

From: [Eowyn Spencer](#)
To: [Board Members & Management Committee](#)
Cc: [Member Municipal Clerk's Offices](#)
Subject: Notice of Cancellation - GRCA Board - November 25, 2022
Date: Thursday, November 24, 2022 10:55:38 AM

Greetings GRCA Board and Management Committee:

Given the timing of appointments to the board by municipalities, the GRCA Board will be unable to meet quorum tomorrow, November 25. Since we are aware of this in advance, and with approval of the Chair, the November 25 meeting of the Board has been cancelled and all agenda items will be moved to the December 16, 2022 meeting of the Board. For an overview of items to be moved, please refer to the agenda package previously distributed.

According to GRCA purchasing policy section 10.8; *In the event of a break in board meetings beyond one month, tenders that fall with the approved budget/forecast may be approved by a committee comprised of: the CAO, the Secretary Treasurer/Deputy CAO, the Chair, and the Vice-Chair.*

The following procurement may be approved under this section of the policy and an information report will be brought to the December meeting:

- GM-11-22-90 – Shade's Mills Backflow Preventer

Additionally, the province is accepting comments on ERO posting 019-6216: Proposed Amendments to the Greenbelt Plan under Bill 23. On October 28, 2022, the GRCA Board passed the following motion:

22-161

Moved By Susan Foxton

Seconded By Guy Gardhouse

THAT the Conservation Authorities Act Regulations Committee be authorized to approve staff comments on Bill 23 on behalf of the GRCA General Membership.

Carried

The Ad-hoc CA Act Committee will meet on December 2, 2022 to review the comments prior to the submission December 4, 2022.

If you have any questions, please contact me.

Thank you,

Eowyn Spencer
Executive Assistant
Grand River Conservation Authority



**Grand River Conservation Authority
Agenda - General Meeting**

Friday, November 25, 2022

9:30 a.m.

Hybrid Meeting of the General Membership

GRCA Administration Centre

Zoom Virtual Meeting

Pages

1. Call to Order

2. Certification of Quorum

3. Chair's Remarks

4. Review of Agenda

THAT the agenda for the General Membership Meeting be approved as circulated.

5. Declarations of Pecuniary Interest

6. Minutes of the Previous Meetings

1

THAT the minutes of the General Membership Meeting of October 28, 2022 be approved as circulated.

7. Business Arising from Previous Minutes

8. Hearing of Delegations

9. Presentations

10. Correspondence

THAT Correspondence from Hamilton City Council regarding Conservation Authority Board Composition be received as information.

a. Hamilton City Council - Conservation Authority Board Composition

9

11. 1st and 2nd Reading of By-Laws

12. Reports:

- a. Report of the Ad-hoc CA Act Committee Meeting - November 10, 2022 11
- THAT the Minutes of the Ad-hoc CA Act Committee held on November 10, 2022; and Correspondence to Premier Doug Ford and Ministers Clark, Smith, and Piccini; and staff reports GM-11-22-87, and GM-11-22-88 dated November 10, 2022 be received as information.
1. Correspondence to Premier Doug Ford and Ministers - November 15, 2022 15
2. GM-11-22-87 - ERO No. 019-6160 Proposed Update to the Ontario Wetland Evaluation System 17
3. GM-11-22-88 - ERO No. 019-6141 - Legislative and Regulatory Proposals affecting Conservation Authorities to support the Housing Supply Action Plan 3.0 21
- b. GM-11-22-91 - Chair's Report of the Audit Committee 26
- THAT the Report of the Audit Committee be received as information.
- c. GM-11-22-89 - Reserves Report 2022 27
- Please see report for full recommendation.
- d. GM-11-22-86 - Cash and Investment Status 39
- THAT Report Number GM-11-22-86 - Cash and Investment Status – October 2022 be received as information.
- e. GM-11-22-95 - Financial Summary 41
- THAT the Financial Summary for the period ending October 31, 2022 be approved.
- f. GM-11-22-92 - 2023 Board Meeting Schedule 46
- THAT the 2023 Grand River Conservation Authority Board Meeting Schedule be approved.

- g. GM-11-22-90 - Shade's Mills Backflow Preventer 49

THAT the Grand River Conservation Authority (GRCA) award the Shade's Mill Backflow Preventer installation at 450 Avenue Road, Cambridge to Avertex Utility Solutions of Amaranth, Ontario for the amount of \$111,973.00 excluding HST;

AND THAT a total budget of \$125,000.00 excluding HST be approved.

- h. GM-11-22-93 - 2023 Complimentary GRCA Membership Passes 51

THAT Report Number GM-11-22-93 – 2023 Complimentary GRCA Membership Passes be received as information.

- i. GM-11-22-94 - Current Watershed Conditions 53

THAT Report Number GM-11-22-94 – Current Watershed Conditions as of November 16, 2022 be received as information.

13. **Committee of the Whole**
14. **General Business**
15. **3rd Reading of By-Laws**
16. **Other Business**
17. **Closed Meeting - Not required.**
18. **Next Meeting - December 16, 2022 at 9:30 a.m.**
19. **Adjourn**



Grand River Conservation Authority Minutes - General Membership Meeting

Date: October 28, 2022
Time: 9:30 am
Location: Hybrid Meeting of the General Membership

- GRCA Administration Centre
- Zoom Virtual Meeting

Members Present In-person Bruce Banbury, John Challinor II, Brian Coleman, Kevin Davis, Susan Foxton, Joan Gatward, Helen Jowett, Joe Nowak, Warren Stauch, Bruce Whale, Chris White

Members Present Virtual Les Armstrong, Robert Bell, Richard Carpenter, Bernie Corbett, Cathy Downer, Jim Erb, Guy Gardhouse, Daniel Lawrence, Ian MacRae, Kathryn McGarry, Jane Mitchell, Jerry Smith

Regrets Marcus Adili, Michael Harris, Geoff Lorentz

Staff Samantha Lawson, Karen Armstrong, Beth Brown, Joe Farwell, Brandon Heyer, Janet Ivey, Lisa Keys, Katelyn Lynch, Sonja Radoja, Lisa Stocco, Pam Walther-Mabee, Gus Rungis, Stephanie Shifflett, Eowyn Spencer

1. Call to Order

The Meeting was called to order by the Chair at 9:31 a.m.

2. Certification of Quorum

The Secretary-Treasurer certified quorum with more than half of the Members present. A total of 23 Members attended the meeting.

3. Chair's Remarks

The Chair welcomed the Members to the first hybrid meeting, reviewed protocols for order during the meeting, and made the following remarks:

- Congratulations to everyone, for those who ran in the 2022 municipal election, and to those retiring from public service.
- A half-day orientation session will be scheduled for incoming Board members on January 20. Returning members are also encouraged to attend.

- On Monday September 26, Samantha Lawson and Chair White attended Conservation Ontario Council; agenda topics included ongoing regulatory requirements, and the 2023 proposed CO workplan and budget.
- On October 25, 2022, the government released More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-23. Along with the plan, the government introduced *Bill 23 – the More Homes Built Faster Act, 2022*, and is seeking feedback on the changes proposed under the legislation. Samantha Lawson has more information on this later in the agenda.

4. Review of Agenda

- S.Lawson will provide an update on the recently released provincial legislation impacting the Conservation Authorities Act under agenda item 12.

22-158

Moved By John Challinor II

Seconded By Joe Nowak

THAT the agenda for the General Membership Meeting be approved as amended.

Carried

5. Declarations of Pecuniary Interest

There were no declarations of pecuniary interests made in relation to the matters to be dealt with.

6. Minutes of the Previous Meetings

22-159

Moved By Bernie Corbett

Seconded By Ian MacRae

THAT the minutes of the General Membership Meeting held on September 23, 2022 be approved as circulated.

Carried

7. Business Arising from Previous Minutes

There was no business arising from the minutes of the previous meeting.

8. Hearing of Delegations

There were no Delegations.

9. Presentations

There were no Presentations.

10. Correspondence

10.1 Canadian Society of Soil Science re: 24th World Congress of Soil Science

22-160

Moved By Richard Carpenter

Seconded By Jerry Smith

THAT Correspondence from the Canadian Society of Soil Science regarding their successful bid for the 24th World Congress of Soil Science be received as information.

Carried

11. 1st and 2nd Reading of By-Laws

None.

12. Reports:

12.1 CAO Update on Bill 23 - More Homes Built Faster Act, 2022

- As noted earlier by the Chair, S.Lawson advised that on October 25, 2022, the provincial government released More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-23. Along with the plan, *Bill 23 – the More Homes Built Faster Act, 2022* was introduced, and the province is seeking feedback on the changes proposed under the legislation.
- S.Lawson shared that comments are being received in two phases, both of which propose changes to legislation that significantly impact conservation authority permitting and planning services. The deadlines are November 24, prior to the next Board meeting, and December 30.
- GRCA staff are completing a detailed review of the legislation, with the intent of submitting comments under both of the ERO postings. Due to the timing of submission requirements as well as the end of the term of council which may impact participating municipalities' appointments to the GRCA Board and therefore quorum for the November meeting, staff are recommending that the CA Act Ad-hoc Committee be delegated the authority to review and approve GRCA staff comments to be submitted to the province by November 24.
- An overview of comments submitted on November 24 will be provided at the November Board meeting. Comments to be submitted on the December 30 postings will be prepared for the December Board meeting.

22-161

Moved By Susan Foxtan

Seconded By Guy Gardhouse

THAT the Conservation Authorities Act Regulations Committee be authorized to approve staff comments on Bill 23 on behalf of the GRCA General Membership.

Carried

12.2 GM-10-22-81 - Budget 2023 Draft 1

- S.Radoja provided a detailed overview of the estimated 2023 budget, including revenues and expenditures for operating and capital budgets, special projects, and funding sources. The presentation included an overview of budgetary challenges including inflation, rising insurance

costs, restructuring, increased infrastructure expenses, and managing growth.

- The draft budget includes an anticipated overall levy increase of 3.5%.
- Budget draft number two will be presented to the Board in January 2023, and forecast adjustments will be presented as needed.
- J.Gatward identified an error on page 15 of the agenda package, noting the date should read November 2022-February 2023.
- Board members thanked S.Radoja for the presentation and discussed the draft budget. Members discussed various reserves and allocations for staffing positions, land sales, and surplus funds. S.Radoja advised the Board that an annual reserves report will provide extensive detail on all GRCA reserves, and will be presented at the November Board meeting.
- In response to an inquiry about the increase in staffing costs, S.Radoja noted that 2023 salary increase recommendations will be brought to the Board for approval, and the collective agreement has not yet been negotiated which would outline union staff wage increases. There was a follow up question with respect to OMERS for students, and it was noted that staff will be reviewing obligations as appropriate.
- K.Davis inquired about the Caledonia dam fish ladder, and S.Lawson shared that options will be discussed with Six Nations and the municipality.
- There was discussion regarding an anticipated electricity shortage, and hydro-generation options at GRCA dams. J.Farwell responded on behalf of staff, noting the cancellation of green energy projects in 2018 following the provincial election, which resulted in the cancellation of the Parkhill Dam hydro project. A stop work order was served at the time the project was cancelled, and as part of the agreement to recover expenses, the project was not to be re-started.

22-162

Moved By Brian Coleman

Seconded By John Challinor II

THAT Report Number GM-10-22-81 - Budget 2023 - Draft #1 be received as information.

Carried

12.3 GM-10-22-80 - Budget 2023 Draft 1 - General Municipal Levy Apportionment

- There were no comments related to the draft municipal levy apportionment.

22-163

Moved By Susan Foxton

Seconded By Brian Coleman

THAT Report Number GM-10-22-80 – Budget 2023 – Draft #1 – General Municipal Levy Apportionment be received as information.

Carried

12.4 GM-10-22-77 - Cash and Investment Status

- There were no comments or questions regarding this report.

22-164

Moved By Jane Mitchell

Seconded By Bernie Corbett

THAT Report Number GM-10-22-77 Cash and Investment Status – September 2022 be received as information.

Carried

12.5 GM-10-22-84 - Financial Summary

- There were no comments or questions regarding this report.

22-165

Moved By Les Armstrong

Seconded By Cathy Downer

THAT the Financial Summary for the period ending September 30, 2022 be approved.

Carried

12.6 GM-10-22-83 - Brant Shop Construction Award Recommendation

- There were no comments or questions regarding this report.

22-166

Moved By Joan Gatward

Seconded By Helen Jowett

THAT the Grand River Conservation Authority (GRCA) award the tender for the Brant Shop Construction to PK Construction of Tillsonburg, Ontario for the amount of \$1,382,600.00 excluding HST;

AND THAT a total budget of \$1,600,000.00 excluding HST be approved.

Carried

12.7 GM-10-22-85 - Environmental Contamination - River Road/Birkett Lane, Brantford and 810 Clyde Road, Cambridge

- In response to a question regarding the previous use of the site on River Road, S.Lawson noted that there is no outstanding lien or liability as the GRCA owns the property.
- R.Carpenter inquired about securing the site to prevent it from becoming a dumping ground. B.Brown noted that mitigation options are being considered, including possible fencing of the property.

22-167

Moved By Brian Coleman

Seconded By John Challinor II

THAT Report Number GM-10-22-85 Environmental Contamination Update – River Road/Birkett Lane, Brantford and 810 Clyde Road, Cambridge be received as information.

Carried

12.8 GM-10-22-78 - Development, Interference with Wetlands and Alterations to Shorelines Regulation

- There were no comments or questions regarding this report.

22-168

Moved By Joan Gatward

Seconded By Kathryn McGarry

THAT Report Number GM-10-22-78 – Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Regulation be received as information.

Carried

12.9 GM-10-22-79 - Dam Safety Maturity Matrices - Evaluation of GRCA's Dam Safety Program

- K.Lynch provided a detailed presentation of the GRCA Dam Safety Program and the dam safety maturity matrices.
- The presentation included an overview of safety ratings for various components of the dam management program based on the matrix evaluation tool and discussed the strengths of the program, and areas for improvement.
- Strengths of the GRCA program that were highlighted included reservoir operations and public safety, and higher maturity levels were achieved on these areas. Areas for improvement included training, documentation, and aging infrastructure. To address gaps, there are ongoing efforts to maintain or increase current levels of maturity ratings.
- There were questions from the Board regarding improvements to work towards industry leading standards and creating targets, or expected levels of competency in all program areas. K.Lynch and J.Farwell responded to questions, noting that staff have identified target areas to work towards improvement, and areas where the GRCA excels such as public safety, modelling and flood forecasting.

H.Jowett exited the meeting at 10:30 a.m.

22-169

Moved By John Challinor II

Seconded By Joan Gatward

THAT Report Number GM-10-22-79 – Dam Safety Maturity Matrices – Evaluation of the GRCA’s Dam Safety Program be received as information.

Carried

12.10 GM-10-22-82 - Current Watershed Conditions

- There were no comments or questions regarding this report.

22-170

Moved By John Challinor II

Seconded By Bruce Banbury

THAT Report Number GM-10-22-82 – Current Watershed Conditions as of October 19, 2022 be received as information.

Carried

13. Committee of the Whole

Not required.

14. General Business

There was no General Business.

15. 3rd Reading of By-Laws

None.

16. Other Business

- W.Stauch announced his retirement after 12 years with the GRCA board, and many years working alongside GRCA programs in the watershed.
- K.McGarry thanked the GRCA for leadership and stewardship, noting that the GRCA is recognized across the country and internationally. She noted that this was her last meeting on the Board and wished everyone the best of luck in the future.
- L.Armstrong announced that this was also his last meeting and thanked the Board for educating him so that he can educate the people of Wilmot and the Region of Waterloo.
- Board members shared well wishes and congratulations to outgoing members.

17. Closed Meeting

There were no questions regarding the minutes, and as such the Board did not enter a closed session.

22-171

Moved By John Challinor II

Seconded By Susan Foxtan

THAT the minutes of the previous closed session be approved as circulated.

Carried

17.1 Minutes of the previous closed session

18. Next Meeting

- General Membership - November 25, 2022 at 9:30 a.m.

19. Adjourn

The meeting was adjourned at 10:54 a.m.

22-172

Moved By Guy Gardhouse

Seconded By Brian Coleman

THAT the meeting of the General Membership be adjourned.

Carried

Chair

Secretary-Treasurer

From: [Karen Armstrong](#)
To: [Eowyn Spencer](#)
Subject: FW: Conservation Authority Board Composition
Date: Wednesday, November 16, 2022 1:47:52 PM

From: Paparella, Stephanie <Stephanie.Paparella@hamilton.ca>
Sent: October 31, 2022 9:11 AM
To: Samantha Lawson <slawson@grandriver.ca>
Cc: Honsberger, Shannon <Shannon.Honsberger@hamilton.ca>
Subject: Conservation Authority Board Composition

Good morning Samantha,

I have been advised that you have not yet received the communication from our office regarding the Council resolution respecting the Conservation Authority Board Composition. While the communication was sent on October 5, 2022, I inadvertently missed adding you to that message. For your reference, please see the message below.

My sincere apologies for missing you on the original email.

Thank you.

From: Paparella, Stephanie
Sent: Wednesday, October 5, 2022 12:36 PM
To: ann-marie.norio@niagararegion.ca; Chandra Sharma <csharma@npca.ca>;
eeichenbaum@haldimandcounty.on.ca
Subject: Conservation Authority Board Composition

Good afternoon,

For your information, at its meeting of September 28, 2022, Hamilton City Council approved Item 6 of the General Issues Committee Report 22-018, which reads as follows:

6. Conservation Authority Board Composition (CM22017) (City Wide) (Item 10.3)

- (a) That, as the City of Hamilton does not agree with Niagara Region's request to increase their membership from five to eight members on the Niagara Peninsula Conservation

Authority Board, the use of the legislative formula for determining board sizes in the *Conservation Authorities Act* during the review of the Niagara Peninsula Conservation Authority's board composition for the three (3) City of Hamilton Representatives to include the Ward 9 Councillor, the Ward 11 Councillor, and a citizen member, be supported;

- (b) That the use of the legislative formula for determining board sizes in the *Conservation Authorities Act* during the review of the Grand River Conservation Authority's board composition, be supported; *and*,
- (c) That a copy of this resolution be provided to Niagara Region, Haldimand County, the Niagara Peninsula Conservation Authority and the Grand River Conservation Authority for their information.

Thank you.

Stephanie Paparella (she/her)
Legislative Coordinator
Office of the City Clerk
71 Main Street, West, First Floor
Hamilton, ON
L8P 4Y5

Phone: 905-546-2424 Ext. 3993
Email: Stephanie.Paparella@hamilton.ca



Grand River Conservation Authority Minutes – CA Act Regulations Committee

Date: November 10, 2022
Time: 3:00 p.m.
Location: GRCA Zoom Virtual Meeting
Members Present: John Challinor II, Susan Foxtan, Michael Harris, Helen Jowett, Chris White
Staff: Samantha Lawson, Karen Armstrong, Sonja Radoja, Eowyn Spencer

1. Call to Order

The Chair called the meeting to order at 3:01 p.m.

2. Certification of Quorum

Confirmed with 4 Members present at the time of certification.

3. Chair's Remarks

None.

4. Review of Agenda

Moved by: John Challinor

Seconded by: Helen Jowett

THAT the agenda for the Conservation Authorities Act Regulations Committee Meeting be approved as circulated.

Carried.

5. Declarations of Pecuniary Interest

None.

6. Minutes of the Previous Meeting

Moved by: Susan Foxtan

Seconded by: Helen Jowett

THAT the minutes of the previous Conservation Authorities Act Regulations Committee Meeting held on September 13, 2022 be approved as circulated.

Carried.

7. Reports:

M.Harris joined the meeting at 3:10 p.m.

S.Lawson advised the Committee that on October 25, 2022, the government released *More Homes Built Faster: Ontario's Housing Supply Action Plan 2022-23*. Along with the plan, *Bill 23 – the More Homes Built Faster Act, 2022*, was introduced and the province is seeking feedback on the changes proposed under the legislation. Two of the registry postings are requesting comments by November 24, 2022, and as the General Membership does not meet until November 25, 2022, this Committee has been authorized to review and approve GRCA staff comments for submission.

7.1. GM-11-22-87 - ERO 019-6160 - Proposed Updates to the Ontario Wetland Evaluation System

- The province is looking at removing duplication and streamlining processes with respect to the Ontario Wetland Evaluation System; a tool used to delineate wetlands, and recognize those that meet defined criteria as provincially significant.
- S.Lawson provided an overview of GRCA concerns and comments as detailed in the report highlighting key areas of concern, such as: removal of wetland complexing, greater responsibility for municipalities, and removing the Ministry of Natural Resources and Forestry as the governing ministry.
- Additional concerns were noted, such as an increased responsibility for municipalities to approve matters, a lack of defined responsibility for record-keeping and data-sharing, and potential impact on tax exemption of certain GRCA conservation lands through the Conservation Land Tax Incentive Program (CLTIP).
- The Committee shared concerns, noting the significant impact on conservation authorities and the lack of clarity with respect to clearly identifying roles and responsibilities for municipalities, and the potential impact to taxpayers.
- H.Jowett inquired about the potential use of LIDAR for designating wetlands, and S.Lawson explained the current practice, which includes on-site inspection and air photo interpretation where appropriate.
- J.Challinor commented that there could be significant resource challenges and financial implications to CAs and municipalities.
- The Committee agreed with GRCA comments as provided in the report, and added that additional time to review and comment should be requested.
- The Committee supported the report as written, understanding that some minor amendments related to grammar and formatting may be made prior to submission.

Moved by: John Challinor

Seconded by: Susan Foxtan

THAT Report Number GM-11-22-87 – ERO No. 019-6160- Proposed Updates to the Ontario Wetland Evaluation System be submitted to the Environmental Registry Ontario;

AND THAT Report Number GM-11-22-87 – ERO No. 019-6160- Proposed Updates to the Ontario Wetland Evaluation System be circulated to the General Membership at the November 25, 2022 meeting to be received as information.

Carried.

7.2. GM-11-22-88 - ERO 019-6141 - Legislative and regulatory proposals affecting Conservation Authorities to support the Housing Supply Action Plan 3.0

- Through Bill 23, additional legislative and regulatory updates are proposed that relate to directly to Conservation Authorities.

- S.Lawson provided a detailed overview of GRCA comments as written in the report, with a focus on three key areas of concern: adding an enabling provision that will shift the regulatory authority from CAs onto municipalities, removing the ability for municipalities to enter into agreements with CAs to provide input on natural hazards under a number of prescribed pieces of legislation; and adding legislation to allow Ministers to implement a freeze on CA fees.
- S.Lawson explained in detail the concerns related to these areas, and further noted concerns with a lack of clarity under the proposed changes, and anticipated challenges for municipalities should the legislation pass as proposed, including budget impacts and overall efficiency of processes.
- The Committee discussed the comments and shared concerns related to municipal responsibility and areas of expertise related to the impact of development on natural hazards, additional workloads and lack of resources which may ultimately impact bottom lines of municipalities and conservation authorities.
- As part of the comments being submitted, the GRCA is requesting that the province re-engage the working group that provided comments under phase 1 of the regulatory updates.
- The Committee agreed with GRCA comments as provided in the report, and added that additional time to review and comment should be requested.
- The Committee directed staff to circulate both of the reports presented on this agenda to all MPPs within the Grand River watershed at the time it is submitted to the province. Some grammatical corrections may also be made to this report.
- S.Lawson added that the proposed update regarding the disposition and severance process for CAs shifts the approval responsibility to CA Boards as opposed to the governing ministry.

Moved by: John Challinor

Seconded by: Susan Foxtan

THAT Report Number GM-11-22-88 – ERO No. 019-6141- Legislative and regulatory proposals affecting Conservation Authorities to support the Housing Supply Action Plan 3.0 be submitted to the Environmental Registry Ontario;

AND THAT Report Number GM-11-22-88 – ERO No. 019-6141- Legislative and regulatory proposals affecting Conservation Authorities to support the Housing Supply Action Plan 3.0 be circulated to the General Membership at the November 25, 2022 meeting to be received as information.

Carried.

8. Discussion Items:

8.1. Joint Letter Template for CA Submissions to Bill 23 & Conservation Ontario Submission

- Conservation Ontario provided a copy of their submission to the province, as well as a form letter drafted to be edited for specifics and distributed to the Premier, appropriate Ministers, and watershed MPPs. The Committee agreed that the letter is in line with the key points as presented in GRCA comments, and directed staff to send the correspondence under signatures of this Committee.

8.2. Status of Municipal Engagement

- Samantha provided a brief update on municipal engagement related to the Transition Plan required under O.Reg 687/21. The GRCA hosted two webinars in early October to share information on category two programs and services, and an

overview of the process to engage municipalities in discussions related to MOUs for said programs. Initial meetings will be scheduled in the new year. GRCA staff have refined costs allocated to the various categories in the Inventory of Programs and Services and an updated version of the Inventory will be brought to the Board in December, along with the quarterly progress report due to MNRF by January 1, 2023.

9. Other Business

None.

10. Next Meeting

At the Call of the Chair

11. Adjourn

The Committee adjourned at 3:30 p.m.



November 15, 2022

The Honourable Doug Ford, Premier of Ontario
Legislative Building, Queen's Park,
Toronto ON M7A 1A1
premier@ontario.ca

RE: PROPOSED CHANGES IN BILL 23 REGARDING CONSERVATION AUTHORITIES

Dear Premier Ford;

Conservation Authorities (CAs) want to do their part to help the Province meet its goal of building 1.5 million homes in Ontario over the next ten years.

We are concerned some changes proposed in the *More Homes Built Faster Act* will:

- Place new responsibilities on municipalities related to natural hazards and natural resources that may lead to inefficiencies, uncertainties, and delays in the development review process;
- Weaken the ability of Conservation Authorities to continue protecting people and property from natural hazards; and,
- Reduce critical, natural, infrastructure like wetlands that reduce flooding and protect waters in our lakes and rivers.

To avoid unintended consequences, we recommend:

1. Allowing Municipalities to continue voluntary agreements for review and commenting with Conservation Authorities; this means removal of the clauses in Bill 23 that prevent this from occurring.
The current model enables Municipalities to use existing expertise within Conservation Authorities to fulfill responsibilities for natural heritage and water resources, while saving time and money for applicants.
2. Development subject to *Planning Act* authorizations should not be exempt from Conservation Authority permits, and CA regulations should not be delegated to municipalities. This approach could result in building permits issued in error and other unintended results. The watershed, not municipal boundaries, should continue be the scale used to assess natural hazards.
3. The multi-stakeholder Conservation Authority Working Group should continue working with the Province to provide solutions for shared goals and objectives.
4. Conservation Authority development fees should not be frozen since they are based on cost recovery.
5. Additional time for consultation on the provincial proposals to ensure that the Province, Conservation Authorities, and other stakeholders fully understand the potential short and long term implications of the proposals.

Conservation Authorities work with local Municipalities to reduce barriers to development and streamline processes for the best possible service to all. We are: modernizing policies and procedures; streamlining approvals; reducing timelines and red tape; promoting pre-consultation; and reporting on service standards.

For example, in 2021, 91% of the permits issued by high-growth conservation authorities were within provincial timelines. A total of 93% of permits issued by non-high-growth CAs were within provincial timelines. At the Grand River Conservation Authority specifically, approximately 98% of permits issued were within provincial timelines.

Municipalities rely on the benefits of long-standing conservation authority partnerships. In our view, the proposed changes undermine the core mandate of Conservation Authorities and may put people – and their homes – at risk.

We request Schedule 2 of Bill 23 and changes to the *Conservation Authorities Act* that: limit the ability of Municipalities to enter into review and commenting agreements with Conservation Authorities; and that delegate Conservation Authority regulations to Municipalities be removed.

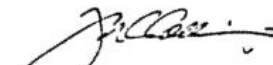
Sincerely, Members of the Grand River Conservation Authority CA Act Review Committee:



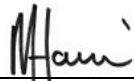
Chris White, Chair



Susan Foxtton, Vice-chair



John Challinor



Michael Harris



Helen Jowett

cc:

The Honourable Steve Clark, Minister of Municipal Affairs and Housing

The Honourable Graydon Smith, Minister of Natural Resources and Forestry

The Honourable David Piccini, Minister of Environment Parks and Conservation

Grand River watershed Members of Provincial Parliament

Grand River Conservation Authority

Report number: GM-11-22-87

Date: November 10, 2022

To: Ad-Hoc Conservation Authorities Act Regulations Committee

Subject: ERO No. 019-6160- Proposed Updates to the Ontario Wetland Evaluation System

Recommendation:

THAT Report: ERO No. 019-6160- Proposed Updates to the Ontario Wetland Evaluation System be submitted to the Environmental Registry Ontario and,

THAT Report: ERO No. 019-6160- Proposed Updates to the Ontario Wetland Evaluation System be circulated to the General Membership at the November 25, 2022 meeting to be received as information.

Summary:

On October 25, 2022, the Ministry of Natural Resource and Forestry posted on the Environmental Registry of Ontario (ERO) a proposal to amend the Ontario Wetland Evaluation System (OWES). These proposed updates to the OWES are to remove duplicated requirements and streamline the evaluation process.

The OWES is a science-based system that outlines a process and a set of criteria to define, identify, and assess the functions and values of wetlands in Ontario. Conservation Authorities rely on this proven methodology as an aid in implementing regulations under the Conservation Authority Act. This includes making decisions regarding development and public safety, natural hazard prevention and management, regulating wetlands for flood attenuation, natural storage capacities and for preventing shoreline erosion. The results of wetland evaluations are also used to inform land-use planning decisions.

The GRCA strongly encourages additional time for consultation on the provincial proposals to ensure that the Province, Conservation Authorities, and other stakeholders fully understand the potential short and long term implications of the proposed changes.

Based on a review of the ERO posting, the following comments and recommendations are provided:

1. Removal of wetland complexing is problematic and will lead to a less standardized approach to wetland evaluation. The removal of this section from the protocol will impact the status of numerous wetlands across the Grand River watershed.
2. It is unclear who the 'decision maker' is and who will be responsible for ensuring qualified persons are completing evaluations.
3. Municipalities will be required to take on a greater role in the OWES. There is a concern that some municipalities will not have the technical capacity or capabilities to complete the proposed tasks.
4. Changes to the OWES could also have implications for the Conservation Land Tax Incentive Program for many landowners in the watershed, including the GRCA.

The GRCA supports a review and update of the OWES manual to ensure that it reflects the best available science and incorporates widely accepted inventory and assessment methods. We agree there is a need to create process efficiencies in some circumstances, but this needs to be

based on ecological rationale. Staff suggest that any changes to the technical manual should be carefully vetted by qualified experts.

Report:

On October 25, 2022, the Ministry of Natural Resources and Forestry posted on the Environmental Registry of Ontario (ERO) a proposal to amend the Ontario Wetland Evaluation System (OWES). These changes are being proposed in support of Ontario's Housing Supply Action Plan 3.0 and the government's commitment to support the construction of 1.5 million new housing units over the next ten years. These proposed updates to the OWES are to remove duplicated requirements and streamline the evaluation process.

While we acknowledge that it is important to build more homes in Ontario and make the development process more efficient; this cannot be done at the detrimental expense of important natural heritage features that play an important role on the landscape. The proposed updates identified in ERO No. 019-6160 do not reflect the best available science, would allow for more piecemeal assessment of wetlands and will result in further wetland loss.

Watersheds in southern Ontario have less wetland cover than they did prior to extensive European settlement, with losses exceeding 70% in many jurisdictions. Despite the various protections for wetlands today, wetland loss continues in many portions of the province. Investment in wetlands results in enhanced biological diversity, which in turn provides a range of ecological goods and services for communities. Wetlands collectively serve an important hydrological function and regulate how Ontario's landscape responds to rainfall, runoff and flooding. Wetlands also serve a critical role in protecting the quality of recharging groundwater to support the drinking water needs of our communities.

The OWES is a science-based system that outlines a process and a set of criteria to define, identify, and assess the functions and values of wetlands in Ontario. Conservation Authorities rely on this proven scientific methodology as an aid in implementing regulations under the *Conservation Authority Act*. This information is used for making decisions for the purposes of public safety, natural hazard prevention and management, regulating wetlands for flood attenuation, natural storage capacities and for preventing shoreline erosion.

Based on GRCA's review of the proposed changes to the OWES, we are providing the following comments and recommendations:

1. We support the review and update of the southern manual, which was last updated in 2014. However, the proposed changes would remove entire sections of the manual. This could lead to further confusion and ambiguity as to how to approach a wetland evaluation in general and could also complicate site-specific reviews of small and isolated wetlands in particular. We recommend that the best available science and widely accepted methods be incorporated into the manual to ensure that all wetlands are properly inventoried, assessed and protected for future generations.
2. The wholesale removal of the wetland complexing guidelines is problematic and will likely lead to a less standardized approach to wetland evaluation in the province. Furthermore, the elimination of wetland complexing guidelines will likely lead to great ambiguity and confusion regarding the limits and status of wetlands. The proposed wholesale elimination of complexing from the OWES protocol could potentially affect the status and protection of numerous wetlands across Ontario. We would recommend that a science-based approach be taken to amend the criteria for complexing and scoring to provide greater clarity and efficiencies during the evaluation process.
3. For many species-at-risk, the greatest threat to their populations is habitat loss and habitat fragmentation. Habitat is a crucial element for the conservation of species-at-risk and includes areas that directly or indirectly support breeding and raising young, feeding, shelter and migration. The proposed changes to the OWES manual would eliminate

relevant sections and will affect the score of previously evaluated wetlands. We would recommend that further analysis is needed to understand how the proposed changes to the feature scoring would affect the overall score of wetlands and impact the conservation of species-at-risk.

4. It is not clear who the 'decision maker' is in this document. It also appears that MNRF will no longer administer the OWES. This raises the question as to who will maintain the provincial wetland mapping layer and store wetland evaluation records. Clear instructions are needed to ensure that information and data relevant to a wetland evaluation or re-evaluation are properly documented and filed with the appropriate agency or local municipality. Greater collaboration and improved technology transfer is likely needed to ensure that the results of existing and future wetland evaluations, including evaluated wetland mapping, remain valid, up to date and accessible to decision-makers.
5. Through the proposed changes, municipalities will be required to take on a greater role in the administration of the OWES. Many, if not most municipalities within the Grand River watershed, may not have the staffing capacity or qualified staff capable of completing the proposed tasks. Another significant complication is that natural features do not follow municipal boundaries, leading to overlap and possible inefficiencies if municipalities are tasked with administrative requirements.
6. Changes to the OWES could also have implications for the Conservation Land Tax Incentive Program for many landowners in the watershed.

The GRCA supports a review and update of the OWES manual to ensure that it reflects the best available science and incorporates widely accepted inventory and assessment methods. We agree there is a need to create process efficiencies in some circumstances, but this needs to be based on ecological rationale. Any changes to the technical manual should be carefully vetted by qualified experts.

To ensure efficiencies for decision makers and other users, we would also recommend that the Province continue to maintain the provincial mapping layer and database of existing and new evaluation documents. At the GRCA, we have taken a collaborative approach to share data and mapping through the Wetland Evaluation Protocol that was developed by the GRCA, MNRF and Ducks Unlimited Canada in 2005. This protocol outlines priorities and guidelines for the wetland information in the Grand River watershed. It was developed because the most important and fundamental tools for effective wetland conservation are good data and mapping.

Finally, it is recommended that additional time for consultation on this ERO posting to ensure that the Province, Conservation Authorities, and other stakeholders fully understand the potential short and long-term implications of these proposed changes.

Implications of Changes to the OWES on the Grand River watershed

The proposed changes to the OWES will have implications within the Grand River watershed, which comprises approximately 636 km² (63,603 ha) of wetland. Less than 10% of the watershed is covered by wetlands, of which 493 km² (78% of the total wetland area mapped by GRCA and MNRF) has been evaluated by the Province. Wetland cover varies greatly across the Grand River watershed. Within the lower middle Grand, the wetland cover is as low as 4%. In the upper Grand River sub-basin, the wetland cover can be as high as 18%.

Within the Grand River watershed, wetlands cover about 23% (53,702 hectares) of the significant groundwater recharge areas and 19% (50,483 hectares) of the high surface water runoff areas identified and mapped by the GRCA. An additional 21,189 hectares of wetland are located within the regulated floodplain areas. The majority of these wetlands are small and isolated, and, in the absence of significant wetland attributes or functions, may not be protected by provincial or local policies. Consequently, many of these wetlands could become more vulnerable to increased land-use pressures. Further wetland loss has the potential to negatively

impact key hydrological functions, which help regulate water quality and water quantity and thereby protect the quality of life throughout the Grand River watershed.

The GRCA owns approximately 20,000 hectares or 48,000 acres of land within the Grand River watershed. Changes to the OWES could have implications for GRCA lands enrolled in the Conservation land Tax Incentive Program (CLTIP). Currently, 7,200 hectares of GRCA conservation lands are eligible for a tax exemption through CLTIP based on the presence of important natural features. Of that acreage, approximately 6,600 hectares are eligible based solely or in part on their designation as Provincially Significant Wetland.

Financial Implications:

N/A

Other Department Considerations:

The Resource Planning, Sub-watershed Planning and the Natural Heritage Group were consulted in the preparation of these comments.

Submitted by:

Samantha Lawson
Chief Administrative Officer

Grand River Conservation Authority

Report number: GM-11-22-88

Date: November 10, 2022

To: Ad-Hoc Conservation Authorities Act Regulations Committee

Subject: ERO No. 019-6141- Legislative and regulatory proposals affecting Conservation

Recommendation:

THAT Report: ERO No. 019-6141- Legislative and regulatory proposals affecting Conservation Authorities to support the Housing Supply Action Plan 3.0 be submitted to the Environmental Registry Ontario and,

THAT Report: ERO No. 019-6141- Legislative and regulatory proposals affecting Conservation Authorities to support the Housing Supply Action Plan 3.0 be circulated to the General Membership at the November 25, 2022 meeting to be received as information.

Summary:

On October 25, 2022 the Ministry of Natural Resource and Forestry (MNRF) posted on the Environmental Registry of Ontario (ERO) a proposal titled Legislative and regulatory proposals affecting conservation authorities to support the Housing Supply Action Plan 3.0. This proposal recommends legislative and regulation changes under the Conservation Authorities Act to streamline processes, provide clarity and certainty for development, and focus on conservation authorities' natural hazards mandate.

Over the last two years, the Province has worked to clarify the conservation authority mandate and responsibilities ensuring their focus on protecting people and property from natural hazards such as flooding and erosion. Several of these legislative and regulatory changes will undermine the work done to date, shift responsibilities and liability to municipalities and increase costs for the municipalities and taxpayers.

It is important that the Province allows for additional time to consult on the provincial proposals to ensure that the Province, Conservation Authorities, and other stakeholders fully understand the potential short and long-term implications of the proposed legislative changes and new regulations.

Based on a review of the ERO posting, the following comments and recommendations are provided:

1. The Province proposes to transfer some or all of the conservation authority regulatory responsibilities to municipalities where *Planning Act* approvals are in place. The planning process is insufficient to ensure natural hazard concerns are addressed through design and construction. This will place additional responsibility and liability on municipalities.
2. The Province should let municipalities decide if they want to enter into voluntary agreements with conservation authorities on development applications such as natural heritage and water resource plan review. This is an important role for many conservation authorities, on behalf of municipalities, across the province.
3. The Province should require conservation authorities to demonstrate that permit and planning fees do not exceed the cost required to deliver the program and service and

only consider freezing fees if conservation authorities are exceeding 100% cost recovery.

The GRCA is disciplined and focused on providing mandatory programs and services related to natural hazards. We have a transparent and proven track record of providing regulatory services that are streamlined, accountable and centred on rigorous service delivery standards. Our commitment focuses on stakeholder engagement, from meeting homeowners on-site to engaging with the development community to better understand perceived barriers. This approach helps us find innovative solutions for safe growth and development in the municipalities we serve.

Finally, we recommend that the Province re-engages with the Conservation Authority Working Group (CAWG) to provide advice and solutions for successful implementation.

Report:

On October 25, 2022 the Ministry of Natural Resources and Forestry posted on the Environmental Registry of Ontario (ERO) a proposal to amend legislation and regulations under the *Conservation Authorities Act*. These changes are being proposed in support of Ontario's Housing Supply Action Plan 3.0 and the government's commitment to support the construction of 1.5 million new housing units over the next ten years. These proposed changes are intended to streamline processes, provide clarity and certainty for development, and focus on Conservation Authorities' natural hazard mandate.

While we acknowledge that it is important to build more homes in Ontario and make the development process more efficient. The GRCA has worked hard to ensure we provide efficient and effective customer service to watershed municipalities, residents and the development community.

Based on GRCA's review of the proposed changes, we are providing the following comments and recommendations:

1. Regulation to transfer Conservation Authority regulatory powers to municipalities through Planning Act approvals

The proposed legislative changes include exemptions from requiring a permit under the Conservation Authorities Act in prescribed municipalities where a Planning Act approval has been granted. It is unclear whether it will be limited to certain types of low-risk development and hazards, or if the purpose is to transfer conservation authorities (CA) responsibilities to municipalities on a much broader scale. While the government wants to focus CAs on their core mandate, this proposed sweeping exemption signals the exact opposite. As proposed in the legislation, the CA exclusions will nullify the core functions of CAs and open up significant holes in the delivery of our natural hazard roles, rendering them ineffective. This will negatively impact our ability to protect people and property from natural hazards, which seem to be more and more prevalent with extreme weather events.

Currently, the GRCA streamlines permit review and development application processes to ensure timely and efficient review responses. Without limitations or further scoping, these proposed changes signal the likelihood of future delegation of CA permitting roles to municipalities that have neither capacity nor expertise in water resource engineering, environmental and natural resource planning and regulatory compliance. This will result in longer response times and increased costs which will impede the government's goal of making life more affordable.

With these changes, municipalities will also assume the sole liability for the impact of development on natural hazards within municipal boundaries and on neighbouring upstream

and downstream communities, which is a significant and new responsibility that they have never had to manage before.

We strongly encourage the Province to maintain natural hazard responsibility with CAs. At the GRCA we have a long and proven history of working with watershed municipalities and the development industry on *Planning Act* applications and CA permit processes to ensure an efficient and effective review of our natural hazards responsibilities.

CAs have developed and are currently implementing a streamlined approach to plan review and approvals. In 2021, 91% of all permits issued by high growth CAs met provincial timelines. A total of 93% of all permits issued by non-high growth CAs met provincial timelines.

We would encourage the Province to re-engage the existing multi-stakeholder Conservation Authority Working Group (CAWG) to ensure there is a streamlined, consistent and scoped process for CAs to help the Province achieve its housing goals.

2. Proposed changes that would scope CAs role with respect to development applications and land use planning to their core mandate under the Mandatory Programs and Services Regulation and prohibit CAs from entering into agreements or Memorandum of Understanding (MOU) with municipalities for other services (e.g. natural heritage reviews, select aspects of stormwater management reviews, etc.)

The proposed changes would limit a CAs ability to review and comment on a number of application types outside of the scope of the natural hazards. The proposed changes would also prevent municipalities from entering into agreements with CAs to provide advisory comments on natural heritage and other environmental matters. The GRCA has a longstanding relationship with our watershed municipalities in providing support and advice on natural heritage management. Using CA's long-standing watershed technical knowledge provides context for science-based decision making and offers value for money as well as certainty and predictability in the development review process.

Many lower-tier and upper-tier municipalities rely on CAs for their expertise in areas such as natural heritage and stormwater management as many smaller municipalities may lack this expertise. CAs provide these programs and services to municipalities in a cost-effective way across the watershed. If these municipalities and other agency partners are prohibited from entering into MOUs or agreements with CAs for these services, it will result in delays and increased costs to municipalities as they hire or contract out the work required, require increased coordination amongst neighbouring municipalities as natural heritage features do not follow political boundaries and insufficient reviews of natural heritage and stormwater management in development applications due to lack of watershed information/context.

Previous legislative amendments require that CA enter into MOUs or agreements with municipalities when commenting beyond the scope of the mandatory programs and services. Municipalities have the choice if they want to contract this work out or utilize their local CA for these services. It is our recommendation that municipalities retain the option to enter into MOUs or agreements with CAs for natural heritage review as already identified under the existing legislation and in keeping with the requirements specified in the existing regulations.

Again, we would encourage the Province to re-engage the existing multi-stakeholder Conservation Authority Working Group (CAWG) to assist with the development of tools or guidelines that may assist or address the Provincial concerns regarding CAs commenting on development applications outside the scope of the mandatory programs and services.

3. Freezing CAs fees

The proposed amendments to the Conservation Authorities Act would enable the Minister to freeze conservation authority fees as early as January 1, 2023. The current proposed wording indicates that the Minister would have the ability to freeze all CA fees, there is a reference in the

ERO posting that the intent of the amendments is to support housing development. Currently, conservation authority development/permit fees are limited to cost recovery, as referenced in the Minister's Fee Classes Policy (2022). A freeze on fees will quickly create a program deficit. Not enabling cost recovery for the program will mean CAs will be forced to make up any program shortfalls from the municipal levy.

The GRCA has commenced a fee study to evaluate our current development/permit fees to implement rates more reflective of cost recovery. The intent of this study is to reduce the use of municipal levy for activities that are directly attributable to services where user fees are appropriate. The GRCA regularly consults with the Homebuilders Liaison Committee on fees, potential changes to fees, and provides a forum for discussion of other issues that may arise. We also consult with watershed municipalities and other conservation authorities to ensure our fees are consistent and fair with other similar organizations.

We would recommend that the Province require CAs to demonstrate that permit and planning fees do not exceed the cost to deliver the program and service. Should the CA demonstrate that they are exceeding 100% cost recovery for the program and service at that point the Province should consider freezing fees.

4. Identifying CA lands suitable for housing and streamlining CA disposition and severance processes

The Grand River Conservation Authority (GRCA) owns and manages approximately 20,000 hectares of land within the Grand River watershed. This represents 2.8% of the total watershed. Land acquisition started when the former Grand River Conservation Commission began work on the Shand Dam, which was completed in 1942. Over the years, land has been acquired for several reasons:

- To build infrastructure such as dams and dikes
- To protect natural areas and habitat
- To create recreational areas, e.g.: conservation areas

The majority of the land that is owned by the GRCA contains significant natural heritage features or is hazardous land that would not be suitable for development. That being said, the GRCA will incorporate a review of our landholdings for housing as we complete the mandatory inventory of our lands.

The GRCA disposes of portions of properties, or entire properties when they are deemed to be surplus to the needs of the Authority. Through the required regulatory (*Ontario Regulation 686/21*) deliverable, the Conservation Area Strategy, the GRCA is required to develop a policy to govern land dispositions (surplus lands).

The GRCA appreciates the changes in the legislation, to both the *Conservation Authorities Act* and the *Planning Act* that will streamline the administrative land disposition and severance processes.

Finally, we recommend that the Province continue to require CAs to direct Section 39 land sale proceeds to a land sale reserve that is regulated by Province. This provincial-controlled reserve permits land sale proceeds to be used for activities that provide a public benefit. Examples of these activities include purchasing of environmentally sensitive properties, floodplain and erosion mapping and maintenance of flood control infrastructure. Requiring CAs to direct Section 39 land sale proceeds to Category 1 programs and services is not a sustainable funding model and potentially creates significant fluctuations in annual levy requirements.

Final Recommendations:

1. The Province should re-engage the Conservation Authority Working Group (CAWG) to provide advice and support on the proposed legislative changes, new regulations and

any required tools and/or guidance documents required for implementation. From 2021-2022, the Ministry of Environment, Conservation and Parks led a multi-stakeholder Conservation Authority Working Group (CAWG) to guide the implementation of earlier legislative changes to conservation authority business. This group included representatives from CAs, municipalities, the development industry and the agricultural sector. The working group worked closely with the ministry to provide advice on the proposed regulations, guidelines and policies that impact conservation authorities and their participating municipalities.

2. Development subject to *Planning Act* authorizations should not be exempt from requiring CA permits and CA regulations should not be delegated, whole or in part, to municipalities. The ability of CAs to regulate development in all hazardous areas is critical for successful emergency preparedness, public safety and to protect life and property. The planning process is insufficient to ensure natural hazard concerns are addressed through design and construction. Should this amendment go through, this will place additional responsibility, and liability, on municipalities.
3. Using CAs long-standing watershed technical knowledge provides context for science-based decisions making and offers value for money as well as certainty and predictability in the development review process. The Province should allow municipalities to enter into voluntary agreements with CAs for review and comment on development applications such as natural heritage and water resource plan review.
4. CA plan review and permitting fees are based on cost recovery and currently there is no mechanism being proposed to make up for the accumulating shortfall in the future. Not enabling cost recovery means that the municipal tax payer will have to subsidize development.

Financial Implications:

N/A

Other Department Considerations:

The Land, Water and Administration divisions were consulted in the preparation of these comments.

Submitted by:

Samantha Lawson
Chief Administrative Officer

Grand River Conservation Authority

Report number: GM-11-22-91

Date: November 25, 2022

To: Members of the Grand River Conservation Authority

Subject: Chair's Report of the Audit Committee

Recommendation:

THAT the Report of the Audit Committee be received as information.

Summary:

Not applicable.

Report:

The Audit Committee met on November 10, 2022. Guy Gardhouse was appointed as Chair of the Audit Committee for a term commencing November 10, 2022 until the next Annual General Meeting of the General Membership.

The Grand River Conservation Authority's auditors, KPMG, presented the 2022 Audit Plan. The audit fee, as previously reported and approved at the 2022 Annual General Meeting, is \$39,480.

The following Resolution was passed by the Audit Committee:

AUD-22-11

Moved By Susan Foxtton

Seconded By Brian Coleman

THAT the Grand River Conservation Authority Audit Planning Report for the year ending December 31, 2022 proposed by KPMG be approved.

Carried

Financial Implications:

Not applicable.

Other Department Considerations:

Not applicable.

Submitted by:

Guy Gardhouse, Chair
Audit Committee

Grand River Conservation Authority

Report number: GM-11-22-89

Date: November 25, 2022

To: Members of the Grand River Conservation Authority

Subject: Reserves 2022

Recommendation:

THAT the *Property and Liability Insurance* Reserve be maintained at an amount equal to opening balance, less significant uninsured losses, and no interest to be allocated to this reserve for 2022;

AND THAT the *Building and Mechanical Equipment* Reserve be maintained at an amount equal to opening balance, plus amount transferred from the small office equipment reserve, less expenses or any unspent budgeted building maintenance and equipment amounts be transferred to this reserve for future expenditures, and no interest to be allocated to this reserve for 2022;

AND THAT the *Small Office Equipment* Reserve balance at December 31, 2022 be transferred into the Building and Mechanical Equipment Reserve;

AND THAT the *Personnel* Reserve be maintained at an amount equal to opening balance, less expenditures or accruals for sick leave, vacation, staff restructuring and/or termination of employees, less CEWS claims interest charges, and no interest be allocated to this reserve for 2022;

AND THAT the *Transition* Reserve be maintained at an amount equal to opening balance, less forecast transfers from reserve, plus interest;

AND THAT the *Nature Centre* Reserves be maintained at amounts equal to opening balance, less expenses related to major maintenance of the Nature Centre buildings, plus interest;

AND THAT the *Information Systems and Technology* (formerly Computer Replacement) Reserve be maintained at a level where interest income and charge-out rates equal total operating and capital costs over the long run;

AND THAT the *Cottage Lot Program* Reserve be maintained at an amount equal to the opening balance, plus unspent 2022 budgeted cottage lot expenses related to service fee expenses, plus interest;

AND THAT the *Water Management Plan* Reserve be maintained at an amount equal to opening balance, less expenses related to updating the water management plan, plus interest;

AND THAT the *Planning Enforcement* Reserve be maintained at an amount equal to opening balance, plus any savings related to budgeted and unspent legal fees, less any expenses in excess of budget related to enforcement of planning regulations, plus interest;

AND THAT the *Property Rental* Reserve be maintained at an amount equal to opening balance, less unbudgeted maintenance expenses related to rental properties, plus any unspent budgeted property repairs and maintenance expenses including demolition costs, plus interest;

AND THAT the *Forestry Management* Reserve be maintained at an amount equal to opening balance plus transfers to reserve of timber revenues, less expenses related to forest management expenses as budgeted (or forecast), plus interest;

AND THAT the *Master Plans* Reserve established in 2019 be comprised of an initial \$120,000 amount placed in to the reserve plus interest;

AND THAT the *Water Management Operating Reserve* be maintained at amount equal to \$1,000,000 transferred into this reserve as at December 31, 2022, plus interest commencing January 1, 2023;

AND THAT the *Cambridge Desiltation Pond Reserve* be maintained at an amount that reflects the funds advanced to the Authority by the City of Cambridge, less actual cost to maintain the pond, plus interest;

AND THAT the *Completion of Capital Projects Reserve* be maintained at an amount that reflects obligations under outstanding capital contracts, less payments;

AND THAT the *Gravel Reserve* be maintained at an amount that includes all gravel income to date, less eligible expenditures, consistent with the original or subsequent agreements with the Ministry of Natural Resources and Forestry, plus interest;

AND THAT the *Land Sale Reserves* be maintained at amounts that include the proceeds of land sales, less costs (including interest charges) incurred to prepare lands for sale, less net expenditures and/or borrowing authorized by the Ministry of Natural Resources and Forestry (MNRF) and as per policy statement dated June 13, 1997 (including floodplain mapping expenses), plus interest;

AND THAT the *General Capital Reserve* be maintained at an amount which reflects the surplus transferred in from the former Dunnville Lock reserve, less expenditures for any Water Management Capital projects approved by the General Membership, less unbudgeted expenditures related hydro turbine repairs plus any repayment of the Conestogo Turbine Repairs loan, plus interest;

AND THAT the *Conservation Areas Capital/Stabilization Reserve*, increased/decreased by any surplus/deficit generated by the Conservation Areas in 2022, plus interest;

AND THAT the *Gauge Reserve* be maintained at an amount equal to opening balance less expenses related to gauge equipment as identified in the budget (or forecast) as applicable, plus interest;

AND THAT the *Watershed Restoration Reserve* be maintained at an amount equal to opening balance, plus special project funding surpluses, less expenditures for wetland acquisitions or enhancements in the watershed, less expenditures for natural heritage restoration projects and conservation services watershed restoration projects as outlined in the budget (or forecast), plus interest;

AND THAT the *Water Control Structures Reserve* be maintained at an amount equal to the opening balance, less \$1,000,000 transferred to the Water Management Operating Reserve as at December 31, 2022, less any funding required for spending in excess of budget, plus any unspent major maintenance budget amount, plus any unspent operating budget amount that was to be funded from general levy, plus interest;

AND THAT the *Motor Pool Equipment Replacement Reserve* be maintained at a target level of approximately 25% to 30% of replacement cost of the Motor Pool fleet, plus interest;

AND THAT the *Motor Pool Insurance Reserve* be maintained at an amount equal to the opening balance, plus interest, less significant uninsured losses.

Summary:

The Grand River Conservation Authority's reserves are established by resolutions of the General Membership and are presented in the audited financial statement as a part of the "Accumulated Surplus", in accordance with Generally Accepted Accounting Principles (GAAP). Details of reserve amounts are also provided in the notes to the audited financial statements.

This report outlines the nature of movements to and from reserves and provides estimates of reserve balances for 2022.

By year-end 2022, reserves are forecast to be \$33.6 million which represents an increase of \$3.5 million. Significant increases to reserves include: \$1.3 million land sale proceeds, \$2.2 million conservation area operating surplus, \$480,000 interest income, \$110,000 unspent cottage lot road expense budget, \$70,000 hydro revenue and \$80,000 timber sales revenue. These increases are offset by decreases of \$430,000 for motor pool capital purchases, \$160,000 for Information Systems expenses, \$60,000 for floodplain mapping projects, \$20,000 for transition staffing costs, and \$75,000 for gauge/equipment capital expenses. These amounts may be adjusted by year end if some project work is carried forward to 2022.

Report:

Reserves are established and confirmed annually by resolution of the Board. Some Reserves are required by provincial policies (Gravel and Land Sales) or agreements with other agencies (Nature Centre Capital) and some are discretionary and used to avoid constantly changing or special levies (Computer Replacement, Motor Pool Replacement, General Capital Reserve). Conservation Authorities are not allowed to directly debenture for expenditures, so it is important to anticipate needs and set aside funds for future projects in reserves. Interest is accrued to reserves where required by provincial policies and/or board direction.

A description of reserve activity during year 2022 is presented in the following two formats:

1. Breakdown by Operating, Capital, Motor Pool
2. Breakdown by “GRCA-controlled” reserves and reserves with “Outside Control”

Reserves are forecast to be \$33.6 million representing an increase of \$3.5 million.

Significant forecast reserve movements (approximate amounts) include:

Increases to Reserves:

• Conservation Areas Operating Surplus	\$2,200,000
• Land Sale Proceeds	\$1,300,000
• Interest Income Earned	\$480,000
• Cottage Lot Program (deferred road maintenance expenses)	\$110,000
• Hydro Revenue	\$70,000
• Timber Revenue	\$80,000

Decreases to Reserves:

• Motor Pool Capital Expenses	\$430,000
• Information Systems Expenses	\$160,000
• Floodplain Mapping Project	\$60,000
• Gauge/Instruments Capital Expenses	\$75,000
• Forecast Use of Transition Reserve for staffing	\$20,000
• Land Sales Expenses	\$10,000

Land Sale Proceeds Reserves

These reserves have a provincial interest and may be used for the following types of expenditures:

1. Acquisition of environmentally sensitive lands and ecologically significant lands.
2. Major maintenance of flood control structures.
3. Hazard land mapping in support of plan input or regulation programs.
4. Flood and erosion capital projects and related studies.
5. Watershed/Subwatershed management plans, which are inter-municipal in scope.
6. Other Capital Projects of provincial interest, with prior approval.

During 2022, the Lieutenant Governor in Council assigned ministerial power for conservation authorities from the Ministry of Environment, Conservation and Parks (MECP) to the Ministry of Natural Resources and Forestry (MNR). MNR (as per policy statement 6.3 dated June 13, 1997) retains the right to either deny the use of reserves that have a provincial interest or to otherwise direct the use of such reserves. On October 25th 2022, the government proposed new legislation that may impact the management of the land sale proceeds reserve. These proposals are currently under review.

The Land Sale Proceeds reserve is forecast to be approximately \$8.3 million by yearend 2022 which includes proceeds of \$1.3 million realized during 2022 due to the sale of one of the GRCA's residential property rentals. There are two additional land sales pending. The land sale proceeds reserve will be increased accordingly if either of these close by yearend.

Water Management Operating Reserve – NEW

On September 28, 2022 the board passed the following motion:

THAT the *Water Management Operating Reserve* be established in 2022 by transferring \$1,000,000 from the Water Control Structures Reserve;

This reclassification will facilitate greater transparency in use of reserves for staffing versus capital needs. The reserve is to be used for expenses incurred within the water management program for operating expenses related to staffing for engineering positions.

Transition Reserve

At the January 22, 2021 general meeting (report GM-21-01-05 'Budget 2021-draft #2'), the board passed a motion to create the Transition reserve. The purpose of the reserve is to fund expenditures related to the transitioning of GRCA to new provincial regulations requirements and/or fund costs related to managing expenses impacted by COVID-19 or revenue losses due to COVID-19. At the end of 2020, \$500,000 was transferred to this reserve and in 2021 \$1,050,000 was transferred into this reserve. For 2022, \$20,000 is forecast to be taken from this reserve to fund staffing costs related to meeting the requirements of the new regulations to generate a land inventory.

Status of Loan from General Capital Reserve for Conestogo Turbine Repairs

Funds totalling \$421,617 were borrowed from the general capital reserve in 2006 for repairs to the Conestogo turbine. At the time of the loan it was suggested (no formal board motion) that the general capital reserve be repaid but there was no specific mention of interest. The 'Reserves 2006' board report to the Administration, Finance and Personnel committee dated November 14, 2006 stated that replenishment of the reserve would be addressed via future budgets. The Conestogo turbine loan balance (principal plus interest less repayments) is \$139,761 as at December 31, 2021. Surplus hydro revenue allocated to the general capital reserve as repayments have been \$67,000, 365,000 and \$60,000 in 2019, 2020 and 2021 respectively. Interest calculated on the loan to end of 2021 is \$210,144. If by year-end hydro production generates a surplus in excess of the budgeted surplus that surplus will be allocated to the general capital reserve as repayment of the balance owing. At present, a surplus of \$71,000 has been forecast. A decision regarding replenishing the reserve for future hydro repairs and maintenance can be determined via future budget/forecast exercises.

Conservation Area Reserve

This reserve was budgeted to be decreased by \$800,000, to facilitate funding \$2.0 million in the 2022 capital spending budget. Instead, the reserve is currently forecast to increase by over \$2.2 million. This is the result of forecast revenue exceeding budgeted revenue by \$2.2 million (budget \$9.0 million versus forecast \$11.2 million) offset by a forecast increase in operating expenses of \$400,000. Also, budgeted capital spending was reduced from \$2.0 million to

\$800,000 due to the deferral of a number of projects including the construction of a new workshop at Brant Conservation Area.

CEWS Interest Charges

On May 28, 2021, the board passed a motion that any interest charges not refunded by the Canada Revenue Agency (CRA) be funded with the personnel reserve. During 2022, GRCA was assessed \$245,573 in interest penalties by the CRA and is in the process of requesting that these interest costs be waived. This report assumes that interest will be waived.

Attached Schedules:

- Schedule 1 - Summary Reserve Report – Forecast 2022
- Schedule 2 - Reserve Activity Detail – Forecast 2022 (by Operating, Capital, Motor Pool)
- Schedule 3 - Graph of Reserves – 2013 to 2022
- Schedule 4 - Purpose of Reserve and Guidelines for calculating amounts

Financial Implications:

In 2022, it is forecast that reserves will increase by \$3.5 million to \$33.6 million. Reserves were budgeted to decrease \$1.7 million in 2022. The forecast increase is primarily driven by the Conservation Areas reserve increasing by \$2.2 million instead of decreasing by \$800,000 and unbudgeted land sale proceeds of \$1.3 million.

Significant differences between budget and forecast are:

Positive Impacts on Reserves

• Land Sale Proceeds unbudgeted	\$1,300,000
• Conservation Area Capital (deferred projects)	\$1,200,000
• Conservation Area Surplus	\$1,800,000
• Water Control Structures (deferred projects)	\$350,000
• Cottage Lot Program (road maintenance expenses reduced)	\$110,000
• Timber Revenue	\$80,000
• Demolitions expenses (deferred)	\$100,000
• Floodplain Mapping project expenses deferred	\$120,000
• Interest Income increased	\$100,000

Other Department Considerations:

None.

Prepared by:

Sonja Radoja
Manager of Corporate Services

Approved by:

Karen Armstrong
Deputy CAO/Secretary-Treasurer

SCHEDULE 1

Grand River Conservation Authority

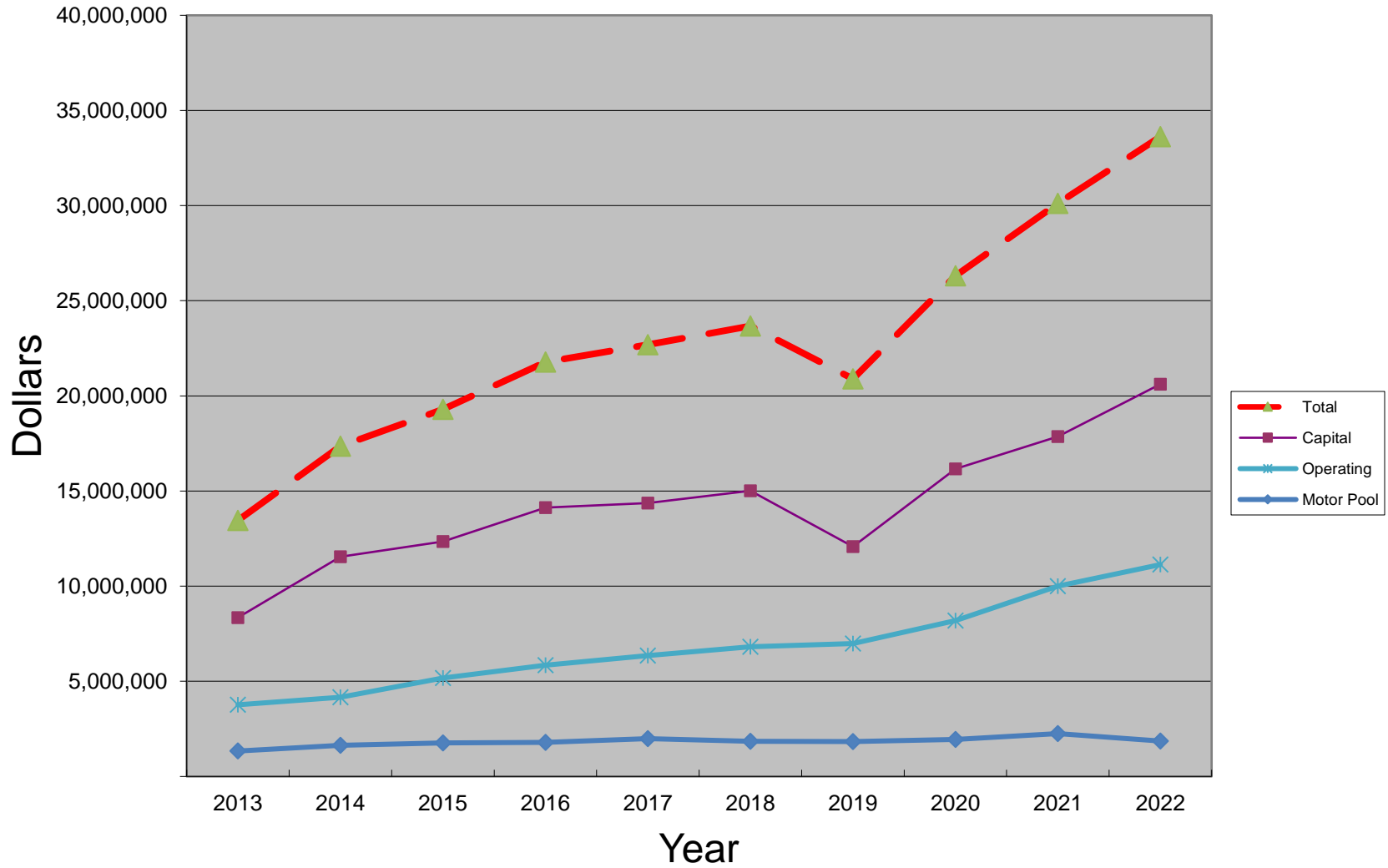
SUMMARY RESERVE REPORT - FORECAST 2022

General Meeting - November 25, 2022

	ACTUAL 2021	"NET CHANGE" INCREASE/(DECREASE) 2021 VS 2022	DETAILS OF "NET CHANGE" FORECAST 2022			FORECAST 2022
			Transfer In (Interest Income)	Transfer In	Transfer Out Description of Transfer	
Type A: GRCA Controlled						
Operating Reserves (designated)						
Property & Liability Insurance	270,383	0	0			270,383
Building & Mechanical Equipment	1,231,833	7,971	0	7,971	IN-Transfer from Small Office Equipment	1,239,804
Small Office Equipment	7,831	(7,831)	140		(7,971) OUT-Transfer to Building & Mechanical Equipment	0
Personnel	1,349,112	0	0			1,349,112
Transition	1,562,180	7,845	27,845		(20,000) OUT-\$20K Transition Staffing Expense	1,570,025
Forestry	1,078,801	96,309	19,435	76,874	IN-Timber Revenue	1,175,110
Information Systems and Technology	1,329,784	(136,174)	22,559	1,278,525	(1,437,258) IN-Chargebacks; OUT-Operating/Capital costs	1,193,610
Cottage Operations	983,652	127,533	17,533	110,000	IN-Cottage Lot unspent roads budget	1,111,185
Grand River Watershed Management Plan	111,336	1,984	1,984			113,320
Planning Enforcement	475,071	8,468	8,468			483,539
Property Rental Expenses	706,458	12,592	12,592			719,050
Watershed Restoration	177,135	3,157	3,157			180,292
Master Planning	327,307	5,835	5,835			333,142
Water Management Operating-NEW 2022	0	1,000,000	0	1,000,000	IN-\$1.0M NEW Reserve created in 2022 via transfer from Water Control Structures	1,000,000
Motor Pool Equipment	2,162,973	(385,509)	37,491	1,231,000	(1,654,000) IN-Chargebacks;OUT-Operating/Capital costs	1,777,464
Motor Pool Insurance	89,960	1,603	1,603			91,563
Capital Reserves (designated)						
Water Control Structures	3,466,428	(943,212)	56,788		(1,000,000) OUT-\$1.0M transferred to NEW reserve	2,523,216
Cambridge Desiltation Pond	6,237	(560)	103		(663) OUT-Cambridge Desiltation Pond costs	5,677
Completion of Capital Projects	162,000	0	0			162,000
Conservation Areas-Stabilization/Capital Gauges	4,971,802	2,317,620	88,620	2,229,000	IN-Conservation Area Surplus	7,289,422
	905,113	(58,867)	16,133		(75,000) OUT-Gauge/Instruments Capital Expense	846,246
Capital Reserves (undesignated)						
General Capital Reserve	1,116,991	90,909	19,909	71,000	IN-Hydro Turbine Revenue \$71K	1,207,900
Total Type A: GRCA Controlled	22,492,387	2,149,673	340,195	6,004,370	(4,194,892)	24,642,060
Type B: Reserves with Outside Control						
With MNRF Interest (Capital Reserves)						
Gravel	2,835,326					
Land Sale Proceeds Reserve	2,835,326	4,524	4,524			258,307
	253,783	1,338,454	127,499	1,281,601	(70,646) IN-Land Sale Proceeds; OUT-\$10K Land Sale expenses, \$60K Floodplain Mapping costs	8,324,567
Land Sale Proceeds Reserve	6,986,113					
With School Board Interest (Operating Reserves)						
App's Nature Centre	64,982	1,159	1,159			66,141
Laurel Creek Nature Centre	111,016	1,979	1,979			112,995
Guelph Lake Nature Centre	129,459	2,308	2,308			131,767
Taquanyah Nature Centre	14,849	264	264			15,113
Shade's Mills Nature Centre	69,219	1,233	1,233			70,452
Total Type B: Outside Control	7,629,421	1,349,921	138,966	1,281,601	(70,646)	8,979,342
TOTAL	\$30,121,808	3,499,594	\$479,161	\$7,285,971	(\$4,265,538)	\$33,621,402

<i>Balance Dec 31 21</i>	OPERATING RESERVES	<i>Year-to-date Income to Res</i>	<i>Year-to-date Interest</i>	<i>Year-to-date Outputs fr Res</i>	<i>Balance Sept 30/22</i>	<i>Forecast Interest</i>	<i>Fcst Change Incr (Decr)</i>	<i>Fcst Dec 31/22</i>	<i>Recommended Changes</i>	<i>Recommended 2022 Balance</i>	
270,383	Property & Liability Insurance		-		270,383	0		270,383		270,383	
1,231,833	Building & Mechanical Equipment		-		1,231,833	0		1,231,833	7,971	1,239,804	
7,831	Small Office Equipment (consolidate)		105		7,936	35		7,971	(7,971)	0	
1,349,112	Personnel		-		1,349,112	0		1,349,112		1,349,112	
1,562,180	Transition	20,884			1,583,064	6,961	(20,000)	1,570,025		1,570,025	
64,982	App's Nature Centre		869		65,851	290		66,141		66,141	
111,016	Laurel Creek Nature Centre		1,484		112,500	495		112,995		112,995	
129,459	Guelph Lake Nature Centre		1,731		131,190	577		131,767		131,767	
14,849	Taquanyah Nature Centre		198		15,047	66		15,113		15,113	
69,219	Shade's Mills Nature Centre		925		70,144	308		70,452		70,452	
1,329,784	Information Systems and Technology	958,931	16,919	(997,664)	1,307,970	5,640	(120,000)	1,193,610		1,193,610	
983,652	Cottage Lot Program		13,150		996,802	4,383	110,000	1,111,185		1,111,185	
111,336	Water Management Plan		1,488		112,824	496		113,320		113,320	
475,071	Planning Enforcement Reserve		6,351		481,422	2,117		483,539		483,539	
706,458	Property Rental Expenses		9,444		715,902	3,148		719,050		719,050	
1,078,801	Forestry Management Reserve		14,576	76,874	1,170,251	4,859		1,175,110		1,175,110	
327,307	Master Plans		4,376		331,683	1,459		333,142		333,142	
	Water Management Operating				-		1,000,000	1,000,000		1,000,000	
177,135	Watershed Restoration (Wetland Restoration)		2,368		179,503	789		180,292		180,292	
10,000,408	TOTAL OPERATING RESERVES	958,931	94,868	(920,790)	10,133,417	31,623	970,000	11,135,040		11,135,040	
			7,369								
<i>Balance Dec 31 21</i>	CAPITAL RESERVES	<i>Year-to-date Income to Res</i>	<i>Year-to-date Interest</i>	<i>Year-to-date Outputs fr Res</i>	<i>Balance Sept 30/22</i>	<i>Forecast Interest</i>	<i>Fcst Change Incr (Decr)</i>	<i>Fcst Dec 31/22</i>	<i>Recommended Changes</i>	<i>Recommended 2022 Balance</i>	
6,237	Cambrige Desiltation Pond		77	(663)	5,651	26		5,677		5,677	
162,000	Completion of Capital Projects		0		162,000	0		162,000		162,000	
253,783	Gravel		3,393		257,176	1,131		258,307		258,307	
(999,864)	Contaminated Sites		(13,367)		(1,013,231)	(4,456)		(1,017,687)		(1,017,687)	
499,359	Land Sale - Woolner		6,661	(7,357)	498,663	2,220		500,883		500,883	
925,931	Land Sale - Valley Lands - KW		12,378		938,309	4,126		942,435		942,435	
1,909,395	Land Sale-Valley Land-KW (Pioneer Tower)		25,526		1,934,921	8,509		1,943,430		1,943,430	
3,861,668	Land Sale - Valley Land - Guelph	1,281,601	54,188	(3,289)	5,194,168	18,063		5,212,231		5,212,231	
251,263	Land Sales - Residential Properties		3,057		254,320	1,019		255,339		255,339	
506,813	Land Sale - Laurel		6,775		513,588	2,258	(60,000)	455,846		455,846	
181	Land Sale - Puslinch		3		184	0		184		184	
4,376	Land Sale - Woolwich		58		4,434			4,434		4,434	
26,991	Land Sale - Elora		361		27,352	120		27,472		27,472	
1,116,991	General Capital Reserve		14,932		1,131,923	4,977	71,000	1,207,900		1,207,900	
905,113	Water Gauges		12,100		917,213	4,033	(75,000)	846,246		846,246	
4,971,802	Conservation Areas -Capital & Stabilization		66,465		5,038,267	22,155	2,229,000	7,289,422		7,289,422	
3,466,428	Water Control Structures		46,341		3,512,769	10,447	(1,000,000)	2,523,216		2,523,216	
17,868,467	TOTAL CAPITAL RESERVES	1,281,601	238,948	(11,309)	19,377,707	74,629	1,165,000	20,617,336	0	20,617,336	
<i>Balance Dec 31 21</i>	MOTOR POOL RESERVE	<i>Year-to-date Income to Res</i>	<i>Year-to-date Interest</i>	<i>Year-to-date Outputs fr Res</i>	<i>Balance Sept 30/22</i>	<i>Forecast Interest</i>	<i>Fcst Change Incr (Decr)</i>	<i>Fcst Dec 31/22</i>	<i>Recommended Changes</i>	<i>Recommended 2022 Balance</i>	
2,162,973	Equipment Replacement	931,032	28,118	(1,087,893)	2,034,230	9,373	(266,139)	1,777,464		1,777,464	
89,960	Insurance		1,202		91,162	401		91,563		91,563	
2,252,933	TOTAL MOTOR POOL RESERVE	931,032	29,320	(1,087,893)	2,125,392	9,773	(266,139)	1,869,026	0	1,869,026	
<i>Balance Dec 31 21</i>	TOTAL RESERVES	<i>Year-to-date Income to Res</i>	<i>Year-to-date Interest</i>	<i>Year-to-date Outputs fr Res</i>	<i>Balance Sept 30/22</i>	<i>Forecast Interest</i>	<i>Fcst Change Incr (Decr)</i>	<i>Fcst Dec 31/22</i>	<i>Recommended Changes</i>	<i>Recommended 2022 Balance</i>	
10,000,408	Operating Reserves	958,931	94,868	(920,790)	10,133,417	31,623	970,000	11,135,040		11,135,040	
17,868,467	Capital Reserves	1,281,601	238,948	(11,309)	19,377,707	74,629	1,165,000	20,617,336		20,617,336	
2,252,933	Motor Pool Reserves	931,032	29,320	(1,087,893)	2,125,392	9,773	(266,139)	1,869,026		1,869,026	
30,121,808	TOTAL RESERVES	3,171,564	363,136	(2,019,992)	31,636,516	116,025	1,868,861	33,621,402	0	33,621,402	

GRCA
Graph of Reserves 2013 to 2022



**GRAND RIVER CONSERVATION AUTHORITY
PURPOSE OF RESERVES & GUIDELINES FOR CALCULATING AMOUNTS**

Reserves	Purpose and Guidelines
RESERVES WITH OUTSIDE CONTROL	
Gravel	For expenses that are in accordance with MNRF policies (including land purchases) and for water treatment capital expenditures. Any gravel income would be added to this reserve.
Land Sale Proceeds	Reserve established via land sale proceeds net of selling costs and costs to prepare land for sale. Expenditures funded by this reserve must be in accordance with Ministry of Natural Resources and Forestry (MNRF) policies. Following the 2018 June provincial election the Lieutenant Governor in Council assigned ministerial power for conservation authorities from MNRF to the Ministry of Environment, Conservation and Parks (MECP). Funds were borrowed from this reserve to fund major maintenance of GRCA turbines and the reserve was repaid with interest in 2020. During 2018 approval received from MNRF to utilize up to \$1.8 million over the period 2018 to 2021 for hazard tree management.
Nature Centres	For building major maintenance and repairs.
GRCA CONTROLLED RESERVES	
Property & Liability Insurance	For losses not covered by our property and liability insurance policies and to cover deductibles as necessary. Reserve was established with premium savings realized at the time GRCA increased the deductibles.
Building and Mechanical Equipment	For head office large repairs and maintenance (office renovations, roof, roads, boiler room, air conditioning) and for replacement of small office equipment.
Small Office Equipment	For replacement of small office equipment. In 2022 this reserve transferred to building and mechanical equipment reserve.

Reserves	Purpose and Guidelines
Personnel	For unbudgeted expenses related to compensation and benefits including: restructuring, severance, sick leaves, vacation liability, emergency costs (i.e. flood overtime, pandemic), LTD severance. In 2022 added expenses related to Canada Emergency Wage Subsidy (CEWS) interest charges if applicable.
Transition	Established in January 2021 (see 'Budget 2021-draft#2) this reserve is for expenditures related to the transitioning of GRCA to new provincial regulations requirements and/or fund costs related to managing expenses impacted by COVID-19 or revenue losses due to COVID-19.
Information Systems and Technology <i>(formerly called Computer Replacement)</i>	For computer equipment, telecommunications equipment and software. The reserve acts as a pool with operating and capital expenses funded by this reserve and then internal charges to departments used to replenish the reserve. Internal charges set to cover average annual cost (operating and capital) of information systems and technology.
Cottage Operations	For cottage lot program common area service expenses (i.e. roads and hazard tree maintenance). Allows for smoothing of costs included in annual operating budget and available to fund unanticipated unbudgeted costs.
Grand River Management Plan	For expenses related to implementing and maintaining the Grand River Management Plan. Established with surplus realized in 2008.
Planning Enforcement	For expenses related to enforcement of planning regulations.
Forest Management	For expenses related to forest management (clarify: GRCA lands versus public lands as well). Each year Timber Sale revenue is allocated to the reserve and surplus from the Private Land Tree Planting program including Burford Nursery may be allocated to this reserve.
Property Rental	For unanticipated unbudgeted property rental expenses. Each year if the property rental program realizes a surplus an amount may be allocated to the reserve.

Reserves	Purpose and Guidelines
Cambridge Desiltation Pond	For expenses related to maintaining the City of Cambridge Pond as per agreement. City originally advanced funds to GRCA for this work. Each year actual expenditures are funded by this reserve.
Completion of Capital Projects	For expenses related to projects underway (committed). This reserve includes funds set aside for Upper Grand Restoration Projects and each year actual expenditures funded through this reserve.
Master Plans	For expenses related to preparing master plans for GRCA lands. Established in 2019 with \$120,000 input from GRCA 2018/2019 year-end surplus.
Water Management Operating – NEW 2022	For expenses incurred within the water management program operating expenses related to staffing for engineering positions. This reserve established by transferring \$1,000,000 from the ‘water control structures’ reserve.
General Capital	For expenses related to GRCA water management capital projects. This reserve was originally established with funds held for the Dunnville lock project which never proceeded.
Gauges	For expenses related to construction of water monitoring gauges. Reserve established from prior years unspent flood forecasting and warning and gauge budgets.
Watershed Restoration (previously Wetland Acquisition)	For expenses related to wetland acquisitions or enhancements to wetlands in the watershed, natural heritage restoration projects, and conservation services watershed restoration projects.
Conservation Areas Capital/Stabilization	<p><u>Capital:</u></p> <p>For capital expenses that are unanticipated and/or budgeted for. There is an annual budgeted allocation of \$300,000 to this reserve for future capital projects. To the extent that capital projects were budgeted for and not completed by year-end, any unspent amount will be placed in this reserve.</p> <p><u>Stabilization:</u></p> <p>To fund operating deficits. This reserve is increased in years when the conservation areas achieve an overall surplus.</p>
Water Control Structures	For expenses related to major maintenance of water control structures. To extent that capital projects were budgeted for and not completed by year-end, any unspent amount will be placed in this

Reserves	Purpose and Guidelines
	<p>reserve. This reserve will also be increased by any operating surplus realized by the Dam program. Allows for smoothing of costs included in annual operating budget and available to fund unanticipated unbudgeted costs.</p>
<p>Motor Pool Equipment Replacement</p>	<p>For motor pool equipment. The reserve acts as a pool with operating and capital expenses funded by this reserve and internal charges to departments used to increase the reserve. A target amount for this reserve is approximately 25% - 30% of replacement cost. Internal charges are set to cover average annual cost (operating and capital) of motor pool operations.</p>
<p>Motor Pool Insurance</p>	<p>For expenses related to non-insured vehicle damage/loss including deductibles. Reserve was established with premium savings realized at the time GRCA increased the deductibles.</p>

Grand River Conservation Authority

Report number: GM-11-22-86

Date: November 25, 2022

To: Members of the Grand River Conservation Authority

Subject: Cash and Investment Status – October 2022

Recommendation:

THAT Report Number GM-11-22-86 Cash and Investment Status – October 2022 be received as information.

Summary:

The cash position including Notes Receivable of the Grand River Conservation Authority as at October 31, 2022 was \$43,912,799 with outstanding cheques written in the amount of \$287,567.

Report:

See attached.

Financial Implications:

Interest rates, etc. are shown on the report.

Other Department Considerations:

Not applicable.

Prepared by:

Carol Anne Johnston
Senior Accountant

Approved by:

Karen Armstrong
Deputy CAO/Secretary Treasurer

Sonja Radoja
Manager of Corporate Services

**Grand River Conservation Authority
Cash and Investments Status Report
October 31, 2022**

BANK ACCOUNTS	Location	Type	Amount	Interest Rate
	CIBC	Current Account	10,637,866	3.73%
	RBC	Current Account	569,356	nil
	Wood Gundy	Current Account	0	nil
	CIBC - SPP Holding	Current Account	404,364	3.73%
	TOTAL CASH - CURRENT ACCOUNT		11,611,586	

INVESTMENTS	Date Invested	Location	Type	Amount	Face Value Interest Rate	Yield Rate	Date of Maturity	2022 Total Interest Earned/ Accrued
		CIBC Renaissance	High Interest Savings Account	387,144	3.25%		3.25% not applicable	6,211
		One Investment Savings	High Interest Savings Account	4,388,462	3.795%		3.795% not applicable	100,278
	October 23, 2019	Cdn Western Bank	Bond	2,010,000	2.800%		2.78% September 6, 2024	55,625
	December 23, 2019	Laurentian Bank	Bond	3,821,000	3.450%		2.57% June 27, 2023	99,259
	January 16, 2020	Cdn Western Bank	Bond	3,000,000	2.597%		2.45% September 6, 2024	73,383
	September 15, 2021	Cdn Western Bank	Bond	1,500,000	2.597%		1.21% September 6, 2024	18,537
	September 23, 2021	Province of Ontario	Bond	2,300,000	1.230%		1.23% December 2, 2026	27,156
	September 23, 2021	ManuLife Financial	Bond	2,000,000	2.237%		1.34% May 12, 2030	37,326
	December 8, 2021	Province of B.C.	Bond	2,050,356	1.180%		1.18% December 18, 2023	23,827
	June 29, 2022	TD Bank	Bond	4,008,000	3.005%		3.54% May 30, 2023	67,088
	September 14, 2022	CIBC	GIC (cashable after 90 days)	1,810,000	3.000%		3.00% September 14, 2023	16,067
	September 29, 2022	CIBC	GIC (cashable after 90 days)	2,512,772	3.500%		3.50% September 29, 2023	22,408
	October 3, 2022	CIBC	GIC (cashable after 90 days)	2,513,479	3.500%		3.50% October 3, 2023	21,451
		TOTAL INVESTMENTS		32,301,213				\$568,616
		TOTAL CASH AND INVESTMENTS		\$43,912,799				
		* Reserve Balance at December 31st, 2021		27,627,978				

Investment By Institution

	% of Total Portfolio
TD Bank	12%
C.I.B.C.	22%
Cdn Western Bank	20%
Laurentian	12%
ManuLife Financial Bank	6%
One Investment Program	14%
Province of B.C.	6%
Province of Ontario	7%
	<u>100%</u>

* Reserve balances are reviewed annually by the Board in November.

Grand River Conservation Authority

Report number: GM-11-22-95

Date: November 25, 2022

To: Members of the Grand River Conservation Authority

Subject: Financial Summary for the Period Ending October 31, 2022

Recommendation:

THAT the Financial Summary for the period ending October 31, 2022 be approved.

Summary:

The Financial Summary includes the 2022 *actual* year-to-date income and expenditures. The budget approved at the February 25, 2022 General Meeting is included in the *Budget* column. The *Current Forecast* column indicates an estimate of income and expenditures for the whole year. At this time, a net surplus of \$467,000 at year-end is anticipated.

Report:

A. Provincial Funding increased by \$6,000

- Provincial funding increased by \$6,000 due to Bill 284 – Putting Workers First Act, allowing paid sick time for covid related reasons for students who would otherwise not have received sick benefits.

B. Self-Generated Revenue increased by \$317,000

- Conservation Lands Timber revenue increased by \$17,000.
- Hydro Production revenue increased by \$100,000.
- Conservation Area revenue increased by \$200,000 due to revised projection of annual fee revenue.

C. Operating Expenditures decreased by \$382,000

- Water Resources-Planning and Environment compensation and benefits expenditures decreased by \$75,000 due to vacancies and rate savings.
- Forestry program expenses decreased by \$80,000 due to deferral of expenditures to 2023 for the forestry cooler repairs.
- Communications operating expenditures decreased by \$46,000 resulting from compensation and benefits expenses decrease of \$23,000 due to staff vacancy and other operating expenses decrease of \$23,000 (tours & exhibits).
- Corporate Services other operating expenses net impact is nil due to a \$50,000 increase in expenditures related to the boiler replacement project at head office offset by a reduction of \$50,000 in office supplies and office equipment expenses.
- Conservation Lands operating expenses decreased by a total of \$71,000 made up of a compensation and benefit expense decrease of \$28,000 due to position vacancy, administration expense decrease of \$20,000 driven by a reduction in travel related expenditures, and other operating expenses decrease of \$23,000 (park promotion).
- Property Rentals operational expenditures decreased by \$110,000 due to a reduction in cottage lot road maintenance expenditures.

D. Capital Expenditures decreased by \$1,225,000

- Water Resources-Planning and Environment capital expense for water quality monitoring equipment and instrumentation decreased by \$25,000.
- Conservation Area capital expenses decreased by \$1,200,000 primarily due to the deferral of the Brant Workshop project to 2023. Other projects were not completed in 2022 due to supply chain issues and resource constraints resulting in deferral of projects to 2023.

E. Net funding to Reserves increased by \$1,678,000

- Transfer from the Gauge reserve decreased by \$25,000 due to capital expenditure savings.
- Transfer to the Forestry reserve increased by \$37,000 related to \$17,000 in revenue from timber sales and \$20,000 of funds no longer needed to fund the forestry cooler repairs (deferred to 2023).
- Transfer to Cottage Lot Reserve increased by \$110,000 for savings related to road maintenance spending for the Cottage Lot Program.
- Transfer to the General Capital reserve increased by \$100,000 due to surplus hydro revenue.
- Transfer to Conservation Area reserve increased by \$1,406,000 as a result of the increase in forecast revenue of \$200,000, provincial funding received in the amount of \$6,000 and deferred capital expenditures of \$1,200,000.

The Financial Summary is attached.

Financial Implications:

The management committee and appropriate supervisory staff receive monthly financial reports and advise the finance department of applicable forecast adjustments.

Other Department Considerations:

Not Applicable

Prepared by:

Kayleigh Keighan
Financial Controller

Approved by:

Karen Armstrong
Deputy CAO/Secretary Treasurer

**GRAND RIVER CONSERVATION AUTHORITY
FINANCIAL SUMMARY - FORECAST**

General Membership - November 25, 2022

FORECAST - SEPTEMBER 30, 2022 - NET RESULT			\$215,000
<u>CHANGES - OCTOBER 2022</u>			
Sch 1	Water Resources-Planning and Environment	\$75,000 \$25,000 (\$25,000)	Compensation and Benefit Expenses decrease (vacancy) Capital Expenses decrease (Instrumentation) Funding from Gauge Reserve decrease \$75,000
Sch 5	Forestry	\$80,000 (\$20,000)	Other Operating Expenses decrease (Forestry Cooler - deferred to 2023) Funding from Forestry Reserve decrease \$60,000
Sch 7	Communications	\$23,000 \$23,000	Compensation and Benefit Expenses decrease (vacancy) Other Operating Expenses decrease \$46,000
Sch 9	Corporate Services	(\$50,000) \$50,000	Other Operating Expenses increase (Head Office Capital) Other Operating Expenses decrease (Office Equipment & Supplies) \$0
Sch 10	Conservation Lands	\$17,000 (\$17,000) \$28,000 \$20,000 \$23,000	Timber Revenue increase Transfer to Forestry Reserve increase Compensation and Benefit Expenses decrease (vacancy) Administration Expense decrease (travel) Other Operating Expense decrease (parks and promotion) \$71,000
Sch 11	Property Rentals	\$110,000 (\$110,000)	Cottage Lot Program road expenses decreased Funding to Cottage Lot Reserve increased \$0
Sch 12	Hydro Production	\$100,000 (\$29,000) (\$71,000)	Hydro Production Revenue increase Transfer from General Capital Reserve decrease Transfer to General Capital Reserve increase \$0
Sch 13	Conservation Areas	\$200,000 \$6,000 \$1,200,000 (\$1,406,000)	Conservation Area Revenue increase (\$11M to \$11.2M) Provincial Funding increase (WSIB/COVID sick pay) Capital Expenses decreased Transfer to Conservation Area Reserve increased \$0
FORECAST - OCTOBER 31, 2022 - NET RESULT			\$467,000

**GRAND RIVER CONSERVATION AUTHORITY
STATEMENT OF OPERATIONS
FOR THE PERIOD ENDING October 31, 2022**

SCHEDULE		Actual 2021	Budget 2022	Actual YTD	Previous Forecast	Current Forecast	Forecast Change
REVENUE							
Municipal							
General Municipal Levy (Operating)	various	11,275,000	11,580,000	11,580,000	11,580,001	11,580,001	-
General Municipal Levy (Capital)	various	950,000	950,000	950,000	950,000	950,000	-
Special Municipal Levy	various	96,139	130,000	-	130,000	130,000	-
Other	various	645,375	800,000	1,220,917	800,000	800,000	-
		12,966,514	13,460,000	13,750,917	13,460,001	13,460,001	-
Government Grants							
NDMNRF Transfer Payments	various	449,688	449,688	449,688	449,688	449,688	-
Source Protection Program-Provincial	various	569,655	640,000	435,596	660,000	660,000	-
Other Provincial	various	961,274	1,587,500	1,651,483	1,337,500	1,343,500	6,000
Federal	various	409,607	320,000	362,455	461,500	461,500	-
		2,390,224	2,997,188	2,899,222	2,908,688	2,914,688	6,000
Self Generated							
User Fees and Sales							
<i>Enquiries and Permits</i>	4	720,304	599,000	527,660	584,000	584,000	-
<i>Plan Input and Review</i>	4	470,256	445,000	533,762	565,000	565,000	-
<i>Consulting</i>	4	-	-	3,726	-	-	-
<i>Nursery and Woodlot Management</i>	5	505,659	415,000	528,971	525,000	542,000	17,000
<i>Conservation Lands Income</i>	10	80,640	71,000	50,788	71,000	71,000	-
<i>Conservation Areas User Fees</i>	13	9,504,504	9,000,000	11,187,443	11,000,000	11,200,000	200,000
<i>Nature Centres and Camps</i>	8	362,455	500,000	293,594	500,000	500,000	-
<i>Merchandising and Sales</i>	8	457	-	872	-	-	-
Property Rentals	11	2,892,673	2,921,000	2,805,732	2,921,000	2,921,000	-
Hydro Generation	12	601,942	530,000	573,239	530,000	630,000	100,000
Land Sales	10	10,000	-	1,281,601	1,300,000	1,300,000	-
Grand River Conservation Foundation	various	141,534	767,000	303,512	850,000	850,000	-
Donations	various	68,772	100,000	31,938	100,000	100,000	-
Landowner Contributions	5	175,304	180,000	163,086	180,000	180,000	-
Investment Income	14	457,806	475,000	467,853	475,000	475,000	-
Miscellaneous Income	various	1,544	8,000	27,784	8,000	8,000	-
Total Self-Generated Revenue		15,993,850	16,011,000	18,781,561	19,609,000	19,926,000	317,000
TOTAL REVENUE		31,350,588	32,468,188	35,431,700	35,977,689	36,300,689	323,000

**GRAND RIVER CONSERVATION AUTHORITY
STATEMENT OF OPERATIONS
FOR THE PERIOD ENDING October 31, 2022**

SCHEDULE	Actual 2021	Budget 2022	Actual YTD	Previous Forecast	Current Forecast	Forecast Change	
EXPENSES							
OPERATING							
Water Resources Planning & Environment	1	1,779,166	2,267,400	1,729,247	2,264,400	2,189,400	(75,000)
Flood Forecasting and Warning	2	734,467	843,000	656,423	863,000	863,000	-
Water Control Structures	3	1,636,799	1,822,700	1,406,525	1,842,700	1,842,700	-
Resource Planning	4	1,971,193	2,351,200	1,816,571	2,346,200	2,346,200	-
Forestry & Conservation Land Property Taxe:	5	1,215,065	1,380,500	1,224,331	1,465,500	1,385,500	(80,000)
Conservation Services	6	462,520	586,200	384,195	581,200	581,200	-
Communications & Foundation	7	404,186	577,500	342,435	507,500	461,500	(46,000)
Environmental Education	8	648,484	784,600	595,067	831,600	831,600	-
Corporate Services	9	3,148,543	3,801,565	3,328,929	3,854,565	3,854,565	-
Conservation Lands	10	1,895,763	2,377,100	1,785,341	2,288,600	2,217,600	(71,000)
Property Rentals	11	1,526,421	1,595,600	975,601	1,482,100	1,372,100	(110,000)
Hydro Production	12	223,843	93,500	184,158	239,000	239,000	-
Conservation Areas	13	7,369,406	7,800,000	7,164,678	8,200,000	8,200,000	-
Miscellaneous	14	10,755	30,000	13,654	30,000	30,000	-
Information Systems	16	1,111,866	1,267,000	966,284	1,267,000	1,267,000	-
Motor Pool	16	860,917	936,000	803,315	944,000	944,000	-
Less: Internal Charges (IS & MP)	16	(1,972,783)	(2,203,000)	(1,769,599)	(2,211,000)	(2,211,000)	-
Total OPERATING Expenses		23,026,611	26,310,865	21,607,155	26,796,365	26,414,365	(382,000)
CAPITAL							
Water Resources Planning & Environment	1	49,233	110,000	20,989	110,000	85,000	(25,000)
Flood Forecasting and Warning	2	476,563	190,000	183,620	190,000	190,000	-
Water Control Structures	3	1,267,010	2,200,000	590,304	1,700,000	1,700,000	-
Nature Centres	8	-	-	-	-	-	-
Conservation Areas	13	533,606	2,000,000	577,080	2,000,000	800,000	(1,200,000)
Corporate Services	9	-	-	-	-	-	-
Information Systems	16	180,170	170,000	111,093	170,000	170,000	-
Motor Pool	16	144,792	710,000	424,662	710,000	710,000	-
Less: Internal Charges (IS & MP)	16	(500,504)	(278,000)	(745,525)	(270,000)	(270,000)	-
Total Capital Expenses		2,150,870	5,102,000	1,162,223	4,610,000	3,385,000	(1,225,000)
SPECIAL							
Water Resources Planning & Environment	1	158,748	210,000	85,143	210,000	210,000	-
Flood Forecasting and Warning	2	155,567	575,000	271,944	575,000	575,000	-
Forestry	5	91,142	100,000	54,153	100,000	100,000	-
Conservation Services	6	814,623	1,010,000	529,771	1,128,500	1,128,500	-
Environmental Education	8	12,480	500,000	71,844	500,000	500,000	-
Conservation Land Purchases/Land Sale Exp	10	27,814	-	14,841	-	-	-
Conservation Lands	10	276,460	240,000	229,136	240,000	240,000	-
Miscellaneous	14	-	-	26,069	38,000	38,000	-
Source Protection Program	15	569,655	640,000	459,866	660,000	660,000	-
Total SPECIAL PROJECTS Expenses		2,106,489	3,275,000	1,742,767	3,451,500	3,451,500	-
Total Expenses		27,283,970	34,687,865	24,512,145	34,857,865	33,250,865	(1,607,000)
Gross Surplus		4,066,618	(2,219,677)	10,919,555	1,119,824	3,049,824	1,930,000
Prior Year Surplus Carryforward		316,241	567,177	316,241	567,177	567,177	-
Net Funding FROM/(TO) Reserves		(3,815,682)	1,652,500	(3,637)	(1,472,000)	(3,150,000)	(1,678,000)
NET SURPLUS		567,177	-	11,232,159	215,000	467,000	252,000

Grand River Conservation Authority

Report number: GM-11-22-92

Date: November 25, 2022

To: Members of the Grand River Conservation Authority

Subject: 2023 Board Meeting Schedule

Recommendation:

THAT the 2023 Grand River Conservation Authority Board Meeting Schedule be approved.

Summary:

Not applicable.

Report:

The General Membership of the Grand River Conservation Authority meets on the fourth Friday of each month at 9:30 a.m. unless there is a conflict with a statutory holiday. The only conflict in 2023 is the December meeting, which has been moved to the third Friday.

A half-day orientation session for incoming Board members will be held on Friday, January 20, 2023 beginning at 9:30 a.m. Board members returning for another term are encouraged to attend.

Other significant events which have been taken into consideration are:

- ROMA Conference: January 22-24, 2023
- AMO Conference: August 20-23, 2023

Additional events, such as a Special Budget Meeting, Source Protection Authority meetings, tours, and special days, may be scheduled as needed during the year. The Audit Committee meets twice per year, once in February in advance of the Annual General Meeting, and again in November. The meeting dates for 2023 are shown below, and are subject to change with notice.

Since 2019, a meeting has not been scheduled in July. This has been incorporated into the meeting schedule again for 2023. The Chair may call a special meeting at any time with three days' notice, if required.

All meetings are typically held in the Auditorium at the Grand River Conservation Authority Administration Office, 400 Clyde Road, Cambridge, however since October 2022, meetings have been held in a hybrid format. The format for future meetings, whether in-person or electronic, will be determined in advance.

The proposed 2023 meeting dates and times are as follows:

DATE	TIME	MEETING
Friday, January 20, 2023	9:30 a.m.	Board Member Orientation
Friday, January 27, 2023	9:30 a.m.	General Membership <i>(and elections of officers)</i>
Wednesday, February 15, 2023	9:30 a.m.	Audit Committee
Friday, February 24, 2023	9:30 a.m.	Annual General Meeting

DATE	TIME	MEETING
Friday, March 24, 2023	9:30 a.m.	General Membership
Friday, April 28, 2023	9:30 a.m.	General Membership
Friday, May 26, 2023	9:30 a.m.	General Membership
Friday, June 23, 2023	9:30 a.m.	General Membership
Friday, August 25, 2023	9:30 a.m.	General Membership
Friday, September 22, 2023	9:30 a.m.	General Membership
Friday, October 27, 2023	9:30 a.m.	General Membership
Friday, November 24, 2023	9:30 a.m.	General Membership
Friday, November 24, 2023	11:30 a.m.*	Audit Committee <i>*immediately following GM</i>
Friday, December 15, 2023*	9:30 a.m.	General Membership <i>*third Friday of Month</i>

Financial Implications:

Not applicable.

Other Department Considerations:

Not applicable

Prepared by:

Karen Armstrong
Deputy CAO/ Secretary-Treasurer

Approved by:

Samantha Lawson
Chief Administrative Officer

GRCA General Membership Meetings Calendar

2023

January

s	m	t	w	t	f	s
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	GM	28
29	30	31				

February

s	m	t	w	t	f	s
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	GM	25
26	27	28				

March

s	m	t	w	t	f	s
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	GM	25
26	27	28	29	30	31	

April

s	m	t	w	t	f	s
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	GM	29
30						

May

s	m	t	w	t	f	s
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	GM	27
28	29	30	31			

June

s	m	t	w	t	f	s
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	GM	24
25	26	27	28	29	30	

July

s	m	t	w	t	f	s
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	*	29
30	31					

August

s	m	t	w	t	f	s
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	GM	29
30	31					

September

s	m	t	w	t	f	s
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	GM	23
24	25	26	27	28	29	30

October







s	m	t	w	t	f	s
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	GM	28
29	30	31				

November

s	m	t	w	t	f	s
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	GM	25
26	27	28	29	30		

December

s	m	t	w	t	f	s
						30
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	GM	23
24	25	26	27	28	29	30
31						

-  Agenda Published
-  GM General Membership Meeting
-  Holiday/Head Office Closed
-  Board Member Orientation
-  Audit Committee
-  * No meeting scheduled in July

Grand River Conservation Authority

Report number: GM-11-22-90

Date: November 25, 2022

To: Members of the Grand River Conservation Authority

Subject: Shade's Mill Backflow Preventer

Recommendation:

THAT the Grand River Conservation Authority (GRCA) award the Shade's Mill Backflow Preventer installation at 450 Avenue Road, Cambridge to Avertex Utility Solutions of Amaranth, Ontario for the amount of \$111,973.00 excluding HST;

AND THAT a total budget of \$125,000.00 excluding HST be approved.

Summary:

Not Applicable.

Report:

Shade's Mill Conservation Area is currently supplied with potable water via a 50 mm line connected to the municipal forcemain without backflow prevention. The City of Cambridge By-Law No. 146-03 requires backflow preventers to be installed on water services in all industrial, commercial, multi-residential and institutional buildings. An existing meter chamber is present at the location but it is located underground and the space was deemed too small for the backflow preventer. In order to meet by-law requirements and remove health and safety concerns with the confined space access, it was decided to raise the meter and backflow preventer above grade and house in a small outbuilding to eliminate the regular need for confined space entry.

An expression of interest was sent out to four (4) recommended/known contractors specializing in this type of work and three (3) replied with interest. The request for quotation package for the Shade's Mill Conservation Area Backflow Preventer was sent to the group of interested contractors on October 14, 2022 and closed on October 25, 2022. Three (3) submissions were received by the closing date.

The submission results are summarized in Table 1 below.

Table 1: Results

Rank	Company	Amount (excluding HST)
1	Avertex Utility Solutions	\$111,973.00
2	Wellington Construction Inc.	\$125,000.00
3	H2Ontario Inc.	\$172,100.00

The quote did not include a contingency; therefore, it is proposed that a budget be approved with an internal contingency added. The total proposed budget is shown in Table 2.

Table 2: Budget

Bid Amount	\$111,973.00
Contingency (approx.10%)	\$13,027.00
Total budget excluding HST	\$125,000.00

Financial Implications:

Costs associated with the Shade’s Mill Backflow Preventer project are anticipated to be incurred in 2023. Funding for this project will come from the 2023 Park Capital Budget.

Other Department Considerations:

Not Applicable.

Prepared by:

Brandon Heyer
Manager of Central Services

Approved by:

Lisa Keys
Director Land Management

Alan McKee
Project Supervisor

Grand River Conservation Authority

Report number: GM-11-22-93

Date: November 25, 2022

To: Members of Grand River Conservation Authority

Subject: 2023 Complimentary GRCA Membership Passes

Recommendation:

THAT Report Number GM-11-22-93 – 2023 Complimentary GRCA Membership Passes be received as information.

Summary:

Not applicable.

Report:

Each year Grand River Conservation Authority (GRCA) sells Membership Passes for its conservation areas in accordance with an approved fee schedule. The GRCA Membership Pass admits the vehicle and a maximum of six passengers to any GRCA Conservation Area for day use. The Membership Pass is valid for one year from the date of issue. The use of these passes provides good value for frequent conservation area users, saves staff time in dealing with vehicles entering the parks and allows access through automatic gates for year round access to some areas.

Complimentary Grand River Conservation Area Membership passes are typically issued each year to:

- Board Members of the Grand River Conservation Authority
- Board Members of the Grand River Conservation Foundation
- GRCA regular, part-time, seasonal, temporary and casual staff
- GRCA retirees
- Living members of GRCA's Honour Roll
- GRCA watershed MPs
- GRCA watershed MPPs
- Municipal Heads of Council

The complimentary Conservation Area Membership passes will be issued in January 2023. Additional passes can be issued on authorization of the Chair or Chief Administrative Officer.

Financial Implications:

The 2023 draft Budget allows for the issuance of these complimentary passes. The proposed price for a 2023 pass is \$160 including HST.

Other Department Considerations:

Not applicable

Prepared by:

Pam Walther-Mabee
Manager of Conservation Areas

Lisa Keys
Director of Land Management

Approved by:

Samantha Lawson
Chief Administrative Officer

Grand River Conservation Authority

Report number: GM-11-22-94

Date: November 25, 2022

To: Members of the Grand River Conservation Authority

Subject: Current Watershed Conditions as of November 16, 2022

Recommendation:

THAT Report Number GM-11-22-94 – Current Watershed Conditions as of November 16, 2022 be received as information.

Summary:

The watershed continues to be very dry. Over the last 3 months, the watershed has received below 70% of normal precipitation. The last time the fall months were this dry was in 1998. By contrast the extreme southern part of the watershed continues to receive above normal precipitation from large storm systems that pass over Lake Erie. Through the first half of November snow was recorded as much as rain at Shand Dam.

Average air temperatures in October were close to normal across the watershed, but there was a lot of variability on a day to day basis. Daytime high temperatures ranged over 20 degrees, while low temperatures were more moderate. The first half of November was unseasonably warm with an average air temperature 4 degrees above normal. The long term forecast is for temperatures to stay above normal over the next three months.

The large reservoirs continue to be under strain from high augmentation pressures and low inflows, with all but Luther below their normal operating levels. To preserve water in storage and save some water for possible winter augmentation, reservoir discharges have been minimized as much as possible and as a result some low flow targets are not being met at all times. Lake Erie water levels continue to decrease and may start to track near the long term average sometime next year.

Report:

Precipitation

Conditions continue to be very dry. Over the last 3 months, the watershed has received below 70 percent of normal precipitation. The last time the fall months were this dry was in 1998 during the start of a very severe two year dry period.

October was dry everywhere, except the extreme south, and received approximately half of the normal precipitation. By contrast, the rain gauge at Byng Island Conservation Area received 120 percent of normal precipitation. The southern part of the watershed continues to receive above normal precipitation from large storm systems that pass over Lake Erie, while the rest of the watershed is facing one of the driest years in recent memory.

Precipitation in the first half of November is provided in Table 1 for the regular long term climate stations in the watershed. Precipitation ranges between 13 millimeters in Brantford to 34 millimeters at Luther Marsh. The average of the regular climate stations is near half of the normal precipitation for the month. Both rain and snow has been recorded so far, with equal amounts of snow as rain at the Shand Dam climate station.

Table 1: Current monthly precipitation for climate stations across the watershed up to November 16, 2022 including the long term average precipitation for half of November.

Climate Station	Current Month Precipitation (millimetres)	Long Term Average Precipitation (milometers)	Percentage of Long Term Average percent (%)
Shand	25.8	42.4	61%
Conestogo	28.4	47.6	60%
Guelph	15.8	40.2	39%
Luther	33.5	46.2	72%
Woolwich	18.4	34.8	53%
Laurel	19.2	41.8	46%
Shades	21.6	38.9	56%
Brantford	13.1	36.8	36%

Long term trends in precipitation are provided in Table 2. Continued dry conditions since early spring are shown in the long term trends. Over the past three months the watershed received about 68 percent of normal precipitation. Over the past 6 months that amount raises slightly to 72 percent and over the 12 months to 81percent. As the dry period gets longer and longer, the recovery period will also be long to bring the watershed back into normal conditions. A visual representation of these trends for the Shand climate station is also given in Figure 1.

Table 2: Precipitation trends as a percentage (%) of the long-term average over the last 18 months

Climate Station	Last Month	Last 3 Months	Last 6 Months	Last 12 Months	Last 18 Months
Shand	46%	75%	70%	85%	92%
Conestogo	46%	88%	81%	88%	96%
Guelph	52%	74%	72%	82%	99%
Luther	62%	72%	72%	87%	94%
Woolwich	54%	73%	69%	79%	86%
Laurel	51%	61%	56%	72%	94%
Shades	61%	68%	62%	74%	100%
Brantford	44%	65%	71%	81%	96%

Air Temperatures

Average air temperatures in October were close to normal across the watershed, but there was lots of variability on a day to day basis. Daytime high temperatures ranged from 3.5 to 24 degrees at Shand Dam, while low temperatures were more moderate and only ranged between -2 and 9.5 degrees.

Temperatures during the first two weeks of November were unseasonably warm. Across the watershed the average temperature was 4 degrees above normal. There was a period with daytime high temperatures over 20 degrees and overnight low temperatures well above freezing. Temperatures in the later part of the first half of the month have dropped back to near seasonal.

A visual representation of these trends for the Shand climate station is given in Figure 2.

Lake Erie Water Levels

During October, the average lake level was approximately 0.25 meters above the long-term average, which was approximately 0.3 meters below October 2021. Lake levels continue to decrease. As of November 14th, the average lake level was approximately 174.26 meters, which is about 0.26 meters above the long-term average, but below the average lake level in October.

The long term forecast for Lake Erie varies from an increase to a decline in levels over the next few months. Levels are forecast to stay below high levels in 2020 and may start to track closer to the long term average by early next year. Figure 3 shows the range of water levels that is expected over the next six months as well as the observed water levels over the last three years.

Reservoir Conditions

Dry conditions over the summer and early fall have put strain on the reservoirs; which continue to augment flows downstream while inflows stay low. Only the Luther reservoir remains at a normal operating level. The other large reservoirs including Conestogo, Guelph, Shand and Woolwich are below normal operating levels. Reservoir levels and operating rule curves are shown in Figures 4 and 5 for the four largest reservoirs.

To preserve water in storage reservoir discharges have been minimized as much as possible and as a result some low flow targets are not being met at all times. Augmentation levels decreased this month from a combination of lower discharges and reduced flow targets. By the middle of November, approximately 45 percent of the water in the Grand River through Kitchener was from water stored in the reservoirs, while at Brantford nearly 25 percent of the water was from reservoirs. On the Speed River augmentation accounts for approximately 10 percent of the water downstream of Guelph.

Low Water Response

The Grand River Low Water Response Team did not meet in November, but an update on conditions including low reservoir levels was sent out on November 15th. The watershed continues to be in a Level 2 condition with a request to reduce water use by 20 percent. The watershed will likely stay in a Level 2 condition until reservoir water levels return to normal. The Low Water Response Team will continue to monitor the situation.

The Grand River Low Water Response Team is comprised of representatives from municipalities, agriculture, golf course operators, aggregate operations, water bottlers, and provincial ministries. It meets as needed to carry out the Ontario Low Water Response Program in the Grand River Watershed.

Long Range Forecast

Environment and Climate Change Canada is forecasting above normal temperatures and near normal precipitation for the November to January period.

The winter forecast from the National Oceanic and Atmospheric Administration for the Great Lakes region is for near normal temperatures and above normal precipitation and that La Nina is forecast to continue through the winter period.

Flood Preparedness

Conditions are being monitored closely. Staff continue to hold weekly meetings as part of planning initiatives, dam operations and flood emergency preparedness.

The fall Flood Coordinators Meeting is scheduled for November 22nd and will be held virtually this year. In addition to information on the Flood Warning system, Mark Robinson from The Weather Network will give a presentation on severe weather in the Grand River Watershed.

Flood personnel continue attending a series of webinars as part of the Ontario Flood Forecasting and Warning committee's training sessions. Topics include forecasting, emergency management, advances in technology and learnings from past floods.

Financial Implications:

Not applicable

Other Department Considerations:

Not applicable

Prepared by:

Stephanie Shifflett, P. Eng.
Water Resources Engineer

Approved by:

Katelyn Lynch, P. Eng.
Manager of Water Infrastructure

Figures:

Figure 1: Shand Dam Monthly Precipitation 2018 to November 16, 2022

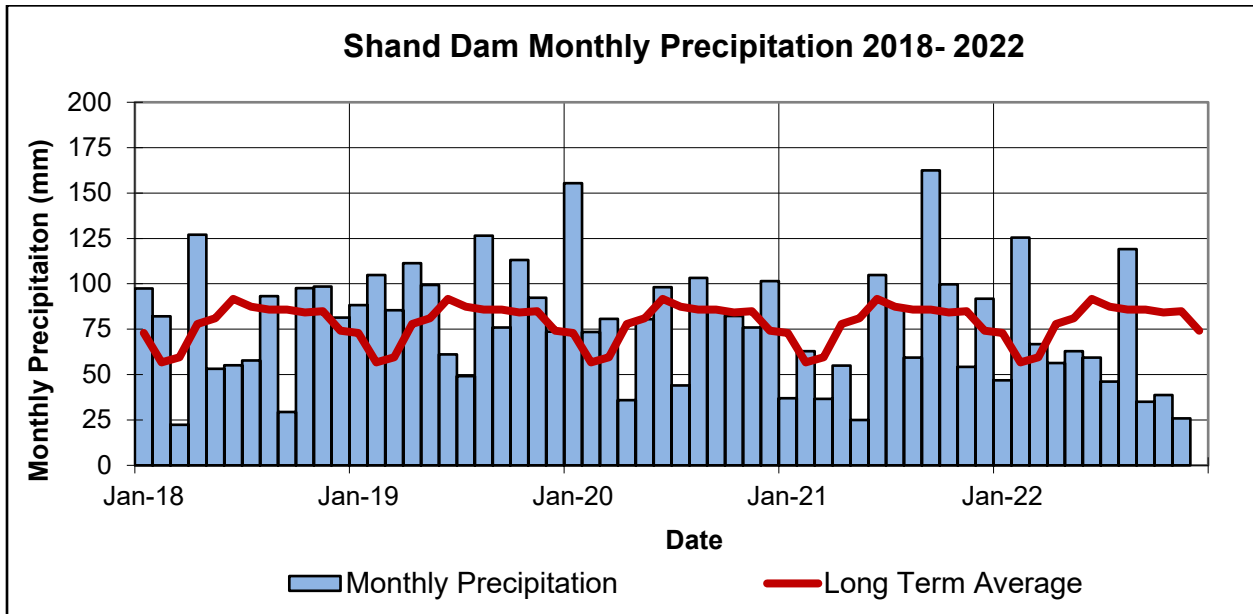


Figure 2: Monthly Average Air Temperatures at Shand Dam from 2018 to November 16, 2022

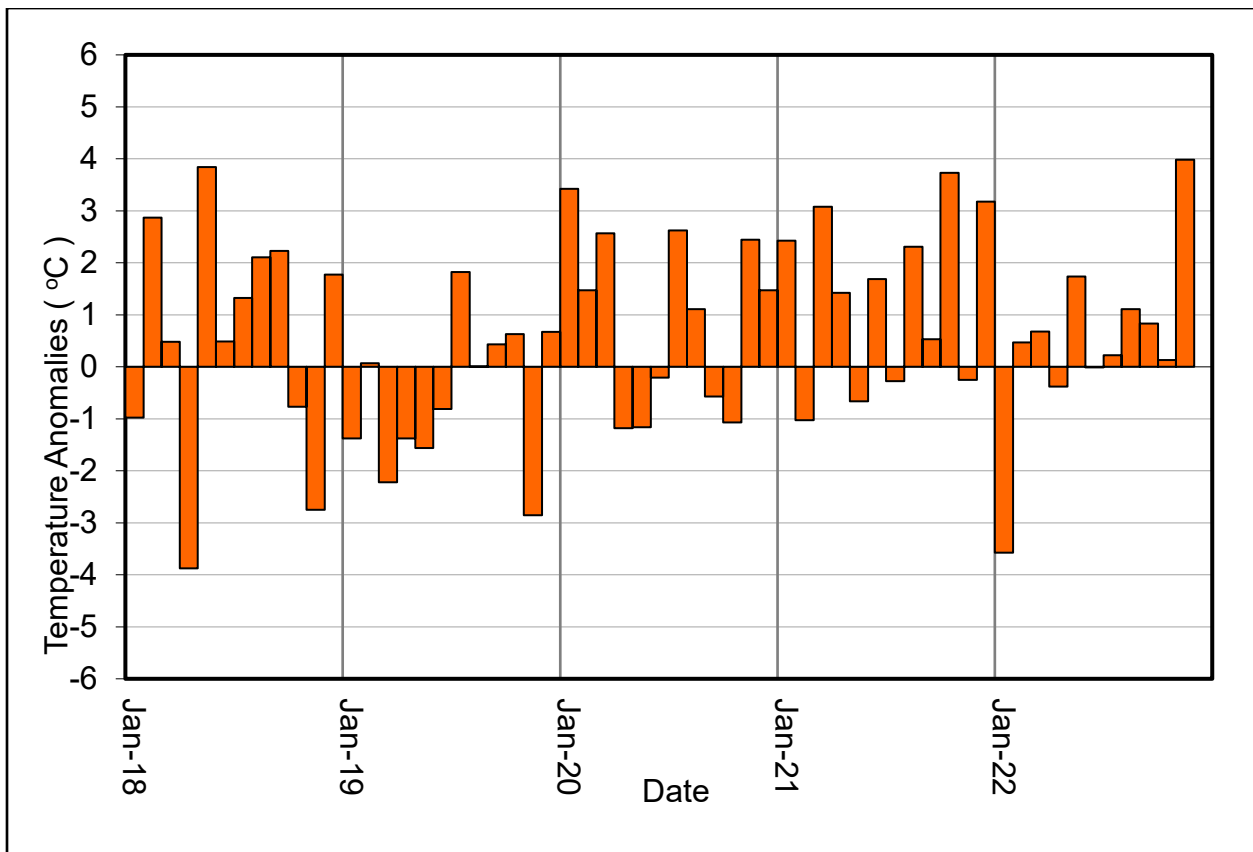


Figure 3: Water levels for Lake Erie at Port Colborne

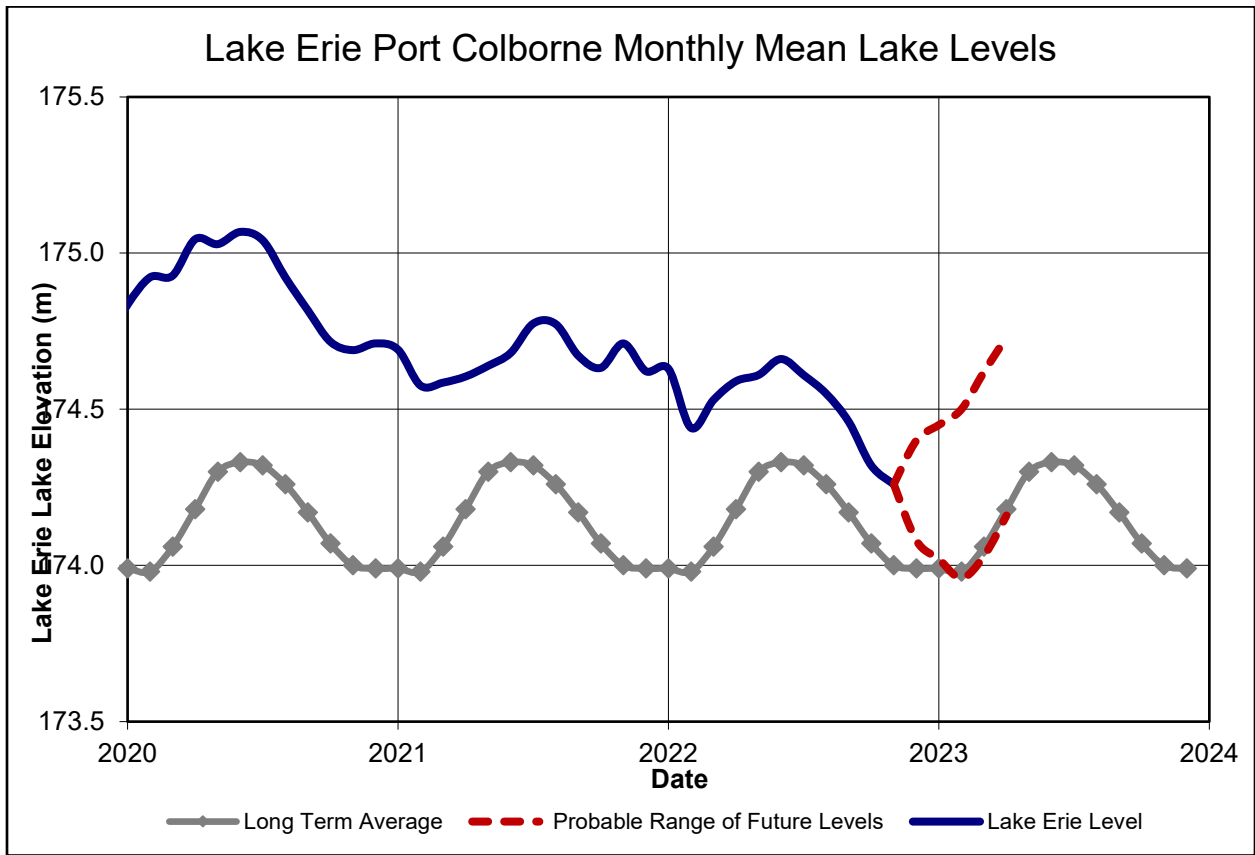


Figure 4: Shand and Conestogo Reservoir Elevation Plots for 2022

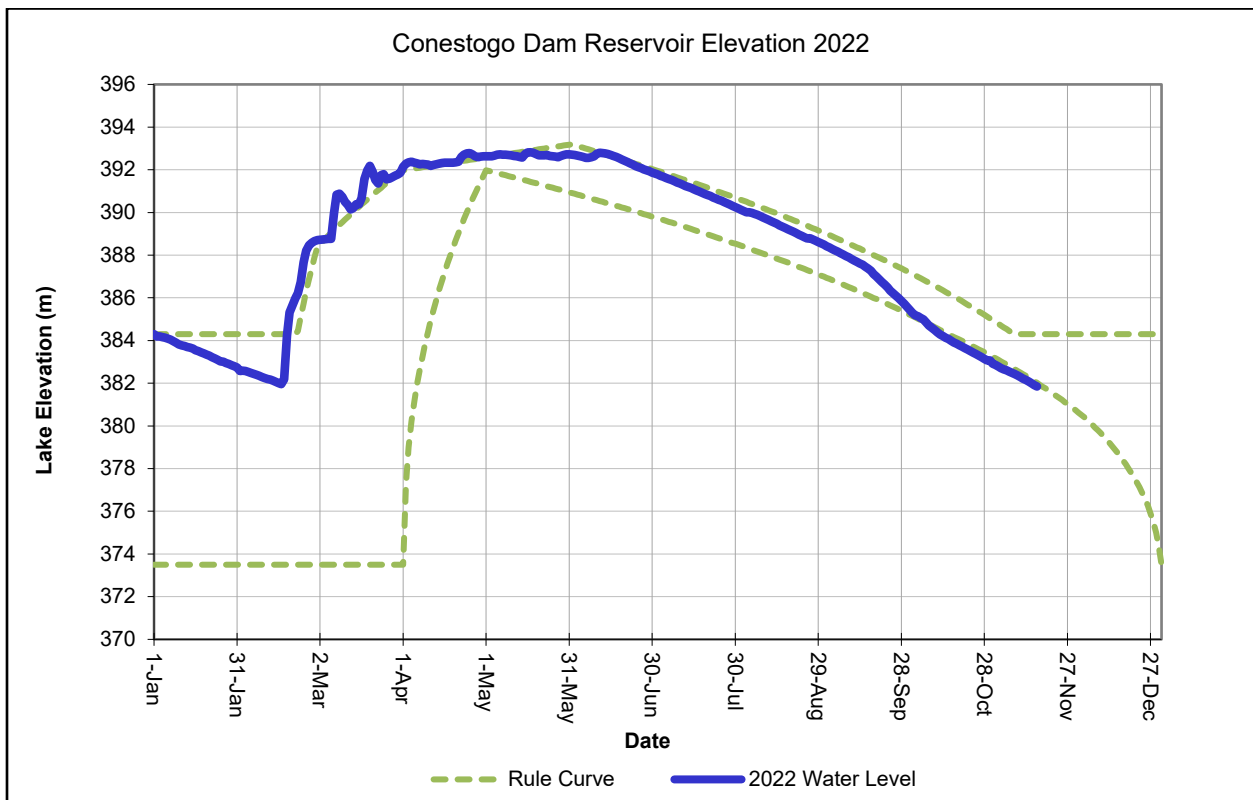
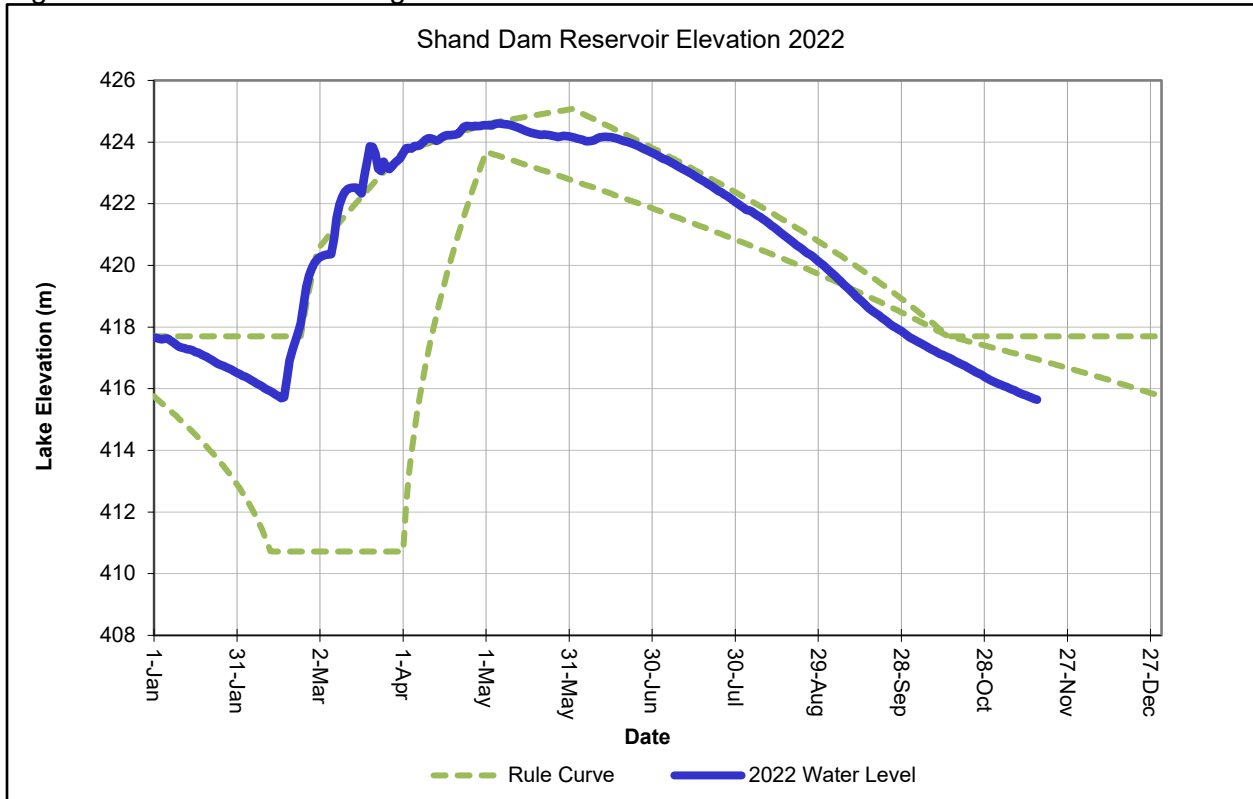
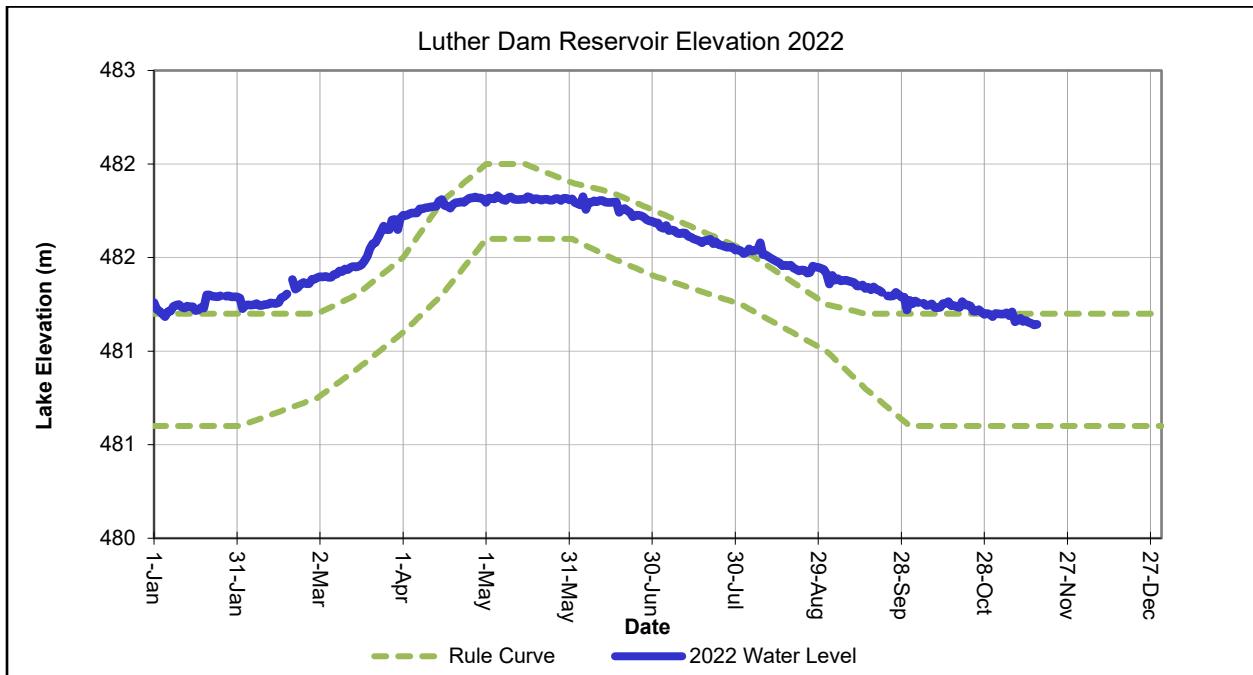
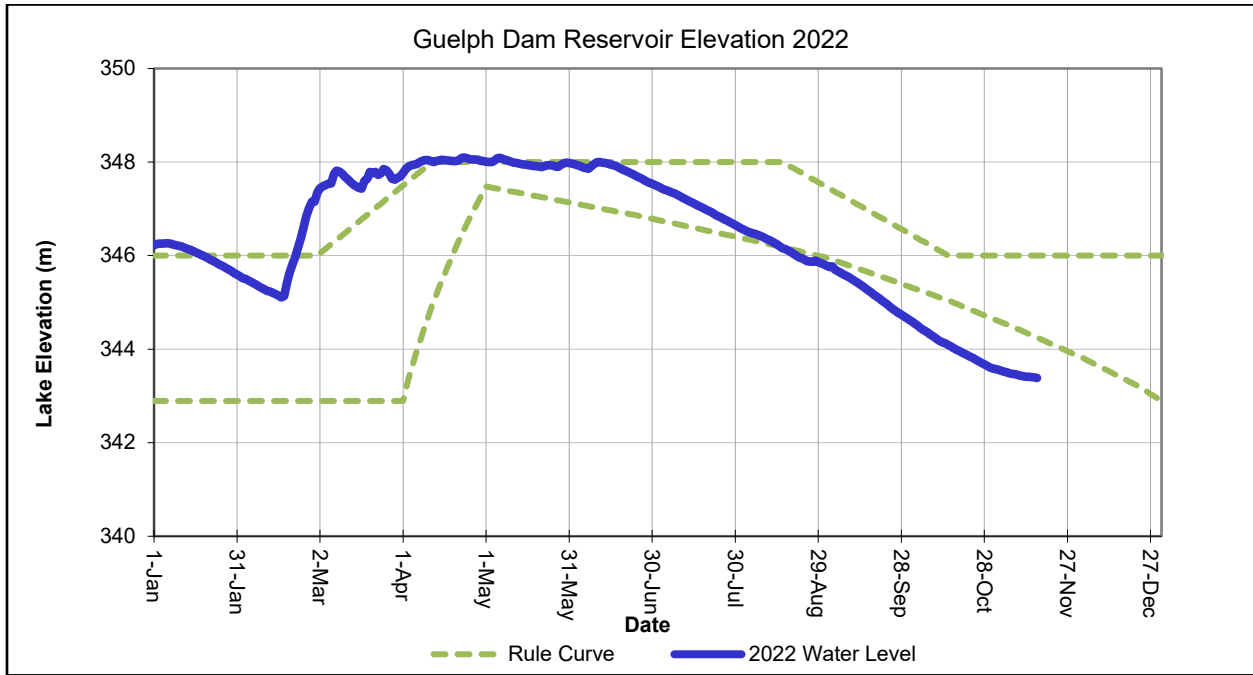


Figure 5: Guelph and Luther Reservoir Elevation Charts for 2022





**Grand River Conservation Authority
Addendum - General Meeting**

Friday, November 25, 2022

9:30 a.m.

Hybrid Meeting of the General Membership

GRCA Administration Centre

Zoom Virtual Meeting

Pages

12. Reports:

b. CAO Update on Bill 23

THAT the Conservation Authorities Act Regulations Committee be authorized to approve staff comments on ERO posting 019-6216 - Proposed Amendments to the Greenbelt Plan on behalf of the GRCA General Membership.

14. General Business

a. Appointments to Committees

1. Appointments to Ad-hoc Conservation Authorities Act Committee

THAT the following members be appointed the Ad-hoc Conservation Authorities Act Committee: (two)

2. Appointments to Board Composition Committee

THAT the following members be appointed to the Board Composition Committee: (four)