

Agenda

Elgin Area Primary Water Supply System Joint Board of Management

2nd Meeting of the Elgin Area Primary Water Supply System Joint Board of Management
March 6, 2025, 5:00 PM
Committee Room #5

Pages

1. Call to Order

1.1 Election of Vice Chair for the term ending November 30, 2026

2. Indigenous Territorial Acknowledgement

The Elgin Area Water Supply System and its benefiting municipalities are situated on the traditional lands of the Anishinaabek (Uh-nish-in-ah-bek), Haudenosaunee (Ho-den-no-show-nee), Lūnaapéewak (Len-ah-pay-wuk) and Attawandaron (Add-a-won-da-run) peoples. We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home. This region is currently home to many First Nations, Inuit and Métis people today and we are grateful to have the opportunity to live and work in this territory.

3. Disclosures of Pecuniary Interest

4. Recognitions and Comments from the Chair

5. Adoption of Minutes of the Previous Meeting(s)

5.1 Minutes of the 1st Meeting held on December 5, 2024

3

6. Communications and Petitions

7. Motion of Which Notice is Given

8. Reports and Added Reports

8.1 Recommended Items for Consent

a. Quarterly Compliance Report (4th Quarter 2024: October - December)

8

b.	Environmental Management System and Quality Management System	10
c.	Quarterly Operating Financial Status - 4th Quarter 2024	41
d.	Capital Status Report	45
e.	Ministry of the Environment, Conservation and Parks Inspection Report	51

8.2 Recommended Items for Discussion

a.	Registration of Board-Owned Property	57
b.	Elgin Area Primary Water Supply System Master Plan - Update (EA2019-24)	60

9. **Deferred Matters**

10. **Additional Business and Enquiries**

11. **Emergent Motions**

12. **By-Laws**

13. **Closed Session**

14. **Upcoming Meeting Dates**

June 5, 2025

October 2, 2025

15. **Adjournment**

Elgin Area Primary Water Supply System Report

1st Meeting of the Elgin Area Primary Water Supply System Joint Board of Management
December 5, 2024

Attendance: Meeting held on Thursday, December 5, 2024, commencing at
5:00 PM.

PRESENT: P. Barbour (Chair); J. Adzija, J. Herbert, K.
Loveland, S. Peters and J. Bunn (Committee Clerk)

ALSO PRESENT: B. Haklander, A. Henry, M. McKillop, K.
Scherr and J. Walker

1. Call to Order

1.1 Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

1.2 Election of Chair and Vice Chair for the term ending November 30, 2026

PETERS AND HERBERT

That P. Barbour **BE ELECTED** Chair, for the term ending November 30,
2026. **CARRIED**

Motion Passed

PETERS AND HERBERT

That the election of Vice Chair **BE DEFERRED** to the next meeting of the
Elgin Area Primary Water Supply System Joint Board of Management.
CARRIED

Motion Passed

2. Adoption of Minutes

2.1 Minutes of the 4th Meeting held on October 3, 2024 and the 5th Meeting held on November 4, 2024

PETERS AND ADZIJA

That the minutes of the 4th and 5th meetings of the Elgin Area Primary Water Supply System Joint Board of Management, from the meetings held on October 3, 2024 and November 4, 2024, **BE NOTED AND FILED. CARRIED**

Motion Passed

3. Consent Items

3.1 Quarterly Compliance Report (3rd Quarter 2024: July - September)

ADZIJA AND HERBERT

That, on the recommendation of the Chief Administrative Officer, the report dated December 5, 2024, with respect to the general, regulatory and contractual obligations of the Elgin Area Primary Water Supply System, from July to September 2024, **BE RECEIVED. CARRIED**

Motion Passed

3.2 Environmental Management System and Quality Management System

ADZIJA AND HERBERT

That, on the recommendation of the Chief Administrative Officer, the report dated December 5, 2024, with respect to the Environmental Management System and Quality Management System, **BE RECEIVED. CARRIED**

Motion Passed

3.3 Quarterly Operating Financial Status - 3rd Quarter 2024

ADZJIA AND HERBERT

That, on the recommendation of the Chief Administrative Officer, the report dated December 5, 2024, with respect to the Quarterly Operating Financial Status of the Elgin Area Primary Water Supply System for the 3rd Quarter of 2024, **BE RECEIVED. CARRIED**

Motion Passed

3.4 Process Optimization Program Update

ADZJIA AND HERBERT

That, on the recommendation of the Chief Administrative Officer, the report dated December 5, 2024 with respect to a Process Optimization Program Update, **BE RECEIVED. CARRIED**

Motion Passed

3.5 Delegated Authority Approvals and Expenditures

ADZJIA AND HERBERT

That, on the recommendation of the Chief Administrative Officer, the report dated December 5, 2024 with respect to Delegated Authority Approvals and Expenditures **BE RECEIVED. CARRIED**

Motion Passed

4. Items for Discussion

4.1 Appointment of the CAO By-law

ADZJIA AND HERBERT

That, on the recommendation of the Chief Administrative Officer, the Appointment of the Chief Administration Officer By-law 14-2024, as appended to the report dated December 5, 2024, **BE APPROVED. CARRIED**

Additional Votes:

PETERS AND HERBERT

Motion to approve the Second Reading of By-law No. 14-2024.

Motion Passed

ADZJIA AND PETERS

Motion to approve the Third Reading and Enactment of By-law No. 14-2024.

Motion Passed

4.2 Backwash Pump and Ultraviolet Disinfection Upgrade - Delegation of Authority for Tender Award

ADZJIA AND PETERS

That, on the recommendation of the Chief Administrative Officer, the following actions be taken with respect to the report, dated December 5, 2024, related to the Backwash Pump and Ultraviolet Disinfection Upgrade and Delegation of Authority for Tender Award:

- a) the Chief Administrative Officer **BE DELEGATED** authority to administratively award the tender of the Elgin Area Water Treatment Plant Backwash Pump and UV Disinfection Upgrades, following a public procurement process which complies with the Board's Procurement of Goods and Services and Disposal of Assets Policy, provided the tender bid from the pre-qualified, successful proponent meets the Request for Tender terms and conditions and is within the budget previously approved by the Board;
- b) the Chief Administrative Officer **BE DELEGATED** authority to administratively award an extension of consulting engineering services to include construction services, including construction observation and contract administration, of the Backwash Pump and UV Disinfection Upgrades, provided the workplan submitted by AECOM meets the requirements of Board Staff and is within the budget previously approved by the Board;
- c) the Chair and the Chief Administrative Officer **BE AUTHORIZED** to execute a construction contract with the successful firm for the completion of the upgrades, subject to the delegation of authority as outlined above; and,
- d) the above-noted report **BE RECEIVED. CARRIED**

Motion Passed

4.3 EA4198 Emergency Filter Repairs

HERBERT AND ADZJIA

That, on the recommendation of the Chief Administrative Officer, the following actions be taken with respect to the report dated December 5, 2024 related to project EA4198 Emergency Filter Repairs:

a) an increase in the project budget of \$371,027 **BE APPROVED** for a total budget of \$979,027 with the additional funds being drawn from the Emergency Reserve Fund; and,

b) the above-noted report **BE RECEIVED. CARRIED**

Motion Passed

5. Deferred Matters/Additional Business

None.

6. Next Meeting Date

March 6, 2025

7. Adjournment

ADZJIA AND HERBERT

That the meeting BE ADJOURNED.

Motion Passed

The meeting adjourned at 5:34 PM.

Board of Management Report

Subject: Quarterly Compliance Report (4th Quarter 2024: October - December)

Overview:

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

Recommendation

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

Background

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

Discussion

Regulatory Issues

Recent Regulatory Changes: At the time of drafting this report, there are no new regulatory changes for this reporting period which may significantly impact the Elgin Area Primary Water Supply System (EAPWSS).

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

Quarterly Water Quality Reports: The [Water Quality Quarterly Report](#) for the period of October 1 – December 31, 2024 was completed by the operating authority, and is posted on the Water Systems' website for public information.

Note: In order to better comply with the *Accessibility for Ontarians with Disabilities Act, 2005*, the detailed tables of water quality test results which were previously appended to this Report have been removed. The full list and test results of drinking water quality

parameters is posted on the water system’s website and available in print at the Board’s Administration Office in London upon request. In addition, the detailed water quality information is also published within the water system’s Annual Report required by O.Reg. 170/03 under the *Safe Drinking Water Act*.

Adverse Water Quality Incidents (AWQI): There were no AWQI reported by the operating authority or the external laboratory during this quarter.

Compliance Inspections: The annual inspection by the Ministry of the Environment, Conservation and Parks (MECP) took place on September 26, 2024. The final inspection report was received on January 7, 2025, and is the subject of a separate report to the Board.

Contractual Issues

ARTICLE 3, “Operation and Maintenance of the Facilities – General”: Board staff informally meets with OCWA on a monthly basis to discuss operations and maintenance related issues, and formally on a quarterly basis to review contractual performance. The 2024 fourth quarter Contract Report was received from OCWA on January 30, 2025, and was scheduled to be discussed at the quarterly administration meeting between Board staff and OCWA on February 19, 2025. Copies of the monthly Operations and Maintenance Reports, and quarterly Contract Reports are available at the Board’s Administration Office in London upon request.

Conclusion

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

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

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

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

Board of Management Report

Subject: Environmental Management System and Quality Management System

Overview:

- This report provides a summary of Environmental Management System (EMS) and Quality Management System (QMS) activities that took place during the fourth quarter of 2024 (Q4).
- A Management Review meeting was held on December 12, 2024. The meeting minutes are attached to this report as [Appendix A](#).
- An internal Environmental Compliance Audit (Municipal Drinking Water License, Drinking Water Works Permit, Water Supply Agreements, Occupancy & Licence Agreements) was conducted from October 28 to November 08, 2024. The Internal Audit Summary Report is included as [Appendix B](#).
- An external EMS Surveillance Audit was conducted by Intertek - SAI Global Limited on October 03 and 04, 2024. The EMS Surveillance Audit Report is included as [Appendix C](#).
- An internal Environmental Compliance Audit (Watermain Disinfection Procedure, Noise Control By-Law No. 212, EAPWSS Board of Management Access Plans, Ontario Building Code Regulation 332/12 and the Building Code Act) was conducted on December 02-13, 2024. The Internal Audit Summary Report is included in [Appendix D](#).

Recommendation

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

Background

Environmental Management System (EMS)

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

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

Quality Management System (QMS)

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

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

OCWA successfully received full scope DWQMS re-accreditation in January 2023 and is currently accredited for the three-year period ending in 2026.

Discussion

Management Review

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

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

A Management Review meeting was held on December 12, 2024. The meeting minutes are included as [Appendix A](#) for the information of the Board of Management.

Internal Audits

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

An internal Environmental Compliance Audit was conducted for the Municipal Drinking Water License, Drinking Water Works Permit, Water Supply Agreements, Occupancy & Licence Agreements from October 28 to November 08, 2024. No non-compliances were identified. Two Opportunities for Improvement (OFI’s) were identified. The Internal Audit Summary Report is included as [Appendix B](#) for the information of the Board of Management.

An internal Environmental Compliance Audit was conducted for the Watermain Disinfection Procedure, Noise Control By-Law No. 212, EAPWSS Board of Management Access Plans, Building Code O.Reg. 332/12 and the Building Code Act from December 02-13, 2024. No non-compliances were identified. Two Opportunities for Improvement (OFI’s) were identified. The Internal Audit Summary Report is included in [Appendix D](#) for the information of the Board of Management.

External Audits

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

An external EMS Surveillance Audit was conducted by Intertek - SAI Global Limited on October 03 and 04, 2024. There were no non-conformances and four (4) opportunities for improvement identified. The EMS Surveillance Audit Report is included as [Appendix C](#) for the information of the Board of Management.

Corrective and Preventive Actions

For the EMS/QMS to be effective on an on-going basis, an organization must have a systematic method for identifying actual and potential non-conformities, making corrections, and undertaking corrective and preventive actions, preferably identifying, and preventing problems before they occur. The Internal Audit process and Management Review are the two main drivers for proactively identifying potential problems, opportunities for improvement and for the implementation of corrective

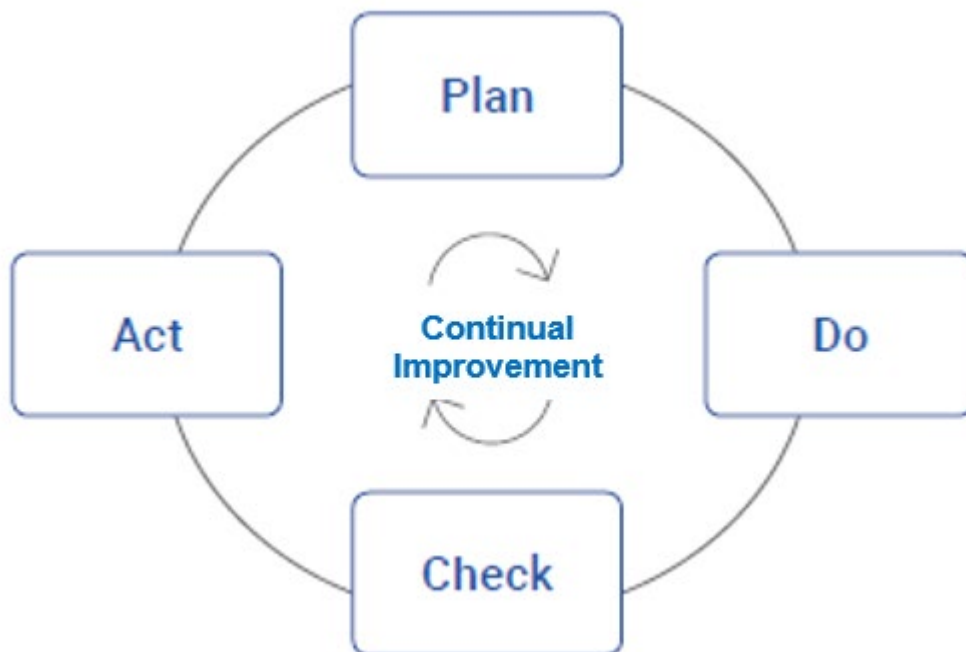
actions for the EAPWSS. Preventive actions may originate from identified opportunities for improvement as part of an audit, but also staff suggestions and discussions with management.

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

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

A key concept of the Plan-Do-Check-Act continual improvement process (Figure 1) is that it does not require nor expect 100% conformance but promotes an environment of continual improvement by identifying shortfalls, implementing corrective and preventive measures, and setting objectives and targets for improvement.

Figure 1: Plan-Do-Check-Act Continual Improvement Process



The following summarizes the six (6) new approved action items that have been added to the EMS/QMS action item tracking system during Q4:

- Four (4) new action items were added resulting from the external EMS Surveillance Audit (October 03 and 04, 2024).

- Two (2) new action items were added resulting from the internal Compliance Audit - Municipal Drinking Water License, Drinking Water Works Permit, Water Supply Agreements, Occupancy & Licence Agreements (October 28, 2024).

It should be noted that action items associated with the December 02-13, 2024 internal Environmental Compliance Audit (Watermain Disinfection Procedure, Noise Control By-Law No. 212, EAPWSS Board of Management Access Plans, Ontario Building Code Regulation 332/12 and the Building Code Act) will be reviewed / approved at the upcoming March 27, 2025 Management Review meeting.

As of February 06, 2025, there are currently sixteen (16) open action items in the EAPWSS tracking system. All action items are prioritized and addressed using a risk-based approach, and deadlines established given reasonable timeframes and resources that are available. The Board of Management staff are pleased with the performance of the corrective and preventive action process and have no concerns with the number of open action items.

Conclusion

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

Prepared by: Jennifer Levitt
Compliance Coordinator

Erin McLeod, CET
Quality Assurance & Compliance Manager

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

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

Attachments: [Appendix A](#) – Management Review Meeting Minutes (December 12, 2024)

[Appendix B](#) - Internal Environmental Compliance Audit - Municipal Drinking Water License, Drinking Water Works Permit, Water Supply Agreements, Occupancy & Licence Agreements (October 28 to November 08, 2024)

[Appendix C](#) - External EMS Surveillance Audit - Intertek - SAI Global Limited (October 03 and 04, 2024)

[Appendix D](#) - Internal Environmental Compliance Audit - Watermain Disinfection Procedure, Noise Control By-Law No. 212, EAPWSS Board of Management Access Plans, Ontario Building Code Regulation 332/12, Building Code Act (December 02-13, 2024)

Appendix A: Management Review Meeting Minutes (December 12, 2024)

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

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

Date: December 12, 2024

Time: 1:00pm

Location: Virtual – Microsoft Teams

Attendees: Andrew Henry (RWS), Erin McLeod (RWS), Jennifer Levitt (RWS), Jackie Muller (OCWA), Greg Henderson (OCWA), Denny Rodrigues (OCWA), Randy Lieber (OCWA), Cindy Sigurdson (OCWA), Mark MacKenzie (OCWA)

Regrets: Courtney Miller (OCWA)

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

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

1. Review and Approval of Previous Meeting Minutes (September 16, 2024)

The minutes from the previous meeting (September 16, 2024) are posted to SharePoint. Minutes circulated to comment. No concerns noted and documents are approved.

2. Results of Board Meetings (December 5, 2024)

Huron Board Meeting (Dec. 5, 2024)

- Quarterly Compliance Report: The report was received for information.
- EMS/QMS Report: The report was received for information.

Elgin Board Meeting (Dec. 5, 2024)

- Quarterly Compliance Report: The report was received for information.
- EMS/QMS Report: The report was received for information.

3. Appointment of EMS/QMS Representative

Safety Process & Compliance (SPC) Manager, C.Sigurdson will act as the EMS/QMS Representative. Process & Compliance Technician, (M.Mackenzie) is the alternate EMS/QMS Representative.

4. DWQMS External Audit – LHPWSS (Sep. 23, 2024)

No non-compliance (NC) and one (1) opportunity for improvement (OFI) was identified as part of the audit.

5. DWQMS External Audit – EAPWSS (Sep. 24, 2024)

No NC's and two (2) OFI's were identified as part of the audit.

6. EMS External Audit – LHPWSS (Oct. 2-3, 2024)

No NC's and five (5) OFI's were identified as part of the audit.

Comment - Top Management approved a revision to evaluation of compliance frequency on the legal register (e.g., 3-5 years based on risk).

7. EMS External Audit – EAPWSS (Oct. 3-4, 2024)

No NC's and four (4) OFI's were identified as part of the audit.

RWS comment – External Auditor noted good processes and partnership approach between RWS and OCWA. Contractor management was a noted issue but also commented on how contractor management is a large undertaking, and many other systems face similar challenges.

8. Env. Compliance Audit – EAPWSS (Nov. 2024) – Municipal Drinking Water Licence (MDWL), Drinking Water Works Permit (DWWP), Occupancy/License Agreements, Water Supply Agreements

No NC's and two (2) OFI's were identified as part of the audit.

9. Env. Compliance Audit – LHPWSS (Nov. 2024) - Fire Protection & Prevention Act, Workplace Hazardous Materials Information System (WHMIS)

Three (3) NC's and two (2) OFI's were identified as part of the audit.

OCWA comment – Currently working through resolutions for non-compliances. Safety Data Sheets (SDS) software implementation is underway, staff have been provided with refresher training on SDS, WHMIS and labelling. The new SDS software will also be able to create WHMIS labels.

Items 4-9 action items to address NCs and OFIs were assigned, approved and added to the tracking spreadsheet.

See agenda package for audit details.

10. Management of Change

Project #LH1243 - McGillivray Pumping Station HVAC and Electrical Upgrade
Four (4) actions created - see agenda package for further details.

11. Contingency Plan Test – LHPWSS

Two (2) action items created - see agenda package for further details.

12. Compliance Obligations Update

Municipal Drinking Water Licence (MDWL) – LHPWSS

The Ministry of the Environment, Conservation and Parks (MECP) will be issuing an updated MDWL with revised filter performance criteria wording. The MECP Inspector is also requesting wording be added to the MDWL related to distribution monitoring. An updated draft is pending.

OCWA comment – MECP Inspector wanted clarification on distribution system monitoring in the license, this was not a non-compliance issue. Every five years we will need to ensure wording is included. Draft in progress.

RWS comment – Re: distribution sampling, language in Ministry documents and regulations refer to ‘population served’ not municipalities.

Health Canada Notices:

[Objective for Canadian drinking water quality- per- and polyfluoroalkyl substances](#)

Source: Health Canada

Date Posted/Notice Received: August 9, 2024

Comments Due: N/A

Summary:

Health Canada has finalized a group “objective” for per- and polyfluoroalkyl substances (PFAS) in drinking water. The PFAS objective is set at 30 ng/L based on the sum of the concentration of 25 specific PFAS. The objective is a temporary measure until a guideline can be developed. The objective sets a goal for a maximum level of a contaminant in drinking water, taking into account available treatment technology and analytical methods. Health Canada recommends that PFAS levels in drinking water be maintained as low as reasonably achievable.

Potential Impacts: Unknown at this time. LHPWSS & EAPWSS are currently participating in a PFAS research project with the University of Waterloo which is studying the detection, characterization and treatment of PFAS in drinking water.

The LHPWSS and EAPWSS have been participating in a PFAS initiative research projects in partnership with the University of Waterloo.

Comments - General discussion on PFAS regarding guidelines and sampling.
OCWA comments – Attended training course in 2023. Powdered activated carbon (PAC) does help remove some PFAS. Will be interesting to see PFAS results once PAC is turned off. Both systems will be participating in another round of sampling with the University of Waterloo. Report is available.

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

Source: Health Canada

Date Posted/Notice Received: October 11, 2024

Comments Due: January 10, 2025

Summary:

Maximum acceptable concentrations (MAC) in drinking water have been established for three natural radionuclides (Lead-210, Radium-226, and total uranium in chemical form) and four artificial radionuclides (Tritium, Strontium-90, Iodine-131, and Cesium-137).

Potential Impacts:

None anticipated. The MACs established for the four artificial radionuclides are the same as the current Ontario standards in [O.Reg. 169/03](#). The MACs established for the three natural radionuclides vary compared to the current Ontario standards.

As per [O.Reg. 170/03](#) the LHPWSS and EAPWSS are only required to test for uranium. The MAC for total uranium established by Health Canada is the same as the current Ontario standard of 0.02 mg/L.

- EAPWSS data (2020-2024) - Total uranium max. 0.000073 mg/L; average 0.000044 mg/L
- LHPWSS data (2020-2024) – Total uranium max. 0.000068 mg/L; average 0.000052 mg/L

Ontario Notices:

[Enabling greater beneficial reuse of excess soil](#)

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

Date Posted/Notice Received: October 18, 2024

Comments Due: November 21, 2024

Summary:

Amendments are proposed to [O. Reg. 406/19](#) (On-site and Excess Soil Management) and the Rules for Soil Management and Excess Soil Quality Standards, to make it easier and more affordable for businesses in the construction industry and municipalities to reuse more excess soil locally.

Proposed amendments include:

- Changing the in-effect date of the restriction on landfilling certain types of excess soil by moving it out by two years (to Jan. 1, 2027);
- Proposed amendments for exemptions from a waste ECA for lower-risk operations;
- Proposed flexibility for reuse of aggregate and stormwater management pond sediment;
- Proposed amendments to allow in-situ sampling for stormwater management ponds.

Potential Impacts: None anticipated.

General Information:

[USEPA Lead and Copper Rule Improvements](#)

Source: United States Environmental Protection Agency (USEPA)

Date Posted/Notice Received: October 8, 2024

Comments Due: N/A

Summary:

In relation to the removal of lead pipes in drinking water distribution systems, a final rule requiring replacement of lead pipes in the US within 10 years has been announced.

Potential Impacts: There are no changes to Ontario regulations at this time. This is being noted because there may be a similar approach taken in Ontario in future.

OCWA comment - Made in Ontario - AWWA Standards for C652, C653, C654 disinfection procedures are being developed by MECP.

13. Western Lake Erie Harmful Algal Bloom (HAB) Seasonal Assessment

The National Oceanic and Atmospheric Administration (NOAA) published their Seasonal Assessment Bulletin on November 13, 2024. The full bulletin is available online at: [Lake Erie Harmful Algal Bloom Final Seasonal Assessment](#)

In summary, the 2024 western Lake Erie cyanobacterial bloom had a severity index (SI) of 6.6, which is moderately severe. This year, the Microcystis bloom started in late June along the Michigan coast and was fully developed by early July. This was the earliest bloom start since the monitoring began in 2002. The bloom slowly intensified, increasing in size and becoming more severe, through July, before the bloom peaked in mid-August. The bloom decreased in intensity until mid-September. There were no microcystin detects in the EAPWSS raw water in 2024.

End of Meeting

Next Meeting – March 27, 2025 – 9:00 am

Appendix B: Compliance Audit Summary Report - Municipal Drinking Water License, Drinking Water Works Permit, Water Supply Agreements, Occupancy & Licence Agreements (October 28 - November 08, 2024)

Audit Purpose:

The purpose of the audit was to verify compliance with relevant environmental legislation and other compliance obligations at the Elgin Area Primary Water Supply System (EAPWSS). Internal audits ensure the progress and activity of the Environmental Management System (EMS) is tracked.

Auditor Qualifications:

Jennifer Levitt has completed an ISO 14001:2015 Internal Auditor training course and an Environmental Compliance 101 course and is deemed competent to complete environmental compliance auditing.

Methodology:

The internal audit was conducted as outlined in Procedure EA-ADMIN-1600 (Compliance) as detailed in the EMS Manual. The audit checklist was generated using the Environmental Compliance Internal Audit checklist (EF-ADMIN-1600) which is attached as Appendix B of this report.

The audit was comprised of a desktop environmental compliance review of the EAPWSS. The audit was limited to the operation of the water supply system by the contracted Operating Authority, Ontario Clean Water Agency (OCWA), since the last Internal Audit conducted March 26, 2021.

Operational documents and records maintained by the Operating Authority and Regional Water Supply (RWS) for the period March 26, 2021 through November 08, 2024 were reviewed in conjunction with this compliance evaluation.

Note:

The audit was conducted through a review of a sampling of documents, limited interviews and observations by the auditor to demonstrate compliance obligations are being met as outlined in the EMS. The review and audit should not be construed as a complete and comprehensive review of all aspects and all documents.

Checklist Criteria:

Provincial - The following items had criteria in the Environmental Compliance Internal Audit checklist:

- Municipal Drinking Water Licence (MDWL) (#048-101)
- Drinking Water Works Permit (DWWP) (#048-201)

EAPWSS Board of Management - The following items had criteria in the Environmental Compliance Internal Audit checklist:

- Occupancy Agreements & License Agreements
- Water Supply Agreements

Interviews Conducted:

- E.McLeod, Quality Assurance & Compliance Manager, RWS
- J.Walker, Operations Manager, Regional Water, RWS
- G.Henderson, Senior Operations Manager, OCWA

FINDINGS

The following is a summary of the findings including non-compliance issues and opportunities for improvement for the EAPWSS.

Definitions

- A non-compliance (NC) is a non-fulfilment of a regulatory requirement.
- An opportunity for improvement (OFI) describes a regulatory requirement that can be more effectively addressed.

Non-Compliances

None identified.

Opportunities for Improvement (OFI)

OFI#1 - Water Supply Agreement – Section 2.4 (Temporary Shutdown)

- For temporary shutdowns a time reference could not be defined for 'reasonable notice', 'minimum duration' and 'substantial interruption or reduction'. Consideration should be given to define time references within a documented communications protocol / Standard Operating Procedure (SOP) for shutdowns.

OFI#2 - MDWL #048-101 (Schedule B) - Section 6.0 (Licence and DWWP Availability)

- Consider the need of a hard copy of the MDWL that is accessible for all persons involved in the operation of the drinking water system.

Appendix C: EMS Surveillance Audit - Intertek - SAI Global Limited (October 03 and 04, 2024)

[See Attachment]

Elgin Area Primary Water Supply System **AUDIT REPORT**

Surveillance 1

Report issued at 17:20 GMT on 08-Oct-2024

Elgin Area Primary Water Supply System **AUDIT REPORT**

Client ID#:	CMPY-163894
Client/Address:	Elgin Area Primary Water Supply System 43665 Dexter Line, Union, Ontario NLO 2L0, Canada Other 490 S. Edgeware Road, St. Thomas, Ontario, N5P 4N3, Canada
Audit Criteria:	ISO 14001:2015
Audit Activity:	Surveillance 1
Date(s) of Audit:	Union, Canada: 03-Oct-2024 to 04-Oct-2024
Auditor(s) (level):	Sandra Tavares (Lead Auditor, Union, Canada)
Scope of Audit and Scope of Certification:	Site: <i>Elgin Area Primary Water Supply System, Union, Ontario, Canada</i> ISO 14001:2015: Operation and maintenance of the facilities associated with the taking of raw water, subsequent treatment of this water and ultimately in the transmission and storage of potable drinking water within the boundaries of the Elgin Area Primary Water Supply System (Water Treatment Plant, Fruitridge Surge Facility, and Terminal Reservoir/Valvehouse).

OVERALL RESULT:

No Action Required

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

EXECUTIVE SUMMARY

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

Refer to SWOT and Opportunities for Improvement for more details.

Elgin Area Primary Water Supply System **AUDIT REPORT**

SWOT ANALYSIS

Strengths	Level of Engagement, buy in and continual improvement is a model for other organizations.
Weaknesses	Refer to Opportunities for Improvement, specifically related to 7.3 Awareness and 8.1 Operational planning and control related to Contractor Management.
Opportunities	Refer to remaining Opportunities for Improvement.
Threats	Refer to 'Weaknesses' above.

INTERTEK MATURITY MODEL

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

Management

Outstanding

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

Auditor Comments:

As per EA-ADMIN-900 (v.3.0, 17-Jan-2019), an annual Management Review evaluates the continuing suitability, adequacy, and effectiveness of the EMS although these are held more frequently (generally quarterly; increased frequency may be the result of changes in legislation, changing circumstances, or at the request of Top Management. Corrective actions identified during Management Review are tracked in accordance with EA-ADMIN-400, on the EAPWSS Corrective Action Spreadsheet. Minutes / records are located in SharePoint. Top Management (i.e., RWS Director and OCWA Regional Manager as per EA-ADMIN-100 [V11.0, 5-Sep-2023]) confirmed that the EMS continues to be suitable, adequate, and effective and Status of Environmental Objectives & Targets discussed at the Sep-2024 meeting.

Top Management has ensured the responsibilities and authorities for relevant roles are assigned and communicated within the organization via procedures and training. Top Management has assigned the responsibility and authority to an EMS Representative (via the Safety and Process Compliance [SPC] Manager) for:

- ensuring that the EMS conforms to ISO 14001:2015 requirements; and
- reporting on the performance of the EMS, including environmental performance, to Top Management.

The Policy (approved and signed 1-Jun-2023) is maintained (signed by RWS Director and new OCWA Regional Manager), communicated within the organization and available to interested parties via <https://huronelginwater.ca/about-us/management-systems/>.

Internal Audits

Mature

Internal audits are being performed at planned intervals and are based on status and importance of the Management System. Data is being collected analyzed and reviewed by senior management on a regular basis. There exists a link between the internal audit results and the overall health of the Management System. Audit teams are trained, impartial and objective in their approach. Audit reports are clear, concise and supported with applicable correction actions. Management is involved in the corrective action process ensuring timely implementation and overall effectiveness of resolution.

Auditor Comments:

Internal Audit is described within EA-ADMIN-1200 (v.5.0, 5-Sep-2023) with EMS audits performed at least once per

Elgin Area Primary Water Supply System **AUDIT REPORT**

year, lastly 22/24-Apr-2024 internally with no nonconformities and 13 Opportunities for Improvement. Audit findings are tracked through the CAF spreadsheet (1 OFI is open).

Corrective Action

Mature

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

Auditor Comments:

Nonconformity and OFIs are identified and initiated following the Corrective & Preventive Action Procedure EA-ADMIN-400 (V.4.0, 13-Nov-2019) which references the use of the Corrective & Preventive Action (CAF) Tracking Spreadsheet and also tracks:

- Management Review action items (none open),
- Compliance audit (sole N/C overdue 30-Sep-2024)
- 2024 Internal audit (13 OFIs with 1 open and 3 from 2023 (e.g. training form not yet obsolete and other from external audit))

All actions taken are to be reviewed for effectiveness through a 90-day check process. Since EMS inception, actions are at a 99% closure rate with 2022 at 100% and 2023 at 94%, the only full year not at 100%.

Continuous Improvement

Mature

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

Auditor Comments:

EA-ADMIN-1500 (V5.0, 5-Sep-2023) describes the Objectives, Targets & Programs process which includes the use of Environmental Management Program Form (EF-ADMIN-1500) for 2 Objectives (1-Jan-2023 through 31-Dec-2027 coincides with OCWA's contract start and end dates) most recently discussed at the 11-Jun-2024 Management Review (where the EMS was confirmed as suitable, adequate and effective) and reviewed with the RWS Compliance Manager:

- Reducing the demand on electrical generation through conservation and displacement with a continuing electricity target of 640kwh/ML based on 2-Mar-2023 Board Report analysis (637.6 in 2023 and 630.1 YTD2024).
- Reducing the use of chemicals in production of potable water <80kg/ML with target not lowered for 2023-2027 as a result ending up slightly above target (77.8 in 2023 and 80.3 YTD2024); zeta potential meter to charge water is to be investigated for optimal alum dosing.

Operational Control

Mature

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

Elgin Area Primary Water Supply System **AUDIT REPORT**

evidence of significant improvement trends. Some evidence linking to some key business factors.

Auditor Comments:

EA-ADMIN-1900 (V8.0, 5-Sep-2023) documents a summary of the OA's infrastructure maintenance, including preventative, unscheduled or upset, and rehabilitation, and renewal programs for the Subject System. The Senior Operations Manager has the overall responsibility for managing maintenance and is responsible for reviewing a summary of activities, including open, closed, and overdue Work Orders, and communicating this information at monthly operation meetings and Management Reviews. The Computerized Maintenance Management System (CMMS, Maximo) is to be used and data inputted by Operators. Generator Form EF-PROC-1800 (V4.0) was completed 10-Aug- through 28-Sep- with Cummins testing monthly 10-Jan- through 11-Sep-2024. Refer to OFI.

Resources

Mature

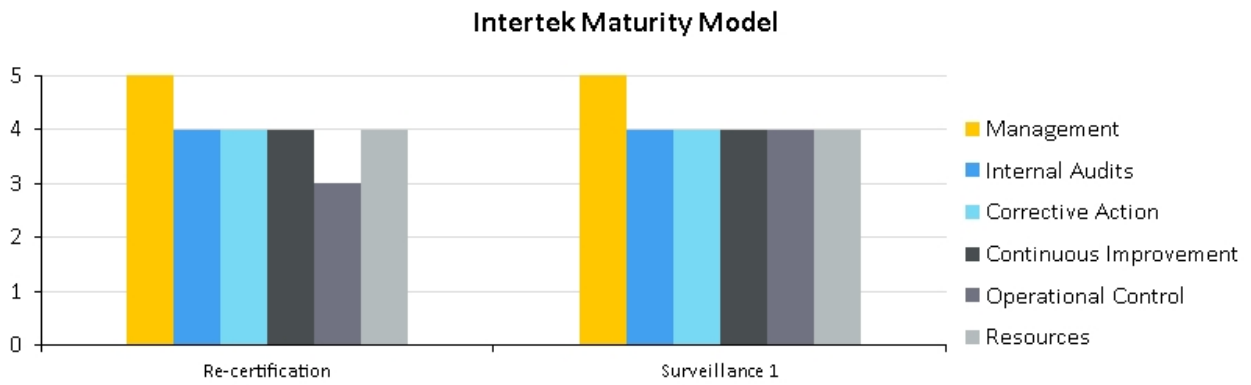
Resources required for the effective maintenance and improvement of the management system have been defined and deployed. Improvements have been noted in areas such as customer and/or interested party satisfaction, continual improvement, process variation. Levels of competency have been defined and documented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

Auditor Comments:

Refer to 'Maturity Level for Management' for resource discussions.

EA-ADMIN-1400 (V9.0, 11-Sep-2023), lastly revised to remove reference to EF-ADMIN-1400 Internal Training Matrix (listed courses and frequency whereas current matrix observed includes Operator names and dates), also addresses Environmental Compliance 101 every 3 years (both new employees M. Colbridge and Taylor completed), Orientation which is to be delivered to new employees (M. Colbridge Aug-2023), with refresher training to be provided approximately every 2 years thereafter and includes Emergency Management & associated procedures (refer to OFI). Activities to develop and/or maintain competencies are documented. As per the CAF Tracking Sheet, the remaining 2023 OFI was verified to be incomplete.

Elgin Area Primary Water Supply System **AUDIT REPORT**



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

FINDING SUMMARY

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

STATUS OF PREVIOUS AUDIT FINDINGS

Follow-up on findings issued at previous audit:

Prior assessment resulted in no non conformities.

Elgin Area Primary Water Supply System **AUDIT REPORT**

EVIDENCE SUMMARY

The state of the management system is summarized below:

Process for Monitoring and Maintaining Compliance with Legal and Other Requirements

A compliance audit was conducted resulting in a nonconformity which is overdue from 30-Sep-2024 as per CAF tracking. The Legal Register (V22.0, 10/1/2024 identifies Transportation of Dangerous Goods (TDG) as a recent amendment, discussed 14-Dec-2023 as part of Management Review.

Assessment of Implementation related to Significant Environmental Aspects

Significant Environmental Aspects appear to be well managed.

Aspects & Impact Assessment (V18.0, 7/9/2024) recently updated to add oil grit separator (i.e., stormceptor identified as part of internal audit, maintenance completed 2-Aug-2023 as per Minotaur Inspection 10820037) also addresses:

- Non-Hazardous Waste Solids (non-recyclables such as Filter media, fiber and foam filters) and Recyclables (paper, plastic, cans, scrap metals), water (septic tank and oil/grease separator, dewatered residuals to landfill as per EA-PROC-2700 Sludge Dewatering Disposal (V4.0, 12/30/2019); Hazardous (oil, batteries, and City of London's W12A Landfill destination confirmed with Senior Operations Manager); RMF Solids Removal Tracking Form EF-PROC-2700 V3 completed and less loads since 2022 due to low turbidity (trend), EA-PROC-200 Waste Manifest Completion (V8.0, 4/23/2024 to reflect RPRA difference in % waste received); no haz waste disposal in 2024, 90-day storage completed 2022/11/03 for Waste Class 252L) and EA-PROC-100 Storage, Handling & Disposal of Hazardous & Liquid Industrial Wastes (V10.0, 29/07/2024 to reflect internal audit finding for confirmation of disposal as a result of project management and storage of 90-days) applies to waste oil, old batteries, lamps, filter bed material and chemicals. Hardcopy Waste Manifests are still retained for 2 years in Operations & Compliance Team Lead Office in binder (2023 disposal). Waste Oil Log Form EF-PROC-100A V2.0 was last completed 30-May-2024.
- Energy identifies Electricity Consumption as a contributor to operating process equipment (e.g., pumps) and Lighting and Heating with Natural Gas Consumption fueling boilers, dehumidifiers and heaters, and fuel consumption associated with backup generators and vehicles; oil consumption is associated with process equipment (pumps) & transformers; Operational controls are in place via EA-ADMIN-2100 (Electricity Use, V3.0, 12/21/2018) and Energy Conservation and Demand Management Plan last completed 2024 as per RWS website
- Water Consumption via water taking is captured via SCADA and Water Conservation (i.e., optimization of service/process and non-revenue water related to backwash and other needs is 2-3% in previous years (backwash and filter rebuilds contributed to an increase of nearly 6% from nearly -6% in 2021, reviewed annually for Ministry Inspection) and is addressed for customers / consumers at <https://huroneiginwater.ca/consumer-resources/water-conservation/>) with process water decrease with less drain flushes to the lake now quarterly at 1%.

Conclusions regarding the audit of Mandatory Requirements

Refer to 'Process for Monitoring and Maintaining Compliance with Legal and Other Requirements' above.

Elgin Area Primary Water Supply System **AUDIT REPORT**

Identified opportunities for improvement

7.3 Awareness - There is an opportunity to:

i) within the Training Matrix:

- a. identify completion timeframe for New Employee Facility Environmental (e.g., Spills) and Fire Safety Plans training.
- b. reflect quarterly emergency training and exercise.
- c. identify mandatory training (e.g., 'Electrical Hands On Training Checklist') and associated frequency (e.g., Acute Spill Response every 3 years).

ii) identify significant aspects within the EMS / QMS Orientation Training.

8.1 Operational planning and control (Contractor Management) - In preparation for the MRI OnLocation software, there is an opportunity to add applicable certification expiries (e.g., insurance [not observed for Stantec and GEI), licensing [Transportation of Dangerous Goods], EMS / QMS Review completion) and, in relation to EA-ADMIN-1700 contractor rules, chemical approval and spill reporting associated with all contractors (e.g., Synergy, Minotaur, JCI and Cummins not on the Contractor Spreadsheet).

8.1 Operational planning and control (Maintenance) - There is an opportunity to review 6-month shoreline erosion preventive maintenance 6102.

9.1.2 Evaluation of compliance - There is an opportunity to:

- i) review Evaluation of Compliance frequency (e.g., 3-5 years based on risk).
- ii) ensure record traceability (e.g., name and date on EA-ADMIN-600 Environmental Compliance Checklist completion).

Conclusions regarding risk assessment/risk treatment processes

The risk assessment process appears to be effective and meeting requirements.

The processes to manage change include EA-ADMIN-2300 New Projects (Feb-2021) and -700 (2019) Changes in the Elgin System address risk. Management of Change Checklist EF-ADMIN-700 is to be completed for capital projects with action items entered into CAF Tracking (no open items). The following projects were reviewed:

- Generator major capital project (OCWA) EF-ADMIN-700 completed 9-May-2024 .
- Filter 3 (completed Sep-2024) leak OCWA major maintenance project (completed with Filter 2 Sep-2023 EF-ADMIN-700 9-May-2024) as per EF-ADMIN-2301 (V6.0, 3-Mar-2023) completed 30-Jun-2023 for both filters (media TCLIP completed Sep- and Nov-2023 determine disposal observed)
- EA4137 Low Lift Service Water Connection project (RWS) EF-ADMIN-700 EA4137 (PRV maintenance not yet in Maximo) completed 16/11/2023 EF-ADMIN-2700 (no asbestos, no need to contact Conservation Authority as outside the boundaries)
- UV upgrade (RWS project) in detailed design phase nearly completed with tender document 19-Oct-2024 and to award at Dec-2024 Board meeting with construction Dec-2024 or Jan-2025 with approval document from MECP Schedule C Amendment with equipment pre-purchased and now onsite
- 4 RWS projects to be initiated involve EMPS HVAC and boilers and electrical upgrade (on hold) as well as asphalt resurfacing (on hold until UV and backwash upgrade is complete) as per SharePoint project microsities (RMF mixing

Elgin Area Primary Water Supply System **AUDIT REPORT**

minor project, Master Water and Quality Facility Plans [both studies] and awaiting recommendations)

Conclusions regarding context of the organization

External and internal issues (e.g. aging infrastructure, water demand and tie into the Master Water Plan, City of London Water Supply Agreement, external project delivery consultants risk) were discussed as part of the 16-Sep-2024 Management Review with an increase in taste and odor customer complaints Nov/Dec-2023 and unknown cause (similar issues typically occur within the Sep/Oct timeframe. Interested Parties discussions included the Source Protection Committee and climate change adaptation. Additional issues revolved around the addition of Regional Water Supply (RWS) Procurement personnel resources due to reliance on City of London and associated weeks - months project delays.

Additional information/unresolved issues

N/A

Communication/Changes during the visit (if applicable)

Refer to 'Other Changes' above.

References to appendices:

Audit plan

Have all shifts been audited:

Yes

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

Yes

Have there been any changes to Scope?

No

Have there been any changes to Headcount?

No

Have there been any Address Changes?

No

Have there been any Sites Added / Removed?

Elgin Area Primary Water Supply System **AUDIT REPORT**

No

Have there been any Other Changes?

Yes

Denny Rodrigues replaces Allison McCann as the contact until latter position is filled.

Elgin Area Primary Water Supply System **AUDIT REPORT**

LEAD AUDITOR RECOMMENDATION

Lead Auditor's Recommendation for ISO 14001:2015

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

OTHER OR ADDITIONAL LEAD AUDITOR RECOMMENDATION

Not Applicable (N/A)

CLIENT ACKNOWLEDGEMENT

Client Representative Name and Mailing	Denny Rodrigues, OCWA Senior Operations Manager
Address:	71155 Bluewater Highway, Grand Bend, Ontario N0M 1T0, Canada
Acknowledged By:	Denny Rodrigues, OCWA Senior Operations Manager

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

This report and all its content is confidential and remains the property of Intertek.
Report issued at 17:20 GMT on 08-Oct-2024

**Appendix D: Compliance Audit Summary Report -
Watermain Disinfection Procedure, Noise Control By-Law No.
212, EAPWSS Board of Management Access Plans, Ontario
Building Code Regulation 332/12, Building Code Act
(December 02-13, 2024)**

Audit Purpose

The purpose of the audit was to verify compliance with relevant environmental legislation and other compliance obligations at the Elgin Area Primary Water Supply System (EAPWSS). Internal audits ensure the progress and activity of

the Environmental Management System (EMS) is tracked.

Auditor Qualifications

Jennifer Levitt has completed an ISO 14001:2015 Internal Auditor training course and an Environmental Compliance 101 course and is deemed competent to complete environmental compliance auditing (see Certificate in Appendix A).

Methodology

The internal audit was conducted as outlined in Procedure EA-ADMIN-1600 (Compliance) as detailed in the EMS Manual. The audit was comprised of a desktop environmental compliance review of the EAPWSS and therefore an opening/closing meeting was not required (refer to Section 3.4.2 of EA-ADMIN-1600). An audit plan was issued November 28, 2024. The audit checklist was generated using the Environmental Compliance Internal Audit checklist (EF-ADMIN-1600) which is attached as Appendix B of this report.

The audit was limited to the operation of the water supply system by the contracted Operating Authority, Ontario Clean Water Agency (OCWA), since the last Internal Audits conducted March 26, 2021.

Operational documents and records maintained by RWS and the Operating Authority for the period March 26, 2021 through December 13, 2024 were reviewed in conjunction with this compliance evaluation.

Note:

The audit was conducted through a review of a sampling of documents, limited interviews and observations by the auditor to demonstrate compliance obligations are being met as outlined in the EMS. The review and audit should not be construed as a complete and comprehensive review of all aspects and all documents.

Checklist Criteria

The following items had criteria in the Environmental Compliance Internal Audit checklist:

- Watermain Disinfection Procedure
- Noise Control By-Law No. 212
- EAPWSS Board of Management - Access Plans
- Building Code O.Reg. 332/12
- Building Code Act and Regulation

Interviews Conducted

- M.MacKenzie - Process & Compliance Technician, OCWA
- J.Walker - Operations Manager, RWS

FINDINGS

The following is a summary of the findings including non-compliance issues and opportunities for improvement for the EAPWSS.

Definitions

- A non-compliance (NC) is a non-fulfilment of a regulatory requirement.
- An opportunity for improvement (OFI) describes a regulatory requirement that can be more effectively addressed.

Non-Compliances

None identified.

Opportunities for Improvement (OFI)

OFI#1 (Watermain Disinfection Procedure) - Adequate flushing details were not provided within the EF-PROC-2400 Watermain Repair Disinfection Form (e.g. dechlorination pucks were used but not documented in the form, or flushing was completed as part of another project but not documented in the form).

OFI#2 (Access Plans) - There is an opportunity to provide payment to D.Denniss for two access of property occurrences in 2023 related to chamber preventative maintenance.

Board of Management Report

Subject: Quarterly Operating Financial Status – 4th Quarter 2024

Overview:

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

Recommendation

That the Board of Management for the Elgin Area Water Supply System receive this report regarding the Operating Financial Status Report for the period of October 1 to December 31, 2024, noting that this report is unaudited and subject to adjustments including the preparation of the financial statements and completion of the annual audit.

Previous and Related Reports

June 6, 2024	Quarterly Operating Financial Status – 1 st Quarter 2024
October 3, 2024	Quarterly Operating Financial Status – 2 nd Quarter 2024
December 5, 2024	Quarterly Operating Financial Status – 3 rd Quarter 2024

Background

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

A high-level summary of incurred expenses and revenues for the water supply system is attached to this report as Appendix A for the fourth quarter 2024 (October 1 to December 31) as well as a comparative accumulation of expensed for the year to date.

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

Discussion

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

- Contracted Operating Services in the summary report reflects the total direct operating costs of the contracted operation of the water treatment and transmission system, as well as other related contracted services. The total accumulated operating costs over the year (unaudited) is higher than the same period in 2023 and is reflective of contractual increases in service agreements with the operating authority and other contracted services.
- Contracted Administrative Services in the summary report reflects the fees paid to the City of London. The costs have increased but are being renegotiated.
- Electricity expenditures include the purchase of energy and related energy management service charges for the water system. The water system is currently tracking approximately \$87,000 higher than the previous year. This can partially be attributed to the increased volume of water sold.
- Salaries, wages, and benefits expenditures include all direct labour costs for administrative staff including benefits. Variations over the same period in 2023 are attributed to annual salary adjustments, and new staff hired.
- Administration and Other Expenses relates to various overhead operating expenses, including subscriptions and memberships, office supplies and property taxes. The expenses are higher than the same period in 2023 mainly due to an increase in property taxes and higher rent due to increased office space.
- Vehicles and Equipment expenditures include costs associated with vehicles, computers, and office equipment for administrative staff. The increase from 2023 is due an increase in the computer contracted service costs. Instrumentation costs were moved from the capital budget to the operating budget.
- Purchased Services and Professional Fees largely relates to allowances for ad hoc professional consulting and legal services, office lease, telephone charges, network and SCADA maintenance, printing services, and pipeline locate costs. The increased cost when compared to the same period in 2023 is attributed to increase in insurance costs and a special drain assessment.
- Debt Principal and Interest payments occur twice per year; in the first and third quarter.

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

Prepared by: Archana Gagnier
Budget and Finance Analyst

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

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

Attachments: Operating Financial Status Summary – 4th Quarter 2024

Quarterly Financial Summary Report

Elgin Area Water Supply system

4th Quarter 2024 (October 1 to December 31)

(\$,000's)

	Approved 2024 Budget	Q4 - 2024	2024 Year to Date	Year To Date Variance	2023 Year To Date
Total Revenue	16,218	4,575	16,360	(142)	15,512
<u>Expenditures:</u>					
Contracted Operating Services	5,167	1,474	5,395	(228)	5,213
Contracted Administrative Services	176	47	189	(13)	171
Electricity	1,075	372	1,041	34	954
Salaries, Wages, Benefits	1,247	414	1,211	36	1,050
Administration and Other Expenditures	598	42	580	18	537
Vehicles and Equipment	238	53	227	11	64
Purchased Services & Professional Fees	943	186	976	(33)	970
Debt Principle Payments	1,209	8	1,209	0	1,184
Interest on Long-Term Debt	85	(9)	85	0	132
Contributions to Reserve Funds	5,480	5,249	5,447	33	5,237
Total Expenditures	16,218	7,836	16,360	(142)	15,512

Board of Management Report

Subject: Capital Status Report

Overview:

- This report shows the status of all capital projects for the current fiscal year.
- Three capital projects are recommended to be closed with surplus funding in the approximate amount of **\$167,243** recommended to be released to the Reserve Funds.

Recommendation

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

- a) The Board **CLOSE** projects **EA4132** Alum Storage Tanks, **EA4189** RMF Mixing Pump Replacement and **EA4190** RMF Total Chlorine Residual, with surplus funding in the approximate amount of **\$167,243** released to the Reserve Funds.
- b) The Board **RECEIVE** this report for information.

Previous and Related Reports

October 3, 2024, Capital Status Report

Background

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

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

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

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

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

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

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

Discussion

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

1. Ongoing Capital Projects

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
EA2019-24	Master Water Plan Update	\$225,000	\$41,919	Ongoing
EA3010	IT Asset Replacement Program	\$471,000	\$293,139	Ongoing
EA3017	Exterior WTP Building Seals	\$60,000	\$45,176	Ongoing
EA3018	Cyber Intrusion Detection System	\$10,000	\$0	Ongoing

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
EA3025	EMPS HVAC Replacement	\$1,025,000	\$0	On hold
EA4022	Security Upgrades	\$1,025,000	\$816,303	Ongoing
EA4039	Record Drawings & Documents	\$255,000	\$178,225	Ongoing
EA4114-23	Annual Maintenance (2023)	\$100,000	\$30,357	Ongoing
EA4114-24	Annual Maintenance (2024)	\$100,000	\$44,580	Ongoing
EA4129	Server Room Fire Suppression	\$30,000	\$3,836	Ongoing
EA4135	Hydraulic/Transient Model Update & Monitoring Study	\$237,000	\$82,123	Ongoing
EA4137	Low Lift Service Water Connection	\$750,000	\$701,940	Warranty period
EA4138	Parking Lot Asphalt Resurfacing	\$125,000	\$10,430	On hold
EA4152	PLC Replacements	\$40,000	\$29,437	Ongoing
EA4153	Backwash Pump Replacement	\$3,859,000	\$1,019,930	Ongoing
EA4166	SCADA/PLC – Software Review and Upgrade	\$500,000	\$428,635	Ongoing
EA4172	Dedicated Raw Water Sample Line	\$90,000	\$9,080	Ongoing
EA4175	Pilot – Unchlorinated Filtration	\$25,000	\$0	On hold
EA4176	Plant Drain Chlorine Sample Line	\$80,000	\$60,741	Ongoing
EA4177	Railings and guarding	\$350,000	\$338,892	Warranty period
EA4180	Filter Capacity Evaluation	\$37,000	\$554	On hold
EA4183	UV Replacement	\$9,109,360	\$1,043,672	Ongoing

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
EA4184	Water Quality Facility Plan	\$290,000	\$149,377	Ongoing
EA4186	Sodium Hydroxide Assessment Study	\$130,000	\$58,141	Ongoing
EA4191	Roof Drain Replacements	\$75,000	\$65,455	Ongoing
EA4193	Standby Generator TSSA	\$290,000	\$248,313	Warranty period
EA4194	Asset Condition Field Assessment	\$135,000	\$71,162	Ongoing
EA4195	Electric Vehicle Charging Stations	\$60,000	\$0	On hold
EA4196	St. Thomas Meter Replacement	\$150,000	\$48,532	On hold
EA4198	Elgin Filter Emergency Repairs	\$979,027	\$979,027	Warranty period
EA4199	Office Expansion	\$100,000	\$80,122	Warranty period
EA4200	Service Water Study	\$120,000	\$0	Ongoing
EA4201	Climate Change Resiliency Assessment	\$120,000	\$17,973	Ongoing
EA4202	Low Lift Sluice Gate	\$350,000	\$0	Ongoing
EA4203	EMPS – Asset Management Plan Update	\$140,000	\$7,154	Ongoing
EA4222	Elgin Terminal Reservoir	\$100,000		Ongoing
TOTAL		\$21,542,387	\$6,904,225	

2.a) Completed Projects – Release Surplus to Reserve Funds \$167,243

PROJECT NO.	PROJECT	APPROVED BUDGET	EXPENDED TO DATE *	STATUS
EA4132	Alum Storage Tanks	\$825,000	\$725,412	Completed
EA4189	RMF Mixing Pump Replacement	\$100,000	\$82,345	Completed
EA4190	RMF Chlorine Residual	\$50,000	\$0	Completed
TOTAL		\$975,000	\$807,757	

2.b) Completed Projects – Reduce Authorized Debt

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

3. Completed Projects – Additional Funding Required

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

* Expended as of December 31, 2024

Market Conditions

With the recent election cycle in the United States, and subsequent discussions related to potential tariffs, the markets are seeing significant upheaval and risk-based pricing has become more apparent in recent procurements. Equipment and materials procured from suppliers for the United States may be affected by countervailing tariffs imposed by Canada, as well as consequential input cost increases on raw materials exported from Canada to the USA which are used in the manufacture of equipment, materials and consumables.

These market conditions are causing significant pressures on procurement processes, particularly for longer-term construction projects are likely to impact total costs of the capital initiative. The budgets for these projects were established largely based on market conditions and projections prior to the more recent economic conditions. As such, it is important for the Board to be aware of the potential need for special meetings of the Board of Management to ensure the timely award of contracts and, potentially, increases to the approved capital budgets. While staff are taking all reasonable steps possible to contain costs and minimize the impacts of risk-based pricing, it is likely given the number of projects that the regional water system is undertaking that conditions will prevail whereby Board approval is explicitly required pursuant to the Procurement of Goods and Services and Disposal of Assets By-law.

Prepared by: Archana Gagnier
Budget and Finance Analyst

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

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

Board of Management Report

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

Overview:

- The annual Ministry inspection indicated that all legislative requirements were not met during the inspection period.
- The final inspection report identified one (1) non-compliance, resulting in a final inspection rating of 95.52%.
- Corrective actions to address the non-compliance have been completed.

Recommendation

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

Background

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

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

Discussion

Inspection Findings

The MECP conducted an announced "focused" physical inspection of the EAPWSS on September 26, 2024. The final inspection report was issued by the MECP on January 7, 2025. The inspection covered the period from January 1, 2024, through August 31, 2024.

The final inspection report issued by the MECP contained an inspection rating of 95.52% for the inspection period. There was one (1) non-compliance identified by the Ministry Inspector. The non-compliance was related to the “Reporting and Corrective Actions” section of the inspection checklist.

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

The non-compliance relates to a January 27, 2024, event where a disinfection related alarm was generated by the Supervisory Control and Data Acquisition (SCADA) system, however there was no evidence of action being taken and no corresponding logbook entry to document the event. The event was discovered by the operating authority on January 29, 2024, and reported to the Ministry at that time. Eventually upon further review the event was deemed to be non-reportable. There had been no disinfection related non-compliance as it was determined that the alarm had been triggered by limitations and conservative programming within the SCADA system. It is important to note that no improperly disinfected water was directed to users during this event. However, from the Ministry’s perspective appropriate action and documentation of the event was still required.

After the conclusion of the event, the operating authority completed a corrective action form which included root cause analysis. A new Standard Operating Procedure (SOP) was created, in relation to daily disinfection review and interpretation of the data. Reporting improvements have since been made to the daily SCADA report that the operator’s review nightly, with planned implementation in February 2025. During the upcoming UV and disinfection upgrade project, further improvements will be made to the disinfection calculator and reporting tools. The Inspector was satisfied that the operating authority has implemented temporary procedures to address the issue, until further upgrades take place. There is no specific corrective action required other than the operating authority is to ensure that all alarms are responded to and properly documented, with compliance being assessed during the next inspection.

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

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

Risk Rating

The MECP applies a risk rating methodology to establish an annual inspection rating. Any non-compliance identified in the inspection report is evaluated based on the potential to compromise the delivery of safe drinking water to the public. For example, a “failure to document” may have a relatively low risk to the consumer, whereas a “failure to disinfect” would have a relatively high risk. The primary goal of this type of assessment is to encourage ongoing improvement and to establish a way to measure improvement, which is weighted by the severity of the risk. A low inspection rating does not necessarily mean that drinking water is unsafe, but rather it is an indication of the degree to which there is room for improvement with respect to a drinking water system’s operation and related administrative activities.

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

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

Inspection Year	Final Inspection Rating	# of Non-compliances	Type of Inspection	Operating Authority
2020-2021	100.00%	0	Focused	OCWA
2021-2022	100.00%	0	Focused	OCWA
2022-2023	97.01%	1	Focused	OCWA
2023-2024	100.00%	0	Detailed	OCWA
2024-2025	95.52%	1	Focused	OCWA

Correspondence and Communications

Prior to issuing the final inspection report, the Ministry Inspector issued a draft copy to the operating authority, providing the opportunity to comment or request clarification on the findings. The operating authority provided Board staff with a copy of the draft report for review and comment. Board staff requested a minor wording change for the non-compliance, which was addressed in the final inspection report.

The non-compliance is scheduled to be discussed at the March 27, 2025, Management Review meeting between top management and staff. The discussion will include additional root cause analysis of the non-compliance. Further internal action items may be assigned to prevent reoccurrence. Any subsequent action items identified will be added to the water system’s corrective action tracking system. Board staff monitor and

track the status of corrective action items through its Environmental Management System (EMS) and Quality Management System (QMS).

Conclusion

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

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

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

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

Attachment: [Appendix A](#) – Non-Compliance Summary

Appendix A: Non-compliance Summary

Non-compliance #1

Question ID: DWMR1108001

Question Type: Legislative

Legislative Requirement(s): SDWA | O. Reg. 170/03 | 6-5 | (1)5-10; SDWA | O. Reg. 170/03 | 6-5 | (1.1);

Question: Where continuous monitoring equipment used for the monitoring of free chlorine residual, total chlorine residual, combined chlorine residual or turbidity, required by O. Reg. 170/03, Municipal Drinking Water Licence, Drinking Water Works Permit, or order triggered an alarm or an automatic shut-off, did a qualified person respond as required and take appropriate actions?

Compliance Response/Corrective Action(s):

Ontario Regulation 170/03 Schedule 6-5. (1) Stipulates that if a drinking water system uses continuous monitoring equipment for sampling and testing that is required under this Regulation, the system shall ensure that the following standards are met:

5. The continuous monitoring equipment must be designed and operated in accordance with the standards described in subsection (1.1) which states that the continuous monitoring equipment must cause an alarm to signal immediately at the following locations if the equipment malfunctions or loses power or a test result for a parameter is above the maximum alarm standard or below the minimum alarm standard as stated:
2. A person qualified to examine test results under paragraph 3 of subsection (1) must take appropriate action if the person is at the location where tests are conducted,
 - i. an alarm signals under paragraph 1,
 - ii. a record of a test result indicates that an alarm should have signaled under paragraph 1, or
 - iii. there is good reason to believe that the continuous monitoring equipment has malfunctioned or lost power.

According to documentation submitted for review, at approximately 03:18 on January 27, 2024, the operator received an alarm for improper disinfection from the Online CT Calculator. The alarm was acknowledged by the operator; however, they did not notify the ORO or investigate the legitimacy of the alarm nor was it properly documented in the logbooks. On January 29, 2024, the Daily CT Reports were reviewed by the Team Lead and the incident was eventually reported to the Ministry. It should be noted that an

internal investigation of the CT calculator was conducted, and the alarm was generated due to conservative programming and calculator limitations and therefore no improperly disinfected water directed to users. The Operating Authority has implemented temporary procedures until such time that the CT calculator can be updated during scheduled plant upgrades.

Corrective actions are found on pg. 16.

Corrective Actions:

From herein, the Owner/Operating Authority shall ensure that all alarms that are required as per Schedule 6-5 of O.Reg. 170/03 are promptly responded too, appropriately addressed and diligently documented. Compliance shall be assessed during next inspection period.

Board of Management Report

Subject: Registration of Board-Owned Property

Overview:

- Properties owned by the regional water system were not correctly registered with the Land Registry Office at the time of the Transfer Order issued by the Province of Ontario.
- The solicitor for the City of London has recommended that the incorrectly registered properties be registered to the City of London as bare trustee.

Recommendation

That, on the recommendation of the Chief Administrative Officer, the Board of Management for the Elgin Area Water Supply System consent and approve the corrections of the title ownership of lands owned by the regional water system, and authorize the registration of the properties in the name of “The Corporation of the City of London, as bare trustee and in its capacity as administering municipality for the Lake Huron Water Supply System”, or similar registration upon further consultation with the City of London’s solicitor and the Land Registry Office for Ontario.

Previous and Related Reports

None

Background

The Minister of the Environment issued Transfer Order “Elgin Area #W1/1998” on November 29, 2000, which, in part, established the Board of Management and transferred ownership of the Elgin Area Water Supply System to benefiting municipalities. Each municipality has an undivided interest in the regional water supply system and its assets as a tenant in common.

At the time of the transfer, solicitors for the City of London worked with solicitors of the Ministry of the Environment in preparing notifications and documentation necessary for the transfer of ownership, including the registrations of properties.

Discussion

There are five properties within the Municipality of Central Elgin and the City of St. Thomas that are owned by the regional water system:

- The water treatment plant located at 43665 Dexter Lind, Central Elgin
- The Fruit Ridge Surge Facility located at 43858 Fruit Ridge Line, Central Elgin
- Two empty lots located on the north and south side of Talbot Line (Highway #3), Central Elgin
- The Elgin Terminal Reservoir located at 490 South Edgeware Road, City of St. Thomas

All other infrastructure owned and operated by the regional water system are located within municipal rights-of-way or within easements that are registered on the respective privately owned lands.

In preparation for implementing process improvements related to tracking and addressing notifications received pursuant to the Construction Lien Act, 1990, and ensure ongoing compliance with recent amendments, Board staff discovered that most of the properties were not correctly registered at the time of the transfer in 2000. The water treatment plant property continues to appear under the ownership of the Ontario Water Resources Commission, the provincial agency responsible for the original construction of the water supply system on behalf of the Province of Ontario, while the remaining properties are registered to the Municipality of Central Elgin.

In consultation with the City Solicitors office of the City of London, it is proposed that the registered ownership and title of the properties be updated to properly reflect the ownership to the Elgin Area Water Supply System as originally intended. Given the unaffirmed legal status of the Board, the City of London's solicitor is recommending continuing to register the properties of the regional water system under the City of London in its designated capacity as Administering Municipality (per the Transfer Order) and as bare trustee.

Property Tax

Since the time of the transfer, the regional water system has made "payments in lieu of taxes" (property taxes) to the respective municipalities based on the respective tax rolls and property valuation assessments by the Municipal Property Assessment Corporation. With the proposed correction in registration of land title, there are no anticipated impacts to property tax obligations of the regional water system.

Easements

Given the extent of the infrastructure located within easements, staff continue to verify and validate the registrations of easements on the respective privately owned properties. To date, all easements appear to be correctly transferred and registered.

Delegated Powers and Duties

Pursuant to the Procurement of Goods and Services and Disposal of Assets Policy, Schedule B clause 9, the procurement of Legal Services is excluded from the procurement-related policy as deemed appropriate by the Director of Regional Water, with the concurrence of the Chief Administrative Officer, up to \$250,000.

Should the regional water system need the services of a solicitor independent of the City of London on these matters, the Director will direct staff to utilize a solicitor which has knowledge and experience on Board-related matters.

Conclusion

In order to correct the ownership registrations with the Land Registry Office, Board staff recommend continuing to work with the solicitors of the City of London to complete the ownership registrations as originally intended at the time the issuance of the Transfer Order in 2000.

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

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

Board of Management Report

Subject: Elgin Area Primary Water Supply System Master Plan – Update (EA2019-24)

Overview:

- As a condition of the provincial transfer order, issued under the Municipal Water and Sewage Systems Transfer Act, 1997, the EAPWSS is required to complete a Master Plan every five years to determine regional system needs over the short and long-term.
- The Master Plan follows the Master Planning process, outlined in the Municipal Engineers Association Municipal Class Environmental Assessment document (October 2000, as amended in 2007, 2011, 2015 and 2023).
- The Master Plan was awarded and initiated in spring 2024. A Master Plan is being undertaken for the Lake Huron Primary Water Supply System, in parallel with this assignment.

Recommendation

That the Board of Management for the Elgin Area Water Supply System **RECEIVE** this report for information.

Previous and Related Reports

June 4, 2020	EA2019 – Master Water Plan Update
October 13, 2023	2024 Operating and Capital Budgets
March 7, 2024	Elgin Area Primary Water Supply System Master Plan – Consultant Award (EA2019-24)

Background

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

The proposed 2025 Master Plan will be undertaken in accordance with the process for Master Planning outlined in the Municipal Engineers Association Municipal Class Environmental Assessment document (October 2000, as amended in 2007, 2011, 2015 and 2023).

As part of this assignment, regional water system needs will be assessed over a 20+ years planning period and considers growth and development potential within the region, and the consequential supply volumes required to support growth, in order to ensure level of service is maintained and/or enhanced to meet the needs of the municipalities. Since the last update of the EAPWSS Master Plan, the *More Homes Built Faster Act, 2022*, was released which has the potential to contribute to significant growth and development in the region. The review and evaluation of system needs will consider all regional water system infrastructure including but not limited to the treatment plant, transmission mains, intermediate facilities, and terminal storage.

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

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

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

Discussion

The EAPWSS Master Plan assignment was awarded to AECOM Canada ULC (AECOM) at the Board Meeting held on March 7, 2024, and was initiated in late spring 2024.

A Notice of Commencement for the EAPWSS Master Plan was issued in February 2025, and this project website will be used to provide updates:

<https://www.huronelginwater.ca/elgin-area-primary-water-supply-system-master-plan/>

Prior to issuing the Notice of Commencement, various activities have been undertaken to date including but not limited to:

- review of background information and supporting studies and initiatives;
- development of a project contact list;

- preparation of a problem/opportunity statement compliant with the Municipal Class Environmental Assessment process;
- survey of member municipalities regarding population projections and water demand projections over the next twenty years;
- consultation with First Nations and external municipalities and counties not currently supplied by the EAPWSS;
- review and confirmation of water demand projections for adoption in the Master Plan including the review of alternative solutions; and,
- confirmation of evaluation criteria to be adopted for the review of various alternatives.

One virtual Public Information Centre is planned for June 2025. Further updates regarding the EAPWSS Master Plan will be provided at future board meetings.

AECOM is currently targeting completion of the EAPWSS Master Plan in the fall of 2025.

Project Financial Status

EXPENDITURE	FORECAST	INCURRED
Master Plan	\$190,045	\$41,919
Design	\$0	\$0
Construction Administration	\$0	\$0
Construction	\$0	\$0
Other Fees and Charges	\$0	\$0
Total	\$0	\$0
Approved Budget	\$225,000	
Budget Surplus / Deficit	\$34,955	

Conclusion

The EAPWSS Master Plan will inform planning of future improvements for the utility. Progress has been made on the Master Plan, and it is anticipated to be completed in the fall of 2025. Board staff will continue to provide the Board with updates regarding the Master Plan.

Prepared by: Marcy McKillop, P.Eng.
Environmental Services Engineer

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

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