

INFORMATION REPORT



TO City Council

SERVICE AREA Infrastructure, Development and Enterprise

DATE March 26, 2015

SUBJECT Source Protection Plan Update

REPORT NUMBER

EXECUTIVE SUMMARY

SUMMARY OF REPORT

- Summarize changes to current version of the Guelph-specific Source Protection Policies contained within the Amended Proposed Source Protection Plan for the Grand River Watershed.
- Outline the next steps for implementation.

KEY FINDINGS

This report provides an update to the Source Protection Plan process, including:

- Changes to the City of Guelph specific policies included in the Amended Proposed Source Protection Plan for the Grand River Watershed made in response to comments received from the Ministry of Environment and Climate Change.
- Comments regarding the Amended Proposed Source Protection Plan for the Grand River Watershed and related process for updating the Plan and implementation.
- Information regarding implementing actions that will need to be undertaken by the City of Guelph prior to the approval of the Source Water Protection Plan in order to prepare for the Plan coming into effect.

FINANCIAL IMPLICATIONS

- All related work funded by the City has been and will continue to be funded through the Water Enterprise budget;
- The Ministry of Environment has provided additional funding for 2015 to select rural municipalities through the Source Protection Municipal Implementation Fund (SPMIF) funding, however, no funding was made available to the City of Guelph (since the population is greater than 100,000 and it is not a rural community);
- Cost of implementation remains unclear, however, a number of Source Protection Regions continue to request funding for the purposes of implementation;
- Staff resources and associated training will be required to fulfill the requirements of the Risk Management Inspector;
- As a number of the Significant Drinking Water Threats are City-owned activities, additional management measures, retrofits and Risk Management Plans will be required to manage and reduce threats;

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- Significant effort will be required for the purposes of development review, implementation of Risk Management Plans, development and delivery of Education and Outreach programs, inspection, enforcement and other measures as required through the Source Protection Plan;
- The Ontario Regulation 315/10 amended the Building Code Act to establish and govern mandatory and discretionary on-site sewage system maintenance inspection programs. Costs associated with delivering services related to the administration of the Building Code Act are fully recoverable. Neighbouring Municipalities (e.g. Guelph-Eramosa Township) will be obliged under the Clean Water Act, to carry out inspections on approximately 400 properties that fall within the City of Guelph's Wellhead protection Areas. Discussions are underway with Municipal representatives to understand the cost implications to the City;
- Recovery of some of the costs associated with implementation of the Clean Water Act may be possible. Collection of fees is permitted through the enactment of a by-law;
- Options to absorb and manage some of the costs associated with implementation of the Clean Water Act include:
 - obtaining provincial funding
 - implementing user (landowner) fees;
 - increasing water rates;
 - increasing development fees;
- However significant costs are anticipated for:
 - Staffing costs for the Risk Management Inspector plus administrative support
 - Provincially mandated annual reporting and monitoring will require additional staff time and resources.

BACKGROUND

The *Clean Water Act, 2006* resulted from recommendations of the Walkerton Inquiry (2002). The intent of the *Clean Water Act* is to protect Ontario's existing and future municipal drinking water sources as part of an overall commitment to safeguard human health and the environment. The *Clean Water Act* required communities to develop collaborative, locally-driven, science-based assessment reports for existing and future drinking-water supplies and provided a framework for the development and implementation of local and watershed-based Source Protection Plans.

Source Protection Plan policies were developed with a bottom up process with each municipality preparing the policies to apply within their respective municipality. This process was unique to the Lake Erie Source Water Protection Region and one that the staff of the City of Guelph fully supported. This process provided for a consultative and effective framework for policy development. As the Source Protection Plan moves forward through the provincial approval process, which may include consideration of revisions to the Plan, it is the City's position that a bottom up consultation process should be followed regarding any proposed revisions to the Plan.

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Guelph's Source Protection Policies are designed to protect the existing and future municipal groundwater sources from unwanted impacts and harmful contaminants. Of the City's 25 municipal groundwater supply wells, 21 are operable and four are out of service due to naturally occurring or man-made water quality issues. In addition to the groundwater supply wells, the City also obtains water from the Arkell Spring Grounds Glen collector system. The Arkell Spring Grounds surface water intake provides water from the Eramosa River to an infiltration pond that supplements the Glen Collector System.

The provincial regulations under the *Clean Water Act* established 21 Prescribed, Drinking Water Threats. The proposed policies address 19 of these water quality threats. The Ministry of the Environment and Climate Change has established the activities and circumstances whereby a drinking water threat is considered to be significant and which generally relate to the size or volume of the activity and the proximity of the activity to the municipal drinking water source. The two remaining threats are water quantity threats and will be addressed once additional Tier Three water quantity studies have been completed and appropriate policies developed in 2015-16.

The province has also provided the following policy tools for dealing with significant drinking water threats:

- Part IV tools under the *Clean Water Act* (including prohibition or restriction of activities and the use of risk management plans);
- Land use planning tools;
- Prescribed instruments (e.g. Environmental Compliance Approval);
- Incentives;
- Education/outreach;
- Other tools such as stewardship programs, best management practices.

The provincial regulations under the Clean Water Act specify what can be addressed through the Source Protection Plan and no additional policies can be included beyond these matters. The policies of the Amended Proposed Source Protection Plan for the Grand River Watershed are based upon the Assessment Report that was approved on August 16, 2012. The Assessment Report defined the wellhead protection areas (WHPAs) and Issue Contributing Areas (ICAs) as well as inventoried the existing significant drinking water threats based on provincially-defined circumstances or criteria and available information.

REPORT

Details of the source protection process revisions to the Guelph-specific source protection policies are provided in Attachment 1. In accordance with Council's direction, Guelph's policies were developed on a priority basis considering:

- Protection of the drinking water supplies;
- Fairness to landowners;
- Impact to citizens;
- Ease of implementation; and
- Costs and economic factors.

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The draft policies were first presented to the public through a preliminary public consultation process and the policies were revised based on the input received. Formal public consultation on the Draft Source Water Protection Plan occurred between August 20th and October 3rd 2012. The Proposed Source Protection Plan was accepted by the Lake Erie Region Source Protection Committee on December 6, 2012 and was submitted to the Source Protection Authority at that time. A second consultation period was held from December 10, 2012 and January 16, 2013.

A third consultation period is scheduled for March 16-April 24, 2015 with one session scheduled for April 9, 2015 at Guelph City Hall from 7-9m. Following the third consultation period, the Source Protection Authority intends to submit the Amended Proposed Source Protection Plan to the Ministry of Environment in conjunction with any comments received from the public and the municipalities in early June 2015.

As set out within Sections 27 to 30 of the *Clean Water Act*, the Minister may:

- undertake additional consultation;
- refer the Plan to a hearing for the purpose of receiving submissions and making recommendations;
- approve the Proposed Plan; or
- require the Lake Erie Region Source Protection Authority to amend the Plan in accordance with the directions provided by the Minister of Environment and resubmit.

It is anticipated that the timelines for approval of the Amended Proposed Source Protection Plan will be approximately 6 months, following submission to the Ministry of the Environment and Climate Change. The notice of the approval of the Source Protection Plan will be published on the Environmental Bill of Rights registry. The effective date of the Plan is anticipated to be 3-6 months following the approval date.

Guelph's Source Protection Plan policies apply only within its jurisdictional boundaries. Adjacent municipalities (i.e. County of Wellington and surrounding Townships and Region of Halton) will provide similar policies and protection in their area of jurisdiction. Guelph's policies have been amalgamated with the policies of other municipalities in the Grand River watershed to form the Grand River Source Protection Plan.

A link to the Amended Proposed Source Protection Plan, including the Guelph-specific policies has been provided in Attachment 1. Each policy applies to an existing or future drinking water threat and either manages the risk associated with the activity or prohibits the activity in the future. The rationale for each policy is described in the Explanatory Document, a link to this document has also been provided in Attachment 1.

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Approval of the Plan by the Minister of the Environment and Climate Change will require the City to implement the Guelph section of the Amended Proposed Source Protection Plan. One of the unique challenges for Guelph is that almost the entire city is in a vulnerable area where certain prescribed activities are or would be significant drinking water threats.

A number of implementing actions will need to be undertaken by the City of Guelph prior to the effective date of the Source Protection Plan including the following:

- Development of a by-law and Council appointment of the RMO and RMI in accordance with subsection 47(6) of the Clean Water Act, 2006.
- Ongoing updates to the threat inventory, integration with City of Guelph software and development of additional information management tools.
- The requirements for Risk Management Plans (RMP) will be set out in a future by-law and Guidance Document which will define the details, such as the type of plan, the process for application, charging of fees, recovery of costs and monitoring and reporting.
- Establishment of an approach to assess the need and possible efficiencies to hire and appoint a Risk Management Inspector(s).
- Ongoing discussions with City of Guelph Departments to develop a strategy for the review of municipal facilities designated as significant drinking water threats by applicable Departments to determine Risk Management Plan requirements.
- Initiate consultation with adjacent municipalities regarding options and opportunities for coordinated implementation of the Source Protection Plan.
- Initiate enhancement of education and outreach programs to incorporate key source water protection messages.
- Work collaboratively with the Source Protection Authority to develop annual monitoring and reporting requirements.

Once the Source Water Protection Plan is approved, the City's Official Plan and Comprehensive Zoning By-law will need to be amended to define the wellhead protection areas as vulnerable areas and incorporate policies and land use restrictions. The remainder of the policies will be implemented at that time.

Once the Source Protection Plan is approved, the Risk Management Official is required to complete annual progress reports to the Source Protection Authority under subsection 46 of the Clean Water Act. The Proposed Source Water Protection Plan also has policies that require monitoring of the implementation of specific policies, with the results reported to the Source Protection Authority on an annual basis. These reports will be provided to City Council.

CORPORATE STRATEGIC PLAN

3.1 Ensure a well-designed, safe, inclusive, appealing and sustainable City.

DEPARTMENTAL CONSULTATION

Extensive interdepartmental consultation has occurred throughout the development of the Source Protection Plan policies. Meetings with affected departments were also held to discuss the potential policy implications. Additional meetings were held

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with departments in 2012 to discuss the proposed policies. Departments consulted include:

- Community and Social Services - Parks and Recreation
- Corporate and Human Resources – Legal and Realty Services
- Finance and Enterprises Services - Economic Development
- Planning, Building, Engineering and Environment – Building, Engineering and Wastewater Services
- Operations, Transit and Emergency Services – Public Works and Emergency Services

Discussions have also occurred with the IT Department regarding potential GIS and data management needs.

Between December 24, 2013 and July 11, 2014, the Ministry of Environment and Climate Change provided five batches of initial comments regarding the Proposed Grand River Source Protection Plan. Staff from all municipalities across the Grand River watershed have worked with Lake Erie Region staff to develop recommended responses to the comments. The comments and recommended responses have been discussed at several Source Protection Plan Implementation Working Group Meetings.

Following the December 4, 2014 committee meeting the Grand River Source Protection Plan (GRSPP) was circulated to provincial ministries and federal agencies identified as implementing bodies for a pre-consultation period on December 18, 2014. These ministries/agencies had the opportunity to submit comments until February 13, 2015. Several agencies not identified as implementing bodies were also included in the circulation and were able to provide comment if interested. Attachment 3 includes a list of the ministries and agencies included in the pre-consultation circulation of the Amended Proposed Grand River Source Protection Plan, all comments received and a recommend response to each of the comments. Comments were received from the Ministry of Environment and Climate Change, the Ministry of Municipal Affairs and Housing, the Ministry of Agriculture, Food and Rural Affairs and the Ministry of Transportation. Any late comments received will be presented to the Lake Erie Source Protection Committee at their March 12, 2015 meeting, if possible.

COMMUNICATIONS

The City held a public open house, November 16, 2011, which was advertised in the Tribune November 3 and 10, 2011 regarding the initial development of the policies.

The Source Water Protection Committee released the draft Plan, including the policies for the City of Guelph, on August 20 2012. The Source Protection Authority (GRCA) held open houses regarding the draft Source Water Protection Plan throughout the watershed from September through October, 2012. An open house was held September 18, 2012 at City Hall in Guelph as part of this process. A public comment period on the Proposed Source Water Protection Plan was held from December 10th to January 16th, 2013.

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The Source Protection Authority (GRCA) has scheduled a public open house at City Hall from 7-9 pm on April 9, 2015. Similar to previous consultations, the public consultation will be advertised in the Tribune. The objective of this open house is to inform the general public about the revisions to the Proposed Source Protection Plan. Comments received will be provided to the Ministry of Environment and Climate Change under separate cover with the Amended Proposed Source Protection Plan.

ATTACHMENTS

[ATT-1 Amended Proposed Source Protection Plan and Explanatory Document](#)

[ATT-2 Amended Proposed Grand River Source Protection Plan – Pre-Consultation Comment Summary](#)

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