Durham, at its meeting held on January 31, 2024, adopted the following recommendations of the Committee of the Whole:

- A) That separate Memoranda of Understanding be entered into between the Region of Durham and Toronto and Region Conservation Authority, Lake Simcoe Region Conservation Authority, Central Lake Ontario Conservation Authority, Kawartha Region Conservation Authority, and Ganaraska Region Conservation Authority;
- B) That the Chief Administrative Officer be authorized to execute the Memoranda of Understanding, substantially in the form as attached to Report #2024-COW-4 of the Commissioners of Planning & Economic Development and Finance as Attachments #1 to 5 subject to any immaterial amendments, and any future amendments or ancillary documents that may be required, all in a form satisfactory to the Commissioner of Finance and the Regional Solicitor; and
- C) That a copy of Report #2024-COW-4 be forwarded to the Minister of Municipal Affairs and Housing, Minister of Natural Resources and Forestry, Durham Region's area municipalities, Toronto and Region Conservation Authority, Lake Simcoe Region Conservation Authority, Central Lake Ontario Conservation Authority, Kawartha Region Conservation Authority, and Ganaraska Region Conservation Authority."

Please find enclosed a copy of Report #2024-COW-4 for your information.

Alexander Harras

Alexander Harras,
Director of Legislative Services & Regional Clerk
AH/sd

Enclosed

- c: G. Smith, Minister of Natural Resources and Forestry
- N. Cooper, Clerk, Town of Ajax
- F. Lamanna, Clerk, Township of Brock
- J. Gallagher, Clerk, Municipality of Clarington
- M. Medeiros, Clerk, City of Oshawa
- S. Cassel, Clerk, City of Pickering
- R. Walton, Acting Clerk, Township of Scugog
- D. Leroux, Clerk, Township of Uxbridge
- C. Harris, Clerk, Town of Whitby
- J. MacKenzie, CEO, Toronto and Region Conservation Authority
- R. Baldwin, CAO, Lake Simcoe Region Conservation Authority
- C. Darling, CAO, Central Lake Ontario Conservation Authority
- M. Maichrowski, CAO, Kawartha Region Conservation Authority
- L. Laliberte, CAO, Ganaraska Region Conservation Authority
- B. Bridgeman, Commissioner of Planning & Economic Development
- N. Taylor, Commissioner of Finance

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2564.



The Regional Municipality of Durham Report

To: Committee of the Whole
From: Commissioner of Finance and Commissioner of Planning and Economic Development
Report: #2024-COW-4
Date: January 17, 2024

Subject:

Approval of Memoranda of Understanding between Durham Region and Partner Conservation Authorities

Recommendation:

That the Committee of the Whole recommends to Regional Council:

- A) That separate Memoranda of Understanding be entered into between the Region of Durham and Toronto and Region Conservation Authority, Lake Simcoe Region Conservation Authority, Central Lake Ontario Conservation Authority, Kawartha Region Conservation Authority, and Ganaraska Region Conservation Authority.
 - B) That the Chief Administrative Officer be authorized to execute the Memoranda of Understanding, substantially in the form as attached to this report as Attachments #1-5 subject to any immaterial amendments, and any future amendments or ancillary documents that may be required, all in a form satisfactory to the Commissioner of Finance and the Regional Solicitor.
 - C) That a copy of this report be forwarded to the Minister of Municipal Affairs and Housing, Minister of Natural Resources and Forestry, Durham Region's area municipalities, Toronto and Region Conservation Authority, Lake Simcoe Region Conservation Authority, Central Lake Ontario Conservation Authority, Kawartha Region Conservation Authority, and Ganaraska Region Conservation Authority.
-

Report:

1. Purpose

1.1 The purpose of this report is to outline how the Region is supporting our conservation authority partners in the implementation of new regulatory requirements under the *Conservation Authorities Act* (CA Act) through the execution of Memoranda of Understanding (MOUs) for programs and services provided by the conservation authorities. It also seeks authorization for the Chief Administrative Officer (CAO) to execute these agreements on behalf of the Region.

2. Background

2.1 The CA Act was passed in 1946 in response to extensive flooding, erosion, deforestation, and soil loss resulting from poor land, water, and forestry management practices. The purpose of the CA Act is to provide for the organization and delivery of programs and services that further the conservation, restoration, development, and management of natural resources in watersheds in Ontario.

2.2 The role of a conservation authority is to deliver a local resource management program at the watershed scale for both provincial and municipal interests. In addition to this core purpose, conservation authority programs and services contribute to achieving outcomes of many provincial and municipal priorities including sustainable growth, protection and restoration of natural heritage, outdoor recreation, health and tourism, environmental education curriculum, water quality and quantity, as well as environmental monitoring and reporting.

2.3 Five conservation authorities have jurisdiction within the Region:

- a. Toronto and Region Conservation Authority (TRCA);
- b. Lake Simcoe Region Conservation Authority (LSRCA);
- c. Central Lake Ontario Conservation Authority (CLOCA);
- d. Kawartha Region Conservation Authority (KRCA); and
- e. Ganaraska Region Conservation Authority (GRCA).

2.4 The CA Act sets out the requirements for mandatory programs and services to ensure that conservation authorities can deliver on their mandate. As a participating municipality, the Region is required to fund all mandatory programs and services and does so through the annual business planning and budget process. Mandatory programs and services include those related to the study and management of natural hazards, conservation and management of lands owned or controlled by the conservation authority, and its role as a drinking water source protection authority.

2.5 Conservation authorities are also given authority to deliver non-mandatory programs and services, either on a municipality's behalf, or that the conservation authority deems advisable. Examples of non-mandatory programs and services include those related to climate change adaptation and mitigation, research, direct services to landowners, broader environmental monitoring and recreation and education programs. Non-mandatory programs must be requested or agreed to by the municipal partner and fall under an agreement.

3. Previous Reports and Decisions

3.1 Regional comments on Bill 229 and associated CA Act changes were presented in Report [2020-P-26](#).

3.2 Information on Bill 229 receiving Royal Assent was provided in Report [2021-INFO-1](#).

3.3 An overview of Phase 1 Regulatory Proposals under the CA Act was provided in Report [2021-INFO-123](#).

3.4 An overview of Phase 2 Regulatory Proposals under the CA Act was provided in Report [2022-INFO-22](#).

4. Requirement for Memoranda of Understanding

4.1 On December 8, 2020, the province passed amendments to the CA Act, under Bill 229, Protect, Support and Recover from COVID-19 (Budget Measures) Act. These amendments and subsequent regulations introduced a framework for the provision of mandatory and non-mandatory programs and services that can be provided by conservation authorities. These amendments require that conservation authorities enter into agreements with municipalities for non-mandatory programs and services, for conservation authorities to levy for these programs and services.

4.2 As per the above noted regulations, each of the conservation authorities submitted inventories of programs and services that identified each program and service as either mandatory (Category 1) or non-mandatory (Category 2 or Category 3) to the Minister of Natural Resources and Forestry.

4.3 Early in 2022, Regional staff formed an interdepartmental working group, consisting of staff from Planning, Finance, Works, Health, and the CAO's Office – Sustainability and Legal Services, to review these inventories of programs and services. Since then, staff have been actively engaged with our conservation authority partners to refine these inventories and review draft MOUs. Staff continue

to work with our conservation authority partners to enhance the consistency of the program and service inventories across all five conservation authorities.

- 4.4 Regional staff have also met with staff from York Region, City of Toronto, and Peel Region several times to develop a consistent approach across our jurisdictions.
- 4.5 In September 2023, Regional staff recommended to our conservation authority partners that they consider submitting requests to the province for an extension to the January 1, 2024 deadline for MOU completion as a safeguard to ensure enough time for staff to finalize the draft MOUs with the conservation authorities and report to Committee of the Whole and Regional Council. All but Toronto and Region Conservation Authority requested such extensions. It is Regional staff's understanding that these requests have been approved by the province.

5. Overview of Memoranda of Understanding

- 5.1 Final drafts of each conservation authority MOU are attached to this report. The MOUs are meant to be overarching agreements for the administration of non-mandatory programs and services.
- 5.2 A schedule is attached to each MOU that outlines mandatory and non-mandatory programs and services that are aligned with the annual business planning and budget process. Through the annual business planning and budget process, Regional Council will have the opportunity to review and confirm the relevance and value of conservation authority programs and services to the Region and amendments to the various service level agreements will be required for changes made through the annual review.
- 5.3 Each MOU will be in effect for four years with automatic renewal for subsequent four-year terms, unless either the Region or conservation authority gives notice to terminate or change/update the MOU.
- 5.4 Regional staff have endeavoured to ensure consistency across the MOUs. However, the MOU between the Region and Lake Simcoe Region Conservation Authority will include mandatory programs and services that specifically relate to the Lake Simcoe Protection Act.

6. Financial Implications

6.1 The MOUs for the five partner Conservation Authorities reflect the current programs and services provided by each Conservation Authority and the Region's allocated portion of these programs and services as well as the business planning and budget processes currently in place. There are two minor adjustments to the Region's allocated costs of conservation authority program and services which are detailed below:

- a. Toronto and Region Conservation Authority – Toronto and Region Conservation Authority has shifted from a modified current value assessment (CVA) allocation model to a watershed allocation model for certain programs and services where the benefit is distributed across a geographic area, and under the updated funding framework this affects some Category 1 and Category 2 programs and services. With this shift being fully implemented, Durham Region is responsible for funding 14.8 per cent of these watershed programs and services versus 2.9 per cent under the modified CVA allocation model. This has resulted in an increase of approximately \$93,000 for the 2024 business plans and budgets.
- b. Lake Simcoe Region Conservation Authority – Lake Simcoe Region Conservation Authority has indicated that under the new regulations, programs and services that were previously fully funded by Durham Region through a special benefiting program are now being funded under a modified CVA allocation model with Durham Region being responsible for 5.76 per cent of program costs and 5.66 per cent of program costs for programs and services supporting the Lake Simcoe Protection Act. This has resulted in a decrease of approximately \$0.239 million for the 2024 business plans and budgets.

6.2 As with previous years, Conservation Authorities are finalizing their annual business plans and budgets in alignment with Council's approved 2024 property tax supported business plans and budget guideline. Final budget submissions from the Conservation Authorities will be included in the Region's Property Tax Supported Business Plans and Budgets for Council's consideration in March 2024.

7. Relationship to Strategic Plan

7.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Objective 1.3, protect, preserve, and restore the natural environment, including greenspaces, waterways, parks, trails, and farmlands; and
- b. Objective 5.1, optimize resources and partnerships to deliver exceptional quality services and value.

8. Conclusion and Next Steps

- 8.1 The CA Act requires MOUs between Durham Region and our five partner conservation authorities to facilitate the continued delivery of conservation authority programs and services.
- 8.2 Through the annual business planning and budget process, Regional Council will have the opportunity to review and confirm the need and value of conservation authority programs and services to the Region and any changes will be reflected as amendments to the agreements.
- 8.3 This report was prepared in consultation with the CAOs Office – Sustainability and Legal Services, Health Department, and Works Department.
- 8.4 Following approval of this report, the CAO will execute the MOUs with each conservation authority to facilitate the continued provision of conservation authority programs and services.

9. Attachments

- Attachment #1: Toronto and Region Conservation Authority Memorandum of Understanding
- Attachment #2: Lake Simcoe Region Conservation Authority Memorandum of Understanding
- Attachment #3: Central Lake Ontario Conservation Authority Memorandum of Understanding
- Attachment #4: Kawartha Region Conservation Authority Memorandum of Understanding
- Attachment #5: Ganaraska Region Conservation Authority Memorandum of Understanding

Respectfully submitted,

Original signed by

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Original signed by

Brian Bridgeman, MCIP, RPP, PLE
Commissioner of Planning and
Economic Development

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made as of the 1st day of January, 2024 (the “Effective Date”).

BETWEEN:

THE REGIONAL MUNICIPALITY OF DURHAM
(hereinafter, “Participating Municipality”)

AND

TORONTO AND REGION CONSERVATION AUTHORITY
(hereinafter, “TRCA”)

WHEREAS TRCA is a conservation authority established under the *Conservation Authorities Act* (“Act”) providing programs and services that further the conservation, restoration, development and management of natural resources in its watersheds;

AND WHEREAS the Participating Municipality is an upper-tier municipality, located wholly or partly within the area under the jurisdiction of TRCA, and is designated as a participating municipality under the Act;

AND WHEREAS in carrying out its mandate under the Act, TRCA is required to provide mandatory programs and services (Category 1), including but not limited to programs and services related to understanding and addressing the risks of natural hazards, flood forecasting and warning, drought or low water response, ice management, water control and erosion control infrastructure, providing technical comments on applications under prescribed acts including the *Planning Act*, conservation and management of its lands, and fulfilling its duties, functions and responsibilities to administer and enforce the provisions of Parts VI and VII of the Act and any regulations made under those Parts;

AND WHEREAS in carrying out its mandate under the Act, TRCA provides non-mandatory programs and services (Category 2) to municipal partners within its jurisdiction, including but not limited to erosion control and restoration planning and works, trail planning, design, construction and maintenance of infrastructure, forest management, project management, invasive species and wildlife management, in-water and near-water construction, watershed and subwatershed planning, biodiversity and ecosystem monitoring, Sustainable Neighbourhood Action Plan development and implementation, where applicable, climate science, environmental audits, impact studies, environmental assessments, community education and outreach, archaeological studies, research and interpretation, events and nature-based programs;

AND WHEREAS under the Act, Category 1 programs and services are to be funded through the annual budget and apportionment process in accordance with the applicable regulations;

AND WHEREAS under the applicable regulations, Category 1 operating expenses and capital costs may be included in the apportionment and provided without an agreement;

AND WHEREAS under the Act, Category 2 programs and services requested by municipalities may be provided under a memorandum of understanding or such other agreement in respect of the programs and services, such as a procurement agreement;

AND WHEREAS under the applicable regulations, Category 2 operating expenses and capital costs may be included in the apportionment under a memorandum of understanding or other agreement, and the operating expenses and capital costs shall be apportioned, in their entirety, to the participating municipality that requested the programs and services;

AND WHEREAS under the Act, Category 2 programs and services may be provided at the request of participating municipalities, outside of the annual budget and apportionment process, through an MOU or other agreement;

AND WHEREAS the Act requires such memorandums of understanding or other agreements to be reviewed at regular intervals, and to be made available to the public, subject to certain exemptions including an exemption for procurement agreements;

AND WHEREAS this MOU sets out the principles, terms and conditions governing the delivery of Category 2 programs and services funded by the Participating Municipality through the budget and apportionment, or otherwise requested outside of the budget and apportionment process;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration the sufficiency of which is hereby acknowledged by the parties, the parties hereto agree as follows:

1. This MOU shall commence on the Effective Date and shall continue for four (4) years (the "Initial Term"). Thereafter this MOU shall continue for additional four (4) year periods (each a "Renewal Term") on the same terms and conditions, unless either party provides written notice of termination to the other party at least sixty (60) days prior to the expiry of the Initial Term or Renewal Term, as the case may be.
2. This MOU shall be reviewed by the parties on an annual basis as part of the budget and apportionment process.

3. When preparing its annual budget, TRCA shall follow the prescribed budgetary process in accordance with the requirements of the applicable regulations, including preparation of a draft budget, consultations with participating municipalities, rules for voting to approve the apportionment, and preparation of the final budget. Further, TRCA shall also submit a variance report for the previous fiscal year by July 1st each year that includes a summary of deferred revenue for all programs and services included in the apportionment, and TRCA and the Participating Municipality will review unspent funding to determine opportunities to reallocate funding to other priority program and service areas on mutual agreement.
4. TRCA will identify Category 1 programs and services in the annual budget. TRCA shall comply with the prescribed methods of apportionment for Category 1 services. TRCA and the Participating Municipality will identify and agree on requested Category 2 programs and services in the annual budget. Where requested by the Municipality, Category 2 services will be included in the annual budget and apportionment and TRCA shall, in accordance with the applicable regulations, apportion the operating expenses and capital costs, in their entirety, to the Participating Municipality. The method of apportionment for each program and service shall be identified in the annual budget. Schedule "A" to this MOU depicts the account structure used by TRCA as part of the annual budget and apportionment process. The account structure may be updated from time to time through the approval of the annual budget and apportionment, and the final approved budget and apportionment, as amended on an annual basis through TRCA's budget and apportionment process consistent with the Participating Municipality's approved budget, are hereby incorporated by reference into this MOU. Schedule "B" to this MOU summarizes the current annual budget process carried out by TRCA in consultation with the participating municipalities.
5. Where Category 2 services are requested, all efforts will be made to include these in the annual budget. Should there need to be an exception to this, these funding requests will follow the Participating Municipality's approved policies and procedures including but not limited to the Participating Municipality's Budget Management Policy and Procurement By-law.
6. Category 1 programs and services shall be provided be in accordance with any standards and requirements that may be prescribed under subsection 21.1(3) of the Act. Category 2 programs and services provided shall be in accordance with any standards and requirements that may be prescribed under subsection 21.1.1(4) of the Act.

7. Where Category 2 programs and services funded by the Participating Municipality involve user fees, such user fees shall be imposed either in accordance with TRCA's fee policy and fee schedules adopted in accordance with the provisions of the Act, or otherwise in accordance with provisions set out in an agreement between TRCA and the Participating Municipality.
8. The parties acknowledge and agree that should TRCA decide to request funding from the Participating Municipality through the apportionment for programs and services that do not fall within Category 1 or Category 2, such Category 3 programs and services, if approved by the Participating Municipality, would be funded under a separate cost apportioning agreement in accordance with the provisions of the Act.
9. The Participating Municipality and TRCA will continue to work together to identify opportunities for further collaboration to the benefit of both parties and ensure efficiency, transparency and accountability in the use of public sector resources.
10. This MOU shall be made available to the public in accordance with the Act and any applicable regulations.
11. This MOU may be executed in counterparts and when each party has executed a counterpart, each of such counterparts shall be deemed to be an original and all of such counterparts, when taken together, shall constitute one and the same agreement. The parties may sign this MOU by means of electronic signature and deliver this MOU by electronic transmission.

IN WITNESS WHEREOF, the parties have entered into this MOU as of the Effective Date.

**TORONTO AND REGION
CONSERVATION AUTHORITY**

Per: _____
Name: John MacKenzie
Title: Chief Executive Officer

Per: _____
Name: Paul Ainslie
Title: Chair

THE REGIONAL MUNICIPALITY OF DURHAM

Per: _____
Name: Elaine Baxter-Trahair
Title: Chief Administrative Officer

SCHEDULE "A"

TRCA CURRENT BUDGET ACCOUNT STRUCTURE

	Mandatory (Category 1)	Municipal Request (Category 2) (Non-Mandatory)	O. Reg 686/21 Section	Funding Formula	Account
Watershed Studies and Strategies					
1.1 Watershed Planning and Reporting					
Watershed Planning and Reporting Program	X		S. 12(1)3, S. 12(4)	Watershed	120-02
1.2 Climate Science					
Climate Change - Research and Adaptation	X		S.1(3), S. 1(4), S. 3(2)3	Watershed	120-90
Water Risk Management					
2.1 Water Resource Science					
YPDT - Regional Groundwater Management Programs	X		S. 12(1)1, 12(2)	Equal	104-90
Regional Watershed Monitoring Program	X		S. 1, S.3(2), S.12(2)	Watershed	124-01
Flood Line Mapping Program	X		S.1, S.2(2)	Watershed	127-90
2.2 Flood Management					
Flood Gauging (Flood Maintenance)	X		S.2(2)	Watershed	107-01
Flood Control Infrastructure Maintenance	X		S. 5, S.5(1)	Durham Benefit	107-03
2.3 Erosion Management					
Regional Biodiversity					
3.1 Ecosystem Management Research and Directions					
Ecosystem Science Program	X	X	S.1, S.12	Watershed	120-62
Terrestrial Ecosystem Science Program	X	X	S.1, S.12	Watershed	104-23
Terrestrial Natural Heritage Field Inventories	X	X	S.1, S.12	Watershed	104-22
3.2 Biodiversity Monitoring					
Regional Watershed Monitoring Program	X	X	S.1, S.12	Watershed	124-02
Durham Waterfront Monitoring Program	X	X	S.1, S.3(2), S.12(2)	Durham Benefit	229-01
3.3 Restoration and Regeneration					
Terrestrial Natural Heritage Implementation Program	X	X	9(1)2(iv)	Durham Benefit	109-15
Duffins-Carruthers Fish Management Plan Implementation	X	X		Durham Benefit	109-10
Duffins Marsh Restoration Program	X	X	9(1)2(iv)	Durham Benefit	230-55
Bioregional Seed Crop Program	X	X	9(1)2(iv)	Watershed	114-52
3.4 Forest Management					
Durham - Land Reserve	X		S.9(1)	Durham Benefit	
Managing Hazard Trees Program	X		S.9(1)	Durham Benefit	109-20
Greenspace Securement and Management					
4.1 Greenspace Securement					
Greenspace Land Acquisition Program	X		S.9, S.10, S.11	CVA	004-11
4.2 Greenspace Management					
Conservation Land Care Program	X	X	9(1)2(i)	Durham Benefit	444-02

	Mandatory (Category 1)	Municipal Request (Category 2) (Non-Mandatory)	O. Reg 686/21 Section	Funding Formula	Account
Tourism and Recreation					
5.1 Conservation Parks					
Frenchman's Bay Management Plan Program		X		Durham Benefit	225-40
5.2 Waterfront Parks					
5.3 Trails					
Durham Watershed Trails Program	X	X	9(1)2(ii)	Durham Benefit	444-01/444-09
Durham Waterfront Trails Program	X	X	9(1)2(ii)	Durham Benefit	228-70
5.4 Black Creek Pioneer Village					
5.5 Bathurst Glen					
5.6 Events and Festivals					
Planning and Development					
6.1 Policy Development and Review					
Planning & Regulation Policy Updates Program	X		S.1 (2) (3) S.6, S.7, S.8	CVA	120-12
6.2 Development Planning and Regulation Permitting					
Growth Management and Specialized Planning Studies Program	X		S. 1(1) (2), S. 7(1), S.7(2) S.8	CVA	120-19
6.3 Environmental Assessment Planning and Permitting					
Education and Outreach					
7.1 School Programs					
7.2 Family and Community Programs					
7.3 Newcomer Employment and Education					
Sustainable Communities					
8.1 Living City Transition Program					
8.2 Community Engagement					
Stewardship		X		Durham Benefit	126-81
Durham Region Consultation and Relations		X		Durham Benefit	122-55
8.3 Social Enterprise Development					
Corporate Services					
9.1 Corporate Management and Governance					
Major Facilities Retrofit Program	X		S.5, S.9	CVA	006-01
Office Accommodation Project *	X		S.5, S.9	CVA	006-50
9.2 Financial Management					

**Mandatory
(Category 1)**

**Municipal Request
(Category 2)
(Non-Mandatory)**

**O. Reg 686/21
Section**

Funding Formula

Account

9.3 Human Resources

9.4 Office Services

9.5 Corporate Communications

9.6 Information Infrastructure and Management

Information Technology Replacement Program

S. 11
(Reg 402/22)

CVA

014-01

SCHEDULE "B"

TRCA CURRENT BUDGET PROCESS*

<p>PHASE ONE: BUDGET DRAFTING AND DETERMINING AMOUNTS OWED PHASE TWO: APPROVAL OF THE DRAFT BUDGET</p>	
<p>Determination revenue, operating expenses, capital costs and reduced amounts to be apportioned</p> <p>Prepare draft budget</p> <p>Meeting on draft budget</p>	<p>April/May/June Staff level meetings/communications with each participating municipality, including advance notice of the TRCA Board meeting for approval of the draft budget</p> <p>June TRCA Board approves draft budget for consultation</p>
<p>PHASE THREE: APPROVAL OF LEVY AMOUNTS PHASE FOUR: FINAL BUDGET</p>	
<p>Consultations as are necessary to finalize budget</p>	<p>July Budget documents provided to participating municipalities, as well as a copy of the budget and of all financial information related to the apportionment of operating expenses and capital costs For the prior year budget, variance report is provided by July 1st each year that includes a summary of deferred revenue for all programs and services</p> <p>September/October Staff level meetings/communications with each participating municipality, including resubmission of binder if required, regarding any changes to apportionment and/or updated Current Value Assessment (CVA) shares as calculated/provided by the Province, as well as advance notice of October/November status update report to TRCA Board</p> <p>Variance report provided that includes a summary of deferred revenue for all programs and services included in schedule B for the <u>current year budget</u>.</p> <p>October/November TRCA Board status update report</p> <p>January/February/March</p>

Approval of apportionment and final budget	Staff level meetings/communications with each participating municipality, including advance notice of the TRCA Board meeting for approval of final budget and apportionment amounts
Providing copies and posting of budget	<p>March/April/May TRCA Board approves apportionment amounts and final budget</p>
Notice	<p>Copy of final budget provided to Minister, participating municipalities and posted on Governance section of website</p> <p>Formal notices of apportionment amount sent to participating municipalities</p>

* The parties acknowledge and agree that the approved apportionment amounts for mandatory/levy programs are paid quarterly, as per the following schedule:

- 1st quarter – the later of 30 days post budget approval or April 1;
- 2nd quarter – July 1;
- 3rd quarter – October 1;
- 4th quarter – December 1;

and that where any of the above dates fall on a weekend or holiday, the applicable date will be the next business day. Further, any special project funding (i.e., not part of mandatory/levy programs) shall be billed upon project completion and accountability of project costs, or other such terms as agreed to between TRCA and the Region.

Memorandum of Understanding (“Memorandum”)

This agreement dated this 1st day of January, 2024 (the “Effective Date”).

Between:

The Regional Municipality of Durham
(Hereinafter, “Participating Municipality”)

and

Lake Simcoe Region Conservation Authority
(Hereinafter, “Conservation Authority”)

Whereas the Conservation Authority is a conservation authority established under the *Conservation Authorities Act* (“Act”) providing programs and services that further the conservation, restoration, development and management of natural resources in its watershed;

And Whereas the Participating Municipality is a municipality, located wholly or partly within the area under the jurisdiction of the Conservation Authority, and is designated as a participating municipality under the Act;

And Whereas in carrying out its mandate under the Act, the Conservation Authority is required to provide mandatory programs and services (Category 1) set out under the Act and Ontario Regulation 686/21, as amended or superseded;

And Whereas in carrying out its mandate under the Act, the Conservation Authority is required to provide mandatory programs and services (Category 1) related to the Lake Simcoe Protection Plan under the *Lake Simcoe Protection Act, 2008*;

And Whereas in carrying out its mandate under the Act, the Conservation Authority also provides non-mandatory programs and services (Category 2) at the request of or on behalf of its municipal partners within its jurisdiction;

And Whereas in carrying out its mandate under the Act, the Conservation Authority provides non-mandatory programs and services (Category 3) that the Conservation Authority implements to manage and conserve the watershed and provide outdoor based education;

And Whereas under the Act, Category 1 programs and services are to be funded through the annual budget and apportionment process in accordance with the applicable regulations;

And Whereas under the applicable regulations, Category 1 operating expenses and capital costs may be included in the apportionment and provided without an agreement;

And Whereas under the Act, Category 2 programs and services requested by the participating municipalities may be provided under a memorandum of understanding or such other agreement in respect of the programs and services, such as a procurement or other agreement;

And Whereas under the applicable regulations, Category 2 operating expenses and capital costs may be included in the apportionment under a memorandum of understanding or other agreement, and the operating expenses and capital costs shall be apportioned, in their entirety, to the participating municipality that requested the programs and services;

And Whereas under the Act, Category 2 programs and services may be provided at the request of participating municipalities, outside of the annual budget and apportionment process, through a memorandum or other agreements;

And Whereas under the Act, Category 3 programs and services implemented by the Conservation Authority may be provided in accordance with the Act, within the budget and apportionment process, or otherwise requested outside of the budget and apportionment process, through a cost apportioning agreement in accordance with the Act and applicable regulations;

And Whereas this Memorandum sets out the principles, terms and conditions governing the delivery of Category 2 and 3 programs and services funded by the Participating Municipality through the budget and apportionment, or otherwise requested outside of the budget and apportionment process;

And Whereas the Act requires such Memorandum or other agreements to be reviewed at regular intervals and to be made available to the public, subject to certain exemptions including an exemption for procurement agreements.

Now Therefore, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration the sufficiency of which is hereby acknowledged by the parties, the parties hereto agree as follows:

1. This Memorandum shall commence on the Effective Date and shall continue for four (4) years (the "Initial Term"). Thereafter this Memorandum shall continue for additional four (4) year periods (each a "Renewal Term") on the same terms and conditions unless either party provides written notice of termination to the other party at least sixty (60) days prior to the expiry of the Initial Term or Renewal Term, as the case may be.
2. This Memorandum shall be reviewed by the parties on an annual basis as part of the budget and apportionment process.
3. When preparing its annual budget, the Conservation Authority shall follow the prescribed budgetary process in accordance with the requirements of the applicable regulations, including preparation of a draft budget, consultations with participating municipalities, rules for voting to approve the apportionment, and preparation of the final budget in alignment with the budgetary procedures of the participating municipalities.
4. Upon request by the Participating Municipality, the Conservation Authority shall submit a variance report by July 1st every year that includes a summary of deferred revenue for all programs and services included in the apportionment, and the Conservation Authority and the Participating Municipality will review unspent funding to determine opportunities to reallocate funding to other priority program and service areas on mutual agreement.

5. The Conservation Authority shall identify Category 1 programs and services in the annual budget. The Conservation Authority shall comply with the prescribed and approved methods of apportionment for Category 1 services.
6. The Conservation Authority and the Participating Municipality will identify and agree on requested Category 2 and 3 programs and services to be included in the annual budget and apportionment. Where requested Category 2 services are included in the annual budget and apportionment, the Conservation Authority shall, in accordance with the applicable regulations, apportion the operating expenses and capital costs, in their entirety, to the Participating Municipality. Where requested Category 3 services are included in the annual budget and apportionment, the Conservation Authority shall, in accordance with the applicable regulations, apportion the operating expenses and capital costs, to the Participating Municipalities.
7. Where Category 2 and 3 services are requested, all efforts will be made to include these in the annual budget. The Parties agree that funding requests for a program or service made outside the annual budget process will follow the Participating Municipality's approved policies and procedures, including but not limited to the Participating Municipality's Budget Management Policy and Procurement By-law, as amended.
8. Where after the Effective Date, the Conservation Authority identifies a new Category 3 program or service to be proposed for inclusion in the next annual budget, the Conservation Authority shall notify the Participating Municipality of the program or service and shall review the program or service with all participating municipalities to which a corresponding cost apportioning agreement would be proposed in accordance with the Act.
9. Schedule "A" to this Memorandum outlines the program and services inventory, apportionment method and assigned budget for each program and service (Category 1, 2, and 3).
10. Category 1 programs and services shall be provided in accordance with any standards and requirements that may be prescribed under subsection 21.1(3) of the Act. Category 2 programs and services provided shall be in accordance with any standards and requirements, and any terms and conditions, that may be prescribed under subsection 21.1.1(4) of the Act. Category 3 programs and services provided shall be in accordance with any standards and requirements, and any terms and conditions, that may be prescribed under subsection 21.1.2(3) of the Act.
11. Where Category 2 programs and services funded by the Participating Municipality involve user fees, such user fees shall only be imposed in accordance with the Conservation Authority's fee policy and fee schedules adopted in accordance with the provisions of the Act, or otherwise in accordance with provisions set out in an agreement between the Conservation Authority and the Participating Municipality.
12. The programs and services outlined in the Inventory of Programs and Services shall be paid quarterly, as per the following schedule:
 - a. 1st quarter – the later of 30 days post budget approval or April 1;
 - b. 2nd quarter – June 1;
 - c. 3rd quarter – September 1; and

d. 4th quarter – December 1;

If the above dates fall on a weekend or holiday, the payment shall be provided on the next following business day.

13. Funding for special projects (i.e., not part of mandatory/levy programs) shall be approved by the Participating Municipality's Council through the annual budget process and billed upon project completion and accountability of project costs, or other such terms as agreed to between the Conservation Authority and the Participating Municipality.
14. The Participating Municipality and the Conservation Authority will continue to work together to identify opportunities for further collaboration to the benefit of both parties and ensure efficiency, transparency and accountability in the use of public sector resources.
15. This Memorandum shall be made available to the public in accordance with the Act and any applicable regulations.
16. This Memorandum may be executed in counterparts and when each party has executed a counterpart, each of such counterparts shall be deemed to be an original and all of such counterparts, when taken together, shall constitute one and the same agreement. The parties may sign this Memorandum by means of electronic signature and deliver this Memorandum by electronic transmission.

In Witness Whereof, the parties have entered into this Memorandum as of the Effective Date.

**Lake Simcoe Region Conservation
Authority**

Per: _____

Name: Rob Baldwin

Title: Chief Administrative Officer

The Regional Municipality of Durham

Per: _____

Name: Elaine Baxter-Trahair

Title: Chief Administrative Officer

SCHEDULE "A"

**MANDATORY (CATEGORY 1) AND MUNICIPALLY REQUESTED (CATEGORY 2)
AND CONSERVATION AUTHORITY REQUESTED (CATEGORY 3)
(Specific to Region of Durham)**

Program	O. Reg. 686/21 Section	Mandatory (Category 1)	Mandatory (Category 1 LSPP)	Municipal Request/Non-mandatory (Category 2)**	LSRCA Requested (Category 3)**	Apportionment Method*
Corporate Services						
Corporate Communications		\$37,734				MCVA
Facility Management		\$33,831				MCVA
Financial Management		\$48,324				MCVA
Governance	S. 15	\$18,684	\$15,645			MCVA/LSPP
Human Resource Management		\$29,109				MCVA
Information Management		\$47,770				MCVA
Ecological Management						
Ecosystem Science and Monitoring	S. 1, S. 3(2), S. 12	\$4,947	\$31,084			MCVA/LSPP
Restoration and Regeneration	S. 15		\$32,417	\$17,007		LSPP/Benefit Based
Education & Engagement						
Community Programming					\$4,306	Using MCVA
School Programming					\$16,059	Using MCVA
Greenspace Services						
Greenspace Management	S. 9(1)	\$36,915				MCVA
Securement	S. 9, S. 10, S. 11	\$7,029				MCVA
Planning & Development						
Development Planning	S. 1, S. 7, S. 8	\$3,769		MOU terms		MCVA/Benefit Based
Permitting and Enforcement	S. 7(2)	\$25,902				MCVA
Water Risk Management						
Flood Management and Warning	S. 1, S. 2(2)	\$23,893				MCVA
Water Management/Restoration	S. 15		\$16,106	\$6,376		LSPP/Benefit Based
Water Science and Monitoring	S. 1, S. 3(2), S. 12, S. 15	\$10,875	\$0			MCVA/LSPP

Watershed Studies & Strategies						
Climate Change	S. 1(3), S. 15	\$3,555	\$10,473			MCVA/LSPP
Research and Innovation	S. 15		\$16,371			LSPP
Watershed Planning	S. 12(4), S. 15	\$2,251	\$19,894			MCVA/LSPP

*Items that have more than one apportionment method require split apportionment based on Lake Simcoe Protection Plan requirements

**Non-mandatory services are undertaken at the sole discretion of the conservation authority and participating municipality

Apportionment definitions:

Benefit Based– Participating municipalities fund the program, where funding received is used entirely for projects or services within the participating municipality’s jurisdiction.

LSPP – Lake Simcoe Protection Plan-based projects or services within the participating municipality’s jurisdiction based on LSPA apportionment calculated in accordance with the *Conservation Authorities Act* and provided to LSRCA by the Province of Ontario.

MCVA – Modified Current Value Assessment as defined in O. Reg. 402/22

This Memorandum of Understanding ("MOU") is made as of the 1st day of January, 2024 (the "Effective Date").

BETWEEN:

THE REGIONAL MUNICIPALITY OF DURHAM
(hereinafter, "Participating Municipality")

AND:

CENTRAL LAKE ONTARIO CONSERVATION AUTHORITY
(hereinafter, "CLOCA")

WHEREAS CLOCA is a conservation authority established under the *Conservation Authorities Act* ("Act") providing programs and services that further the conservation, restoration, development, and management of natural resources in its watershed;

AND WHEREAS the Participating Municipality is a municipality, located wholly or partly within the area under the jurisdiction of CLOCA, and is designated as a participating municipality under the Act;

AND WHEREAS in carrying out its mandate under the Act, CLOCA is required to provide mandatory programs and services (Category 1) set out under Ontario Regulation 686/21;

AND WHEREAS in carrying out its mandate under the Act, CLOCA provides non-mandatory programs and services (Category 2) at the request of or on behalf of its municipal partners within its jurisdiction;

AND WHEREAS in carrying out its mandate under the Act, CLOCA provides non-mandatory programs and services (Category 3) that CLOCA implements to manage and conserve the watershed;

AND WHEREAS under the Act, Category 1 programs and services are to be funded through the annual budget and apportionment process in accordance with the Act;

AND WHEREAS under the applicable regulations, Category 1 operating expenses and capital costs may be included in the apportionment and provided without an agreement;

AND WHEREAS under the Act, Category 2 programs and services provided at the request of or on behalf of its municipal partners are delivered under a memorandum of understanding or such other agreement, such as a procurement agreement;

AND WHEREAS under the applicable regulations, Category 2 operating expenses and capital costs may be included in the apportionment under a memorandum of understanding or other agreement, and the operating expenses and capital costs shall

be apportioned, in their entirety, to the participating municipality that requested the programs and services;

AND WHEREAS under the Act, Category 2 programs and services may be provided at the request of participating municipalities, outside of the annual budget and apportionment process, through a memorandum of understanding or individual procurement agreements;

AND WHEREAS the Act requires such memorandums of understanding or other agreements to be reviewed at regular intervals and to be made available to the public, subject to certain exemptions, including an exemption for procurement agreements;

AND WHEREAS this MOU sets out the principles, terms and conditions governing the delivery of Category 2 and 3 programs and services funded by the Participating Municipality through the budget and apportionment, or otherwise requested outside of the budget and apportionment process;

AND WHEREAS under the Act, Category 3 programs and services implemented by the CLOCA may be provided in accordance with the Act, within the budget and apportionment process, or otherwise requested outside of the budget and apportionment process;

AND WHEREAS under the Act and the Minister's Fee Classes Policy, the CLOCA may establish fees to be charged for the program or service where appropriate.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration the sufficiency of which is hereby acknowledged by the parties, the parties hereto agree as follows:

1. This MOU shall commence on the Effective Date and shall continue for four (4) years (the "Initial Term"). Thereafter this MOU shall continue for additional four (4) year periods (each a "Renewal Term") on the same terms and conditions unless either party provides written notice of termination to the other party at least sixty (60) days prior to the expiry of the Initial Term or Renewal Term, as the case may be.
2. This MOU shall be reviewed by the parties on an annual basis as part of the budget and apportionment process.
3. When preparing its annual budget, CLOCA shall follow the prescribed budgetary process in accordance with the requirements of the applicable regulations, including preparation of a draft budget, consultation with the Participating Municipality, rules for voting to approve the apportionment, and preparation of the final budget.

4. CLOCA and the Participating Municipality shall identify and agree upon Category 1, applicable Category 2, and Category 3 services in the annual budget. The current inventory of program and services is attached hereto as Schedule 1, which may be modified through the annual budget process without further amendment of this MOU on agreement by the Parties. The inventory of program and services shall identify the appointment method and assigned budget amount for each program and service.
5. Where requested Category 2 services are included in the budget process and apportionment, CLOCA shall apportion the operating expenses and capital costs, in their entirety, to the Participating Municipality that requested the programs and services.
6. CLOCA shall submit a variance report by June 1st annually for the previous fiscal year that includes deferred revenue for all services included under Schedule 1 of the MOU. On an annual basis through the variance reporting process, CLOCA and the Participating Municipality will review unspent funding to determine opportunities to reallocate the funding to other municipal priorities.
7. Where Category 2 services are requested, all efforts will be made to include these in the annual budget. Should there be an exception to this, these funding requests will follow the Participating Municipality's approved policies and procedures, including but not limited to the Participating Municipality's Budget Management Policy and Procurement By-law.
8. Category 1 programs and services shall be provided in accordance with any standards and requirements that may be prescribed under subsection 21.1(3) of the Act. Category 2 programs and services provided shall be in accordance with any standards and requirements, and any terms and conditions, that may be prescribed under subsection 21.1.1(4) of the Act.
9. Where Category 2 programs and services funded by the Participating Municipality involve user fees, such user fees shall only be imposed in accordance with CLOCA's fee policy and fee schedules adopted in accordance with the provisions of the Act, or otherwise in accordance with provisions set out in an agreement between CLOCA and the Participating Municipality.
10. The Participating Municipality and CLOCA will continue to work together to identify opportunities for further collaboration to the benefit of both parties and ensure efficiency, transparency and accountability in the use of public sector resources.
11. This MOU shall be made available to the public in accordance with the Act and any applicable regulations.

12. This MOU may be executed in counterparts and when each party has executed a counterpart, each of such counterparts shall be deemed to be an original and all of such counterparts, when taken together, shall constitute one and the same agreement.
13. All Category 1, Category 2 and Category 3 expenses agreed to as part of the budget process shall be paid quarterly in the calendar year, as per the following schedule:
- a. 1st quarter – the later of: 30 days post budget approval, or April 1;
 - b. 2nd quarter – June 1;
 - c. 3rd quarter – September 1; and,
 - d. 4th quarter – December 1;
- If any of the above dates fall on a weekend or holiday, the payment shall be provided on the next following business day.
14. Funding for special projects (i.e., not part of mandatory/levy programs) shall be approved by the Participating Municipality's Council through the annual budget process and billed upon project completion and accountability of project costs, or other such terms as agreed to between CLOCA and the Participating Municipality.

IN WITNESS WHEREOF, the parties have entered into this MOU as of the Effective Date.

CENTRAL LAKE ONTARIO CONSERVATION AUTHORITY

Per: Name: Chris Darling

Title: Chief Administrative Officer

Signature

Per: Name: Elizabeth Roy

Title: CLOCA Chair

Signature

THE REGIONAL MUNICIPALITY OF DURHAM

Per: Name: Elaine Baxter-Trahair

Title: Chief Administrative Officer

Signature

1	Section 28.1 Permit administration and compliance activities	Reviewing and processing permit applications, associated technical reports, site inspections, communication with applicants, agents, and consultants. Legal expenses for regulations and compliance. Property enquiry	1	91% Self-Generated 5% General Levy 4% Provincial Grant	\$ 443,244	
2	Review under Other Legislation	Input to the review and approval processes under other applicable law, (e.g. Environmental Assessment Act, Drainage Act, Aggregate Resources Act, Niagara Escarpment Planning and Development Act proposals) with comments principally related to natural hazards, wetlands, watercourses and Sec 28 permit requirements.	1	91% Self-Generated 5% General Levy 4% Provincial Grant	\$ 80,853	
3	Municipal Plan Input and Review	Technical information and advice to municipalities on circulated municipal land use planning applications (Official Plan and Zoning By-law Amendments, Subdivisions, Consents, Minor Variations). Input to municipal land-use planning documents (OP, Comprehensive ZB, Secondary plans) related to natural hazards, on behalf of MNRF (delegated to CAs in 1983)	1	91% Self-Generated 5% General Levy 4% Provincial Grant	\$ 410,335	
4	Flood Forecasting and Warning	Daily data collection and monitoring of weather forecasts, provincial & local water level forecasts and watershed conditions. Flood event forecasting. Flood warning and communications. Maintenance of equipment.	1	39% Provincial Grants 35% General Levy 15% Federal Grants 7% Special Levy 4% Donations	\$ 115,183	
5	Flood Plain Mapping	Data collection, analysis and identification of areas susceptible to riverine or coastal flooding to create mapping products to delineate flood-prone areas.	1	69% General Levy 15% Federal Grants 11% Local Municipal Funding 5% Special Levy	\$ 109,872	
6	Low Water Response	Conditions monitoring/analysis. Technical & administrative support to the Water Response Team representing major water users and decision makers, who recommend drought response actions.	1	100% General Levy	\$ 16,860	
7	Natural Hazards Technical Studies and Information Management	Data collection and study of designs to mitigate natural hazards. Development and use of systems to collect and store data and to provide spatial geographical representations of data. Includes Shoreline hazard studies	1	77% General Levy 10% Federal Grants 7.5% Special Levy 5% Local Municipal Funding 0.5% Provincial Grants	\$ 123,252	
8	Natural Hazards Communications, Outreach and Education	Promoting public awareness of natural hazards including flooding, drought, and erosion. Public events, materials. Social media services. Media relations.	1	100% General Levy	\$ 29,098	
9	Watershed Stewardship and Restoration related to natural hazards	Apply for and manage external funding, promote private land stewardship. Outreach, provide advice and design assistance to property owners. Implementation of watershed plan stewardship recommendations	2 & 3	53% General Levy 26% Federal Grants 18% Special Levy 1% Local Municipal Funding	\$ 31,807	
10	Climate change impact assessment /Planning and Policies related to natural hazard mgmt	Identification of vulnerability or risk, and the development of mitigation and adaptation policies and plans	2	100% General Levy	\$ 16,733	

Natural Hazard Management
(Section 21.1 (1) 1) (Subsection 1-8)

Program/Service	Item	Subservice	Explanation of Subservice	Category	Funding Mechanism	Average Annual Cost	Explanation of Other Funding
Conservation Authority Land and Conservation Areas (Section 21.1 (1) (I) (Subsection 9-11))	11	Section 29 Minister's regulation Rules for Conduct in Conservation Areas (O. Reg. 688/21)	Conservation areas enforcement/ compliance & Legal expenses for regulation and compliance	1	100% General Levy	\$ 83,227	
	12	Conservation Area Strategy - NOTE: Strategy to be completed on or before December 31, 2024 per requirements in Section 10 of the Mandatory Programs and Services Regulation	Guiding principles, objectives, including for an authority's land acquisition and disposition strategy, land use categories on conservation authority owned land, recommended management principles for different land categories, etc.	1	100% General Levy	\$ 19,437	
	13	Land Inventory - NOTE: Inventory to be completed on or before December 31, 2024 per requirements in Section 11 of the Mandatory Programs and Services Regulation	Development of an inventory containing information for every parcel of land owned or controlled by the Authority.	1	100% General Levy	\$ 10,500	
	14	Management, operation and Maintenance of CA owned lands	Management and Maintenance of CA owned lands including: Stewardship and restoration, and, Ecological monitoring programs and services to maintain any facilities, trails or other amenities that support public access and recreational activities in conservation areas	1	62% General Levy 19.5% Self-Generated 6% Donations 5% Special Levy 4% Federal Grants 1.5% Provincial Grants 2% Other (Other Grants/Partnership Funding/Local Municipal Funding)	\$ 1,173,238	Grant (ECCC), Grant (TD Friends of the Environment), Grant (Ducks Unlimited)
	15	Land Acquisition		3	85% Donation 8% Federal Grants 7% Special Levy	\$ 39,000	
	16	Rental property expenses		3	100% Self Generated	\$ 36,916	
	17	Source protection authority role as set out in the Clean Water Act.	Source Protection Area/Region, tech support, SPC support, SPA reports and meetings, activities required by the Clean Water Act and regulations that applies to the authority's source protection area.	1	100% Provincial Grants	\$ 100,719	
	18	Provincial Water Quality Monitoring Network (PWQMN)	A long-standing (50+ year) CA/MECP partnership for stream water quality monitoring. CA takes water samples; MECP does lab analysis and data management	1	100% General Levy	\$ 22,121	
	19	Surface water Monitoring	IWMP (sampling sent to Region)	3	88% General Levy 8% Other Grants 2% Provincial Grants 2% Partnership Funding	\$ 106,774	Grant (RBC)
	20	Provincial Groundwater Monitoring Network (PGMN)	A long-standing (20+ year) CA/MECP partnership for groundwater level and quality monitoring.	1	100% Provincial	\$ 15,251	
	21	ORM Groundwater Program	Program levied by TRCA and financial support provided to CLOCA	2	95% Partnership Funding 4% Self-Generated 1% Provincial Grants	\$ 855,175	
Cons Watershed-based Resource Management Strategy (Section 21.1 (1) 2 (Subsection 12(4)-(6)))	22	Strategy Development - NOTE: Strategy to be completed on or before December 31, 2024	Develop guiding principles and objectives that inform the design and delivery of programs and services the CA is required to provide. Collate/compile existing resource management plans, watershed plans, studies and data. Strategy development, implementation & annual reporting. A review of programs and services provide for the purposes of compliance with CA Act. Develop a process for periodic review including procedures to engage/consult with stakeholders and the public. Strategy development must include a stakeholder and public consultation component	1	80% General Levy 20% Special Levy	\$ 102,438	
	23	Watershed Planning & Sub-watershed planning not related to natural hazards	Partner developed plan which identifies streams, wetlands, forests, groundwater recharge areas, and other natural areas. It includes an inventory of plants, animals, birds, and other species. Information on stream flows, water quality, groundwater movement and other natural features is also included. The plan contains policies and implementation actions to protect, enhance and improve the health of the area.	2	85% General Levy 15% Special Levy	\$ 137,234	
	24	Natural Heritage	Natural heritage monitoring, plans/strategies and system design outside of CA areas	3	87% General Levy 6% Local Municipal Funding 3.5% Federal Grants 3.5% Other (Donations, Other Grants, Provincial Grants, Self-Generated)	\$ 205,966	Grant (TD Friends of the Environment)
	25	Oshawa Consortium Water Monitoring Program	Surface water monitoring partnership	3	57% Local Municipal Funding 43% General Levy	\$ 38,987	

Program/Service

Item	Subservice	Explanation of Subservice	Category	Funding Mechanism	Average Annual Cost	Explanation of Other Funding
26	Watershed Natural Heritage Stewardship and Restoration not related to natural hazards (Urban, rural & Agriculture)	Apply for and manage external funding, promote private land stewardship, outreach, provide advice and design assistance to property owners. Implementation of watershed plan stewardship recommendations	3	47% General Levy 31% Partnership Funding 10% Federal Grants 6.5% Special Levy 3.5% Self-Generated 1.5% Other Grants 0.5% Donations	\$ 90,631	Grant (GM/ROM/Toronto Zoo) for Bioblitz event, Sponsorship (Friends of Second Marsh)
27	Climate change impact assessment /Planning and Policies	Identification of vulnerability or risk, and the development of mitigation and adaptation policies and plans	2 & 3	66% Special Levy 34% General Levy	\$ 36,712	
28	Conservation/ Outdoor Education - Curriculum delivery not related to natural hazards	Program development & delivery	3	40% General Levy 28% Self-Generated 15% Donations 14% Special Levy 3% Partnership Funding	\$ 216,510	
29	Sustainable Neighbourhood Action Planning(SNAP)	Natural hazard and Heritage restoration and stewardship	2	Local Municipal Special Levy	\$	
30	Nature interpretative services not related to natural hazards	Event/Festival development and execution	3	65% Self-Generated 29% General Levy 4% Donations 2% Partnership Funding	\$ 175,527	
31	Corporate Services	Administrative, human resources, operating and capital costs which are not directly related to the delivery of any specific program or service, but are the overhead and support costs of a conservation authority.	1	68% General Levy 23% Self-Generated 6% Interest Earned 2% Provincial Grants 1% Federal Grants	\$ 675,049	
32	Financial Services	Accounting and payroll	1	100% General Levy	\$ 292,784	
33	Corporate Legal Expenses	Costs related to agreements/contracts, administrative by-law updates	1	74% General Levy 16% Interest Earned 6% Provincial Grants 2% Federal Grants 2% Self-Generated	\$ 23,505	
34	Communications and Marketing	Supporting delivery of products and programs through communication platforms and promotion of revenue generating activities; websites creation and maintenance	1	94% General Levy 5% Self-Generated 1% Other (Donations, Other Grants)	\$ 180,011	Grant (OMAF)
35	Governance	Supporting CA Boards, Advisory Committees, Office of CAO	1	100% General Levy	\$ 195,985	
36	Asset Management	Asset management planning, facilities & property management	1	100% General Levy	\$ 43,159	
37	Information Technology Management/GIS	Data management, records retention. Development and use of systems to collect and store data and to provide spatial geographical representations of data	1	77% General Levy 22% Self-Generated 1% Federal Grants	\$ 620,344	
					\$ 6,874,445	

Enabling Program Services
Note: Methodology for inclusion of these types of services will be finalized in phase 2

MEMORANDUM OF UNDERSTANDING (“MOU”)

THIS AGREEMENT dated this 1st day of January, 2024 (“Effective Date”).

BETWEEN:

THE REGIONAL MUNICIPALITY OF DURHAM
(Hereinafter, “Participating Municipality”)

AND:

KAWARTHA REGION CONSERVATION AUTHORITY
(Hereinafter, “Kawartha Conservation”)

WHEREAS Kawartha Conservation is a conservation authority established under the *Conservation Authorities Act* (“Act”) providing programs and services that further the conservation, restoration, development and management of natural resources in its watershed;

AND WHEREAS the Participating Municipality is a municipality, located wholly or partly within the area under the jurisdiction of Kawartha Conservation, and is designated as a participating municipality under the Act;

AND WHEREAS in carrying out its mandate under the Act, Kawartha Conservation is required to provide mandatory programs and services (Category 1) set out under *Ontario Regulation 686/21*;

AND WHEREAS in carrying out its mandate under the Act, Kawartha Conservation provides non-mandatory programs and services (Category 2) at the request of or on behalf of its municipal partners within its jurisdiction;

AND WHEREAS in carrying out its mandate under the Act, Kawartha Conservation provides non-mandatory programs and services (Category 3) that Kawartha Conservation implements to manage and conserve the watershed;

AND WHEREAS under the Act, Category 1 programs and services are to be funded through the annual budget and apportionment process in accordance with the Act;

AND WHEREAS under the applicable regulations, Category 1 operating expenses and capital costs may be included in the apportionment and provided without an agreement;

AND WHEREAS under the Act, Category 2 programs and services provided at the request of or on behalf of its municipal partners municipalities are delivered under a memorandum of understanding or such other agreement, such as a procurement agreement;

AND WHEREAS under the applicable regulations, Category 2 operating expenses and capital costs may be included in the apportionment under a memorandum of understanding or other agreement, and the operating expenses and capital costs shall be apportioned, in their entirety, to the participating municipality that requested the programs and services;

AND WHEREAS under the Act, Category 2 programs and services may be provided at the request of participating municipalities, outside of the annual budget and apportionment process, through a memorandum of understanding or individual procurement agreements;

AND WHEREAS the Act requires such memorandums of understanding or other agreements to be reviewed at regular intervals and to be made available to the public, subject to certain exemptions;

AND WHEREAS this MOU sets out the principles, terms and conditions governing the delivery of Category 2 programs and services funded by the Participating Municipality through the budget and apportionment, or otherwise requested outside of the budget and apportionment process;

AND WHEREAS under the Act, Category 3 programs and services implemented by Kawartha Conservation may be provided in accordance with the Act, within the budget and apportionment process, or otherwise requested outside of the budget and apportionment process;

AND WHEREAS under the Act and the Minister's Fee Classes Policy, the Kawartha Conservation may establish fees to be charged for the program or service where appropriate.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration the sufficiency of which is hereby acknowledged by the parties, the parties hereto agree as follows:

1. This MOU shall commence on the Effective Date and shall continue for four (4) years (the "Initial Term"). Thereafter this MOU shall continue for additional four (4) year periods (each a "Renewal Term") on the same terms and conditions unless either party provides written notice of termination to the other party at least sixty (60) days prior to the expiry of the Initial Term or Renewal Term, as the case may be.
2. This MOU shall be reviewed by the Parties on an annual basis as part of the budget and apportionment process.
3. Kawartha Conservation agrees to provide the Participating Municipality with the programs and services outlined in the Inventory of Programs and Services

(Categories 1, 2, and 3) attached hereto as Schedule A, which shall identify the apportionment and assigned budget amount for each program and service.

4. When preparing its annual budget, Kawartha Conservation shall follow the prescribed budgetary process in accordance with the requirements of the applicable regulations, including preparation of a draft budget, consultations with participating municipalities, rules for voting to approve the apportionment, and preparation of the final budget.
5. Kawartha Conservation and the Participating Municipality shall identify and agree upon Category 1, applicable Category 2, and Category 3 program and services through the annual budget process.
6. Where requested Category 2 services are included in the budget process and apportionment, Kawartha Conservation shall apportion the operating expenses and capital costs, in their entirety, to the Participating Municipality that requested the programs and services.
7. Where Category 2 services are requested, all efforts will be made to include these in the annual budget. The Parties agree that funding requests for a program or service made outside the annual budget process will follow the Participating Municipality's approved policies and procedures, including but not limited to the Participating Municipality's Budget Management Policy and Procurement By-law, as amended.
8. Funding for special projects (i.e., not part of mandatory/levy programs) shall be approved by the Participating Municipality's Council through the annual budget process and billed upon project completion and accountability of project costs, or other such terms as agreed to between Kawartha Conservation and the Participating Municipality.
9. Category 1 programs and services shall be provided in accordance with any standards and requirements that may be prescribed under subsection 21.1(3) of the Act. Category 2 programs and services provided shall be in accordance with any standards and requirements, and any terms and conditions, that may be prescribed under subsection 21.1.1(4) of the Act. Category 3 programs and services provided shall be in accordance with any standards and requirements, and any terms and conditions, that may be prescribed under subsection 21.1.2(3) of the Act.

10. Where Category 2 and/or 3 programs and services funded by the Participating Municipality involve user fees, such user fees shall only be imposed in accordance with Kawartha Conservation's fee policy and fee schedules adopted in accordance with the provisions of the Act, or otherwise in accordance with provisions set out in an agreement between Kawartha Conservation and the Participating Municipality.
 11. Revenues generated through fees and charges and other revenue streams, shall be used to offset the apportioned value required to be paid by the Participating Municipality for the program and/or service in accordance with the Act.
 12. The programs and services outlined in the Inventory of Program and Services shall be paid quarterly in the calendar year, as per the following schedule:
 - 1st quarter – the later of: 30 days post budget approval, or April 1;
 - 2nd quarter – June 1;
 - 3rd quarter – September 1; and,
 - 4th quarter – December 1;
- If any of the above dates fall on a weekend or holiday, the payment shall be provided on the next following business day.
13. Kawartha Conservation shall submit a variance report by July 1st each year that includes a summary of deferred revenue for all programs and services included in the apportionment, and the Parties will review unspent funding to determine opportunities to reallocate funding to other priority program and service areas on mutual agreement.
 14. Kawartha Conservation and the Participating Municipality shall negotiate in good faith in an attempt to settle any dispute between the Parties in a timely manner. If a dispute cannot be resolved, the Parties agree that the dispute shall be referred to senior management of the Parties (the Parties' respective Chief Administrative Officers or their designate), who shall meet to attempt to resolve the dispute. If no resolution is obtained, the matter shall be referred to the Participating Municipality's Council and Kawartha Conservation's Board of Directors.
 15. Amendments to the schedules of this MOU may be made, in writing by mutual agreement, periodically to ensure alignment with existing agreements and the annual budget process.
 16. The Participating Municipality and Kawartha Conservation will continue to work together to identify opportunities for further collaboration to the benefit of both parties

and ensure efficiency, transparency and accountability in the use of public sector resources.

17. This MOU shall be made available to the public in accordance with the Act and any applicable regulations.
18. This MOU may be executed in counterparts and when each party has executed a counterpart, each of such counterparts shall be deemed to be an original and all of such counterparts, when taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have entered into this MOU as of the Effective Date.

**KAWARTHA REGION CONSERVATION
AUTHORITY**

Per: _____
Name: Mark Majchrowski
Title: Chief Administrative Officer

THE REGIONAL MUNICIPALITY OF DURHAM

Per: _____
Name: Elaine Baxter-Trahair
Title: Chief Administrative Officer

Schedule A - Kawartha Conservation Programs and Services

Programs and Services	Category	Apportionment Method	2024 Draft Durham Apportionment
Provincial Water Quality and Quantity Monitoring	1	MCVA	\$ 18,626
Core Watershed Based Resource Strategy	1	MCVA	12,526
Flood Forecasting and Warning and Low Water Response	1	MCVA	22,293
Natural Hazard Planning Services	1	MCVA	36,180
Section 28 Permit Administration and Compliance	1	MCVA	37,215
Drinking Water Source Protection	1	MCVA	-
Conservation Area Management	1	MCVA	98,901
Durham East Cross Forest	1	Durham Benefit	105,750
Digitization of Corporate Records	1	MCVA	5,446
Tree Planting and Forestry Services*	2	Durham and City of Kawartha Lakes Benefit	6,000
Lake Management Plan Implementation	2	Durham Benefit	140,100
Durham Watershed Planning	2	Durham Benefit	30,500
Core Watershed Based Resource Strategy	3	MCVA	4,647
Local Environmental Monitoring	3	MCVA	17,224
Environmental Monitoring Strategy	3	MCVA	9,077
Fleetwood Creek Natural Area	3	N/A	-
Conservation Education and Community Outreach	3	MCVA	15,884
Habitat Restoration	3	N/A	-
Corporate Services	General Operating	MCVA	297,253
Information Services	General Operating	MCVA	77,606

**There is also \$9,000 of funding provided for this program through the MOU for Conservation Authorities Supporting Climate Action through Nature Based Solutions by the Region of Durham.*

***The budget apportionment figures in this schedule are provided in draft form as the 2024 Budget process is in progress as of January 9th, 2024.*



**GANARASKA REGION
CONSERVATION AUTHORITY**

**MEMORANDUM OF UNDERSTANDING
FOR PROGRAMS & SERVICES**

*Clean Water, Healthy Land
For Healthy Communities*

MEMORANDUM OF UNDERSTANDING FOR PROGRAMS AND SERVICES (“MOU”)

This MOU dated the 1st day of February, 2024.

BETWEEN:

Ganaraska Region Conservation Authority
(hereinafter called the “Ganaraska Conservation”)

– and –

The Regional Municipality of Durham
(hereinafter called the “Participating Municipality”)

Hereinafter referred to as the “Parties” when referenced collectively.

WHEREAS Ganaraska Conservation is a conservation authority established under the *Conservation Authorities Act*, R.S.O. 1990, c. C.27 (the Act) and is governed by its members appointed by Participating Municipalities in accordance with the Act;

AND WHEREAS the Participating Municipality is a municipality, located wholly or partly within the area under the jurisdiction of Ganaraska Conservation, and is designated as a Participating Municipality under the Act;

AND WHEREAS in carrying out its mandate under the Act, Ganaraska Conservation is required to provide mandatory programs and services (Category 1) set out under *Ontario Regulation 686/21*;

AND WHEREAS in carrying out its mandate under the Act, Ganaraska Conservation provides non-mandatory programs and services (Category 2) at the request of or on behalf of its Participating Municipalities within its jurisdiction;

AND WHEREAS in carrying out its mandate under the Act, Ganaraska Conservation provides non-mandatory programs and services (Category 3) that Ganaraska Conservation provides to manage and conserve the watershed;

AND WHEREAS under the Act, Category 1 programs and services are to be funded through the annual budget and apportionment process in accordance with the Act;

AND WHEREAS under the applicable regulations, Category 1 operating expenses and capital costs may be included in the apportionment and provided without a MOU;

AND WHEREAS pursuant to the Act and Ontario Regulation 687/21, Ganaraska Conservation is required to enter into a MOU with the Participating Municipality in order for Ganaraska Conservation to apportion operating costs to the Participating Municipality to fund other services and programs (Categories 2 and 3) that are

requested by the Participating Municipality or that Ganaraska Conservation wishes to provide to further the purpose of the Act;

AND WHEREAS pursuant to the Act and Ontario Regulation 687/21, Ganaraska Conservation may establish a fee to be charged by Ganaraska Conservation for other programs and services;

AND WHEREAS the Parties recognize the need for, and the benefits of, entering into an MOU for the delivery of the other programs and services by Ganaraska Conservation;

AND WHEREAS the Parties continue to work together to identify opportunities for further collaboration to the benefit of both Parties while ensuring efficiency and accountability.

NOW THEREFORE, in consideration of the mutual covenants, conditions, considerations and payments herein contained, the parties hereto agree as follows:

1. Ganaraska Conservation agrees to provide the Participating Municipality with the programs and services outlined in the Inventory of Programs and Services (Categories 1, 2 and 3) attached hereto as Schedule "A", which shall identify the appointment method and assigned budget amount for each program and service.
2. The general levy, which is applied to Category 1, will be calculated annually using the current general levy subject to an annual increase as agreed to during budget deliberations. The appointment to the Participating Municipality shall be based on Current Value Assessment (CVA) data as provided by the Ministry. The general levy will be forwarded to the Participating Municipality annually under separate cover.
3. The programs and services outlined in the Inventory of Program and Services shall be paid quarterly in the calendar year, as per the following schedule:
 - 1st quarter – the later of: 30 days post budget approval, or April 1;
 - 2nd quarter – June 1;
 - 3rd quarter – September 1; and,
 - 4th quarter – December 1;

If any of the above dates fall on a weekend or holiday, the payment shall be provided on the next following business day.

4. Funding for special projects (i.e. not part of mandatory/levy programs) shall be approved by the Participating Municipality's Council through the annual budget

process and billed upon project completion and accountability of project costs, or other such terms as agreed to between Ganaraska Conservation and the Participating Municipality.

5. Where Category 2 and 3 programs and services are requested, all efforts will be made to include these in the annual budget. The Parties agree that funding requests for a program or service made outside the annual budget process will follow the Participating Municipality's approved policies and procedures, including but not limited to the Participating Municipality's Budget Management Policy and Procurement By-law, as amended.
6. The cost structure for the programs and services provided in Schedule A shall be based on the actual costs to Ganaraska Conservation of providing the programs and services.
7. The Participating Municipality agrees that Ganaraska Conservation may establish and charge a user fee for the programs and services outlined in Schedule "A", in accordance with Ganaraska Conservation's fee policy and fee schedules adopted pursuant to the Act, or otherwise in accordance with provisions set out in an agreement between Ganaraska Conservation and the Participating Municipality. Revenues generated through fees and charges and other revenue streams, shall be used to offset the apportioned value required to be paid by the Participating Municipality for the program and/or service in accordance with the Act.
8. The Participating Municipality will continue to support the current Inventory of Programs and Services in Schedule "A" throughout the term of this MOU. Further, Ganaraska Conservation shall submit a variance report by July 1st of each year that includes a summary of deferred revenue for all programs and services included in the apportionment, and the Parties will review unspent funding to determine opportunities to reallocate funding to other priority program and service areas on mutual agreement.
9. This MOU will be posted on Ganaraska Conservation's website to comply with the requirements under the Act.

Term of MOU

10. The MOU will be for a term of four (4) years commencing on the date of the signature by the last of the Parties of this MOU.

11. This MOU shall automatically review for an additional four (4) year term, on the same terms and conditions, unless either Party provides written notice of termination to the other Party at least sixty (60) days prior to the expiry of the current term.
12. The MOU shall be reviewed by the parties on an annual basis as part of the budget and apportionment process.
13. Either party may terminate all or any part of Schedule A of this MOU at any time upon delivering six (6) months written notice of termination prior to the following budget year.
14. Any notice to be given pursuant to this MOU shall be delivered in writing to the parties at the following addresses:
 - Ganaraska Region Conservation Authority 2216 County Road 28, Port Hope, ON L1A 3V8
 - Regional Municipality of Durham 605 Rossland Road East, Whitby, ON L1N 0B7
15. The MOU will terminate six (6) months after the date on which written notice of early termination is delivered to the parties.

Force Majeure

16. Neither Party shall be in default with respect to the performance or non-performance of the terms of this MOU resulting directly or indirectly from causes beyond its reasonable control (other than for financial inability) that could not reasonably have been foreseen, including, without limitation, any delay caused by war, invasion, riots, acts of terrorism or sabotage, acts of government authority (other than by the Participating Municipality), plague, epidemic, pandemic, natural disaster, strike lock-out, inability to procure material, acts, laws, or regulations of government authority or other cause beyond the reasonable control of such Party and not caused by the act or omission of such Party, and the performance of such term or terms shall be extended for a period equivalent to the period of such delay.

Dispute Resolution

17. Ganaraska Conservation and the Participating Municipality shall negotiate in good faith in an attempt to settle any dispute between the parties in connection with this MOU in a timely manner. If a dispute cannot be resolved, the parties agree that the dispute shall be referred to senior management of the Parties (the Parties' respective Chief Administrative Officers or their designate), who shall meet to

attempt to resolve the dispute. If no resolution is obtained, the matter shall be referred to the Participating Municipality's Council.

**SIGNED AND DELIVERED THIS ____ DAY OF _____ 2024.
GANARASKA REGION CONSERVATION AUTHORITY**

Per: _____

Chair
I/we have the authority to bind the Corporation

Per: _____

CAO/Secretary-Treasurer
I/we have the authority to bind the Corporation

**SIGNED AND DELIVERED THIS ____ DAY OF _____ 2024.
THE REGIONAL MUNICIPALITY OF DURHAM**

Per: _____

Elaine Baxter-Trahair
Chief Administrative Officer/Clerk
I/we have the authority to bind the Corporation

Schedule "A"
 Based on 2024 Proposed Preliminary Budget
 Subject to Change Upon Approval of the Municipality's Budget

Regional Municipality of Durham

Category 1

	Amount	Allocation
Support Services	\$247,510.00	Based on Modified CVA
Natural Hazard Management Program	\$141,229.00	Based on Modified CVA
Local Water Quality Monitoring	\$ 5,210.00	Based on Modified CVA
Drinking Water Source Protection		Not Applicable – Funded by Province
Core Watershed Based Resource Management Strategy		2024 Funded by General Levy
Sub Watershed Plans and Projects		Not Applicable
Conservation Authority Lands and Conservation Areas	\$264,647.00	Based on Modified CVA
Watershed Stewardship		Not Applicable – Self funded

Category 2

Climate Change Strategy	\$ 30,000.00	Benefitting – Durham 100%
Watershed Report Card Update	\$ 15,000.00	Benefitting – Durham 100%
Durham Floodplain Mapping Update (FHIMP)	\$ 10,000.00	Benefitting – Durham 100%
Watershed Monitoring	\$ 43,500.00	Benefitting – Durham 100%
Watershed Ecology	\$ 46,100.00	Benefitting – Durham 100%
Durham Collaborative Tree Program	\$ 98,000.00	Benefitting – Durham 100%
Greater Golden Horseshoe Conservation Authority Collaborative	\$ 2,500.00	Benefitting – Durham 100%

Special Projects

Provincial Water Quality and Quantity Monitoring	\$ 39,509.00	Benefitting – Durham 50%
Natural Heritage Mapping	\$ 34,440.00	Benefitting – Durham 100%
Clean Water – Healthy Lands Financial Assistance	\$ 20,000.00	Benefitting – Durham 100%
Clarington Floodline Mapping Update	\$ 18,510.00	Benefitting – Durham 100%