



Executive Committee Meeting

May 31, 2022

KCCA Administration Centre

9:00 a.m.

Audio/Video Recording Notice

“Board members, staff, guests and members of the public are reminded that the Full Authority Board/Committee meeting is being recorded, and will be posted to the Authority’s web site along with the official written minutes. As such, comments and opinions expressed may be published and any comments expressed by individual Board members, guests and the general public are their own, and do not, represent the opinions or comments of the Full Authority and/or the KCCA Board of Directors.

The recorded video of the Full Authority meeting is not considered the official record of that meeting. The official record of the Full Authority meeting shall consist solely of the Minutes approved by the Full Authority.”

Introductions and Declarations of Pecuniary Interest

Open Session

- a) Plan Input and Review Service Fees.....2
- b) KCCA Fee Policy and Fee Schedules.....6
- c) Joint Planning Service Agreement.....18

Closed Session - Confidential

- a) Personnel Matter – Salary and Pay Equity Review

TO: Executive Committee

FROM: Joe Gordon and Elizabeth VanHooren

Date: May 31, 2022

Subject: Plan Input and Review Service Fees



Recommendation: **THAT the Executive Committee supports the existing lump sum funding model through a special benefiting levy for Plan Input and Review services for natural hazards required under the Conservation Authorities Act.**

PURPOSE:

To seek direction from the Board of Directors on matters relating to Plan Input and Review Fees to assist with finalizing A Fee Policy in compliance with the Minister’s Fee Classes Policy and Section 21.2 of the *Conservation Authorities Act*.

SUMMARY:

- The Minister’s Fee Classes Policy that was released with the Conservation Authorities Act Phase 2 Regulations on April 22, 2022 states that each CA must publish a fee policy that lists the programs and services for which an authority charges a fee and the amount by January 1, 2023.
- KCCA’s current funding model for Plan Input and Review services required under the *Conservation Authorities Act* (CA Act) is a lump sum payment through a special benefiting levy. The lump sum planning levy of \$60,069.97 helps provide the base funding necessary to allocate a FTE position to the planning and regulations department. KCCA’s S.28 Regulation program charges fees based on a user-pay approach and collects a fee per application submission which helps to off-set the levy necessary to support the program
- In order to support the Minister’s Fee Classes Policy staff require confirmation on whether to continue with the current lump sum special benefiting levy for Plan Input and Review Services.

BACKGROUND:

Currently KCCA receives funds from its member municipalities through a special benefiting levy to assist with offsetting expenses in administering its Plan Input and Review services required under the *Conservation Authorities Act*.

Within the 2022 budget, the total special benefiting levy for plan input and review services was \$60,069.97 and is apportioned to each municipality based on prior evaluations of number of planning applications and staff time committed within an individual municipality.

The current funding model for planning services was developed in 1999 after significant provincial program cuts and the establishment of a provincial guide for “Policies and Procedures for the Charging of Conservation Authority Fees (MNR, March 1999)”

The 1999 staff report states that municipal staff were reluctant to raise municipal planning application fees and the additional costs that would be incurred in sorting out the revenue. There was support from municipal staff and council to develop a lump sum approach for required planning services. This funding approach was preferred by KCCA in order to sustain the planning services required under the *Conservation Authorities Act* recognizing the relatively minor nature of the total number of applications per municipality within the Kettle Creek watershed.

KCCA’s funding model for planning services differs from most Conservation Authorities in Southwestern Ontario whereby they are collecting planning service fees through a per application process like KCCA’s Section 28 Regulation program. In most instances, the municipality is collecting the CA fee on top of the municipal application fees and then being invoiced by the CA on a quarterly or annual basis for planning services rendered.

Under the per application fee model, some Conservation Authorities in southwestern Ontario are struggling with sustaining the program solely from application fees. As a result, additional revenue is still required from the municipal levy to offset the shortfall, or they have had to significantly increase application fees and develop a complex fee schedule of tiers on services requested.

KCCA staff believe that the current lump sum funding model is beneficial for both the Conservation Authority and the Municipality for the following reasons:

- Ability to sustain the planning services with regard to legislative requirements. KCCA’s planning services are a Mandatory Category 1 service and require a FTE to fulfill those requirements;
- Ability to better manage cost recovery for delivery of service;
- Avoids increased administrative tasks such as application tracking, pre-screening or invoicing for services;
- Minimizes application fee increases and manages unreasonable costs that may deter applicants from due process;
- Ability to provide a comprehensive service and increase capacity for natural hazard technical advisory services to municipalities when needed and/or requested.
- As the levy is apportioned by benefit it is fairly distributed to the municipalities with increased planning pressures in the Kettle Creek watershed; the apportionment can be adjusted as necessary

Ontario Regulation 402/22: Budget and Apportionment, allows CA's to apportion costs for all Category 1 (mandatory) programs and services. These costs can be apportioned by the Modified Current Value Assessment (MCVA) method or benefit-based apportionment method. CAs also need to demonstrate self-generated revenue to off-set operating costs and may strive for 100% full recovery for services not supported through provincial grant funding.

Eligible direct costs for the plan review and regulations program could include:

- Staff salary, training and overhead;
- Appropriate percentage of salary and overhead for staff/consultants that support the plan review and regulations function;
- Compliance costs;
- Office space, equipment, software and vehicle expenses;
- Legal expenses; and
- Maintenance and development of public resources and administration costs.

KCCA's annual average revenue from its Plan Review and S.28 Regulations program is approximately \$113,000 +/- which does not recover full costs in mandated services provided in consideration of eligible costs. Approximately 80% of the revenue is derived from municipal levy and 20% is derived from Section 28 Regulations permit fees.

The budget does not allocate the full staff salary and benefits of a FTE to this program area – rather the budget recognizes that this position also facilitates other mandatory program areas such as flood forecasting and general administration. Even with a portion of the FTE allocated to other department areas, the department has on average over the past 5 years operated with a deficit of approximately \$10,000. This shortfall is managed through surplus self-generated funds from the campgrounds.

A FTE position is required to sustain the mandatory requirements of Plan Input and Review Program and Section 28 Regulation. A FTE could not be sustained if a per application fee model was considered. In addition, a per application fee model could impact the current efficiencies and resources that are currently available to our member municipalities under the current funding model.

At this time staff would like to proceed with developing a comprehensive fee policy that meets the requirements of the Minister's Fee Policy. To facilitate these objectives staff are seeking confirmation from the Board of Directors that a special benefitting levy for planning services is still the preferred method so that this policy can be incorporated into the Draft Fee Policy.

If the lump sum fee model is supported by the Board an updated evaluation of adequate apportionment to each municipality for planning is required. Staff anticipate some municipalities may have substantial changes to their apportionment percentage based on more recent development activity within their municipality over the last 5 years. Re-evaluation of the

apportionment scale for planning services can be undertaken as part of the 2023 budget process.

Recommendation: THAT the Executive Committee supports the existing lump sum funding model through a benefiting special levy for Plan Input and Review services required under the Conservation Authorities Act.

TO: Executive Committee

FROM: Elizabeth VanHooren, Joe Gordon and Betsy McClure

Date: May 31, 2022

Subject: KCCA Fee Policy and Fee Schedules



Recommendation: That the Executive Committee recommend the Draft Fee Policy be presented at the June 15, 2022 Full Authority meeting for consideration.

PURPOSE:

To seek approval to present the proposed Fee Policy and Fee Schedules for consideration by the KCCA Full Authority to bring KCCA into compliance with recent changes to the *Conservation Authorities Act*.

SUMMARY:

- The Province released the *Conservation Authorities Act* Phase 2 regulations on April 22, 2022.
- The Minister’s Fee Classes Policy was part of the Phase 2 Regulations and stipulates that a fee policy which includes a fee schedule that lists the programs and services which an authority charges a fee and the amount to be charged must be developed by January 1, 2023.
- Using a previously released Conservation Ontario Guide for fee administration related to Plan Review and Permitting, staff have developed a Fee Policy and Fee Schedule that meets the requirements of the Minister’s Fee Classes Policy and the *Conservation Authorities Act*.
- The policy is presented based on current authority practices including using a special benefiting levy for planning services and a partial cost recovery for Section 28 permitting.
- Updated fee schedules for the 2023 operating year would be presented at future Full Authority meetings in keeping with the proposed policy.
- In general, the policy is developed on the following principles:
 - Administration of the charging of fees in a transparent and accountable manner
 - Inclusion of a fee schedule that lists the programs and services for which a fee may apply
 - Public notification and frequency of policy review
 - Procedure for Reconsideration of fees
 - User Pay Principle
- Staff are looking for feedback from the Executive Committee to be incorporated into a final draft policy to be presented at the June Full Authority meeting for review and approval.

Recommendation: That the Executive Committee recommend the Draft Fee Policy be presented at the June 15, 2022 Full Authority meeting for consideration.



Kettle Creek
Conservation Authority

FEE POLICY and Fee Schedules

Approved by the Kettle Creek Conservation Authority Board of Directors on <<DATE>>

FEE POLICY

Basis

This Fee Policy has been prepared to satisfy the requirement for a policy regarding the charging of fees for a program or service and to document the principles and practices regarding fees charged under Section 21.2 of the *Conservation Authorities Act*.

The Minister may determine classes of programs and services in respect of which an authority may charge a fee. The amount of a fee charged by an authority for a program or service it provides shall be,

- a) the amount prescribed by the regulations; or
- b) if no amount is prescribed, the amount determined by the authority.

This policy used the Minister's Fee Classes Policy (April 2022) as a reference.

The attached Fee Schedules are based on the user-pay principle. The fees and revenues generated are designed to assist with recovering the costs associated with administering and delivering the services on a program basis.

Process

When developing and establishing fees, the Authority also considers the fees of CAs offering the same level of service and technical advice, the fees set by neighbouring Conservation Authorities, and fees charged by member municipalities and local agencies.

Fees account for estimated staff time, travel, equipment, and material costs plus a reasonable charge to cover administration of the program, which normally includes an allocation for shared corporate services.

The Fee Policy has been established by the Kettle Creek Conservation Authority (KCCA) Board of Directors and is administered and applied by KCCA staff. The General Manager/Secretary Treasurer may, under extenuating circumstances, waive or reduce fees.

When updating existing fee schedules or establishing new fees the following policy direction will be considered:

- a. fees need to be set with regard to legislative requirements, ability to sustain programs, and be based on a user-pay philosophy;
- b. fee increases should include inflation;
- c. fees must not exceed the costs of delivering the services;
- d. refunds of fees may carry an administrative cost/penalty;
- e. fee schedules are reviewed annually and regular adjustments to fees are desirable; and
- f. fee schedules will be approved on an annual basis to inform the budget for the following year.

Exemptions

The Authority may waive fees for non-profit conservation groups contributing to the protection and restoration of the natural environment as approved by the Board of Directors and/or General Manager on a case-by-case basis. Specific cases are outlined below.

Implementation

While cost recovery is a requirement for certain services, the Authority considers other factors when setting fees, such as fees of neighbouring Conservation Authorities, the nature and level of fees charged by local municipalities for related services and in some cases, the value of similar services provided by the private sector. It should also be noted that for some circumstances and programs, an attempt to charge a fee that would provide complete cost recovery is not feasible due to inability to pay and would result in reduced demand for the service.

Plan Input and Review Fees

KCCA's Plan Input and Review fee for service is contained within a special benefiting levy apportioned to its member municipalities. The special benefiting levy is intended to reflect that significant effort and resources are used for pre-consultation related to activities, proposals and inquiries prior to application. Increases to the special levy, and apportionment based on benefit (past, existing and anticipated activity), for plan review services are reviewed annually as part of the overall budget process. Member municipalities have the option of recovering the levy through the collection of their own application fees.

Eligible direct costs for the plan review and regulations program may include:

- Staff salary, training and overhead;
- Appropriate percentage of salary and overhead for staff/consultants that support the plan review and regulations function;
- Office space, equipment, software and vehicle expenses;
- Legal expenses; and
- Maintenance and development of public resources and administration costs.

Section 28 Regulation Permitting Fees (Schedule 1)

KCCA administers its fee program for Section 28 Regulation Permitting to achieve a partial cost recovery. KCCA's permitting program relies upon user-fees to safeguard the regulations program and its services against economic volatility and subsequent budgetary uncertainty. It is also intended to reflect that significant effort and resources that are used for pre-consultation related to activities, proposals, and inquiries prior to application submissions as well as compliance activities. The fee schedule is based on the complexity of the application and technical review required, which influences the staff time and resources needed for the review. KCCA staff may consider the following issues and data, where and when relevant to revise the fee schedule:

- Analysis of trends in workload changes as a result of shifts in the development market and types of applications.
- Consultation with developers/municipalities about work effort, new planning/legislative requirements and streamlining.
- General overview of status of cost recovery.
- Statistics related to number of applications and annual changes, where required.
- Level of service/review expectation for processing timing.
- Areas of improvement of level of service/staffing demands.
- Cost cutting measures as required.
- Reserve fund requirements.
- Identification of specific/specialized municipal requirements.

- Trends in legal costs associated with appeals to the Local Planning Appeal Tribunal (formerly the Ontario Municipal Board and other legal services.

It is the objective of KCCA to provide an effective and efficient delivery of services consistent with the Client Service Standards for Conservations Authority Plans and Permit Review, endorsed by Conservation Ontario Council on June 24, 2019.

Exemptions to the application of Section 28 Permit fees include:

- a. projects carried out by KCCA or under the supervision of KCCA;
- b. municipal projects carried out by member municipalities that have a general public benefit, excluding works under the *Drainage Act*; and
- c. environmental stewardship projects funded by KCCA administered grant programs.

Additional fees may be required for section 28 application submissions where it is determined that professional services are required to assist Authority staff in the review of an application. (Example: An application submission where a supporting document, prepared by professionals, provides recommendations that dispute and/or conflict with KCCA policy, watershed studies or provincial natural hazard technical guides.)

The additional fee may be required to protect the Authority from financial loss exposure due to potentially unrecoverable and significant expenses in obtaining professional review and assistance to KCCA if needed. The professional service fees will be collected by a refundable deposit.

The deposit will be required upon submission of a complete application. The deposits are solely for the purpose of financing extra expenses incurred by the Authority, to be determined at the discretion of the General Manager/Secretary Treasurer (or designate), to cover Authority costs of professional review of a proposal in development of a submission, or of a submission (ie. legal, engineering, biology, hydrology, etc.). Any deposit balance remaining upon permit issuance or denial is to be returned to the applicant. The deposit does not apply to Authority staff time.

Conservation Areas Fees (Schedule 2)

Conservation Areas fees are reviewed annually by staff following the end of the camping season. Criteria for setting fees are:

- impact on or opportunity to support other programs and services of the authority including but not limited to staffing and capital asset replacement;
- anticipated operational expenses that will be incurred that will impact the budget;
- comments and feedback from CA users;
- comparison to similar operations and opportunities in the industry, including trends.

As part of the fee setting process, staff also review operational policies that pertain to the various aspects of the Conservation Areas services and programs. Refund policies are included in this review and adjusted as necessary. Information pertaining to these policies is shared on the KCCA website. Seasonal campers receive an electronic copy of both the fee schedule and policies annually.

Conservation Areas fees and refund policies are approved at the November Full Authority meeting and come into effect January 1 of the new year. Once approved, new fees and refund policies become public and are posted to KCCA's web site.

To be consistent with Accessibility Standards for Customer Service Regulation (O.Reg. 429/07) and the Human Rights Code, the Conservation Areas permit people with disabilities who use a support person to

bring that person with them while accessing goods or services in premises open to the public or third parties, free of charge.

KCCA also provides complimentary seasonal day-use passes to local naturalist groups including but not limited to: St. Thomas Field Naturalist Club and London Nature. To qualify for the complimentary pass members must present proof of membership annually.

Tree Planting Fees (Schedule 3)

Fees for trees and services are reviewed and updated annually. An attempt is made to balance user fees with program costs while trying to maintain and, over the long-term, expand natural areas. KCCA recognizes that landowners need to be incentivized to undertake large-scale plantings on their properties and often funders are more likely to support programs that have local buy-in from landowners and local levels of government. It should be noted that without a balance of landowner, contribution, base funding (municipal levy) and third-party support (50 Million Tree Program, Ontario Power Generation etc.) for the program would not be sustainable (i.e. tree numbers planted would drop considerably).

Invasive Species Management Fees (Schedule 3)

Fees for invasive species management on lands not owned by KCCA are charged on a cost recovery basis. The fee takes into account staff time, travel, equipment with material/supply costs charged based on the cost to the Authority.

Occasionally, funding is secured through foundation or government grants for projects on private/public lands to offset costs completely or in part.

Education Program Fees (Schedule 3)

Conservation Education program fees are reviewed annually and where changes are required, are implemented in time for promotion of fall programs. The fees advertised in September are in place for the school year. KCCA's education programs are funded through a number of avenues including fees charged directly to the school classes participating, fees charged directly to the School Board and through fundraising for specific programs.

To determine the fees charged directly to the school classes several factors are considered including:

- availability of similar services; and
- surveys of prices charged by organizations offering similar services

Specialty programs/events are sponsored through corporate, foundation or government agencies.

Administration Fees (Schedule 4)

KCCA charges fees for a number of financial or administrative situations or services.

Reconsideration of Fees

As noted in Section 21.2(12) of the *Conservation Authorities Act*, "any person who considers that the authority has charged a fee that is contrary to the fees set out in the fee schedule, or that the fee set out in the fee schedule is excessive in relation to the service or program for which it is charged, may apply to the authority in accordance with the procedures set out in the fee policy and request that it reconsider the fee that was charged."

Requests for an administrative review must be in writing to the General Manager/Secretary Treasurer (or delegate) and specify the reason(s) for the request for review. Upon reconsideration of a fee that was charged by the Authority, the Authority may,

- a) Order the person pay the fee in the amount originally charged;
- b) Vary the amount of the fee originally charged, as the Authority considers appropriate; or
- c) Order that no fee be charged for the program or service.

The Authority will make its decision within 30 days after receiving the request. If not satisfied with the outcome of the review by the General Manager/Secretary Treasurer, then an appeal will be referred to KCCA's Hearing Board following the Authority's Hearing Guideline Procedures. Appeals will be dismissed or upheld through a resolution by the Board of Directors. The appellant will then be notified in writing of the Board's decision.

For the process for reconsideration of fees related to an application for a permit, please refer to the Conservation Authorities Act Section 21.2 (15-21).

If the amount varies from that originally charged or a refund is approved, a 10% administration fee will apply.

Refunds

KCCA does not issue refunds for services or products once an application or order is submitted and the payment has been processed.

KCCA has specific refund policies related to the programs and services described in Conservation Areas Fees (Schedule 2). Policies regarding refunds related to Schedule 2 are posted on KCCA's website. Copies are also included in the seasonal camping permit application. Updates to these refund policies are considered at the November Full Authority.

Policy Review and Public Notification

This Fee Policy and Schedules shall be reviewed annually in conjunction with the annual budgeting process. Staff will seek information regarding fees, from various sources, as identified in this policy; prepare proposed revised Fee Schedules with a report to members regarding recommendations. Any changes or amendments to the Policy will be presented to the Board of Directors.

The public will be notified of any proposed increases or revisions to the Fee Policy or Fee Schedules, by way of posting a notice on the KCCA website that the Fee Policy and/or Fee Schedules will be reviewed on an identified date, at an open meeting of the Full Authority.

Once approved, the revised Policy and/or Fee Schedules will be published on KCCA's website.

FEE SCHEDULES

Schedule 1: Section 28 Regulation Permitting Fees

Schedule 2: Conservation Area Fees

Schedule 3: Other Watershed Programs and Services

Schedule 4: Administrative Fees

DRAFT

SCHEDULE 1

Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Ontario Regulation 181/06 under Ontario Regulation 97/04

KCCA applies the following fee and deposit schedule to Applications under Regulation 181/06 in any defined area within the Kettle Creek Conservation Authority jurisdiction, pursuant to Section 28 of the Conservation Authorities Act of Ontario, R.S.O., 1990, Ch.27.

Non-refundable fees are charged to support the costs incurred through the administration of the KCCA regulations program. The fee amount is based on the type of work being applied for and the following schedule will apply:

Category	Fee
Minor Works Includes additions, decks, accessory structures or reconstruction. Placement or removal of fill, re-grading, and/or watercourse alteration where engineered drawings are not required by the Authority.	\$110
Minor Construction Includes minor buildings, additions, accessory structures or reconstruction less than 1,000 square feet.	\$400
Primary Construction Includes primary buildings, additions, accessory structures or reconstruction of greater than 1,000 square feet but less than 3,500 square feet. Placement or removal of fill, re-grading, and/or watercourse alterations of less than 75 feet, where engineered drawings are required by the Authority.	\$600
Major Construction Includes primary buildings, additions, accessory structures or reconstruction of greater than 3,500 square feet.	\$1,200
Multi-Lot or Multi-Unit Development Construction, placement or removal of fill and/or re-grading for multi-lot or multi-unit development (greater than 3 lots/units).	\$225 per lot affected by Section 28 regulations

Other Fees:

Category	Fee
Site Clearance Letter	\$75.00
Permit/Site Clearance for remediation of a Violation	1.5 x Application Fee

Fees include HST. In the event of an overlap in criteria, the greater fee shall be applied. Member municipalities are exempt from Fee Schedule 1, but not from the requirement to obtain a permit. Projects carried out under the *Drainage Act* are exempt from this schedule. Applicants will be responsible for the cost of peer review of supporting documentation for their application (ie. Engineered plans, legal agreements) if required by the Authority. Higher fees may be charged for comprehensive development projects review. Fees are due at the time of application.

SCHEDULE 2
 Conservation Areas Fees
 2022

Category	Fee
Day Use Fees	
Day Use Permit (per vehicle)	\$10
Seasonal Day Use (April 1-December 1)	\$90
Buses (per bus)	\$90
Watercraft Rentals	\$16/hr, \$40/half day (\$75 refundable deposit required)
Picnic Shelter Rentals	\$80 half day, \$160 all day
Campground Fees	
Reservation Fee by Telephone	\$15
Online Reservation Fee	\$12
Reservation Change Fee	\$10
Reservation Cancellation Fee	\$15
Seasonal Overnight Guest Pass	\$5
Daily Additional Vehicle Pass	\$10
Seasonal (May 1-September 30) Additional Vehicle Pass	\$90
Trailer Pump out	Scheduled: \$50 Unscheduled: \$100
Camping Fees	
Nightly Unserviced Campsite	\$45
Nightly 15 amp Campsite	\$50
Nightly 30 amp Campsite	\$58
Weekly Unserviced Campsite	\$275
Weekly 15 amp Campsite	\$305
Weekly 30 amp Campsite	\$345
Monthly Unserviced Campsite	\$810
Monthly 15 amp Campsite	\$905
Monthly 30 amp Campsite	\$1,050
Seasonal Unserviced Campsite	\$2,250
Seasonal 15 amp Campsite at Dalewood	\$2,400 + hydro deposit of \$150
Seasonal 30 amp Campsite at Dalewood	\$2,400 + hydro deposit of \$300
Seasonal 15 amp Campsite at Lake Whittaker	\$2,500
Seasonal 30 amp Campsite at Lake Whittaker	\$2,700
Group Camping	Unserviced: \$50/night + \$5/person/night Served: \$70/night + \$5/person/night

All rates include taxes.

Hydro rates for seasonal sites at Dalewood are billed at a per kilowatt-hour rate for the entire camping season and will be deducted from the hydro deposit. Note: the rate per kilowatt-hour will change on an annual basis on the total average cost per kilowatt-hour charged to the Authority.

SCHEDULE 3
Other Watershed Programs and Services
2022

Category	Fee
Forestry Over the Counter (minimum order 200 seedlings) Greening Communities (minimum order 20 seedlings) Large stock Trees KCCA Planting Sites (minimum order 500 seedlings)	\$0.35/seedling Varies depending on species Varies depending on species \$0.35/seedling
Invasive Species Management	\$50/hr + the cost of herbicide or materials Quotes will be provided to landowners prior to work being undertaken.
Education Programs In field programs In class programs	\$8/student with a minimum fee of \$120 \$100/class (\$75 for additional classes in same school on the same day)

HST is charged on Forestry and Invasive Species Management fees. Education Program fees are not HST applicable.

SCHEDULE 4
Administrative Fees
2022

Category	Fee
NSF Cheques	\$40
Freedom of Information Requests*	\$5

* Other administrative charges may apply as outlined in the Access Guide: Fees, Fee Estimates and Fee Waivers (Information and Privacy Commissioner of Ontario, June 2018)

DRAFT

TO: Executive Committee
FROM: Joe Gordon and Elizabeth VanHooren
Date: May 31, 2022
Subject: Joint Planning Service Agreement



Recommendation: THAT KCCA respectfully decline the offer to participate in a joint service agreement with Lower Thames Valley Conservation Authority for planning and natural heritage services within the Township of Southwold at this time.

PURPOSE:

To seek direction from the Board of Directors on matters relating to development of a joint Planning Services Agreement with Lower Thames Valley Conservation Authority and the Township of Southwold.

SUMMARY:

- Lower Thames Valley Conservation Authority (LTVCA) is pursuing a Planning Service Agreement with the Township of Southwold, which includes natural hazard (Category 1/mandated services) and natural heritage review (Category 2/not mandated/requested by municipality services). As LTVCA and KCCA both have jurisdiction within the Township of Southwold a joint service level agreement was proposed with KCCA, LTVCA and Township of Southwold.
- Staff are recommending that KCCA not enter into the joint agreement for the following reasons:
 - At this time KCCA is only providing Plan Input and Review Services for Natural Hazards. This is considered a Category 1 program according to Regulation 686/21 – KCCA is obligated to provide the services and can levy for the service, apportioning the costs through MVCA or by a special benefitting levy. A service level agreement that combines both mandatory and non-mandatory services can be confusing as the CAs transition through the new CA Act changes.
 - Currently, the Township of Southwold is the only member municipality requesting natural heritage review services. There would be very little financial benefit for KCCA to provide these services for one member municipality and little staff capacity.
 - KCCA believes that natural heritage service review is better coordinated through the County of Elgin – and has in the past attempted to coordinate Elgin County CAs to work with the County to provide such services to allow for economies of scale and capacity building.
 - KCCA believes additional time is required to educate member municipalities on the intricacy of the CA Act changes and what agreements will ultimately be required as we work through the transition to January 1, 2024.

BACKGROUND:

In April 2019 Conservation Ontario Council endorsed the Service Delivery and Streamlining Initiative which included a commitment to implement a consistent client-centric CA review and approval process checklist that provides transparency of process and rules. The checklist was to be implemented by CAs in high growth areas, but KCCA committed to implementing – where feasible – the checklist in our jurisdiction. The checklist includes:

Service Delivery Checklist	KCCA Status
i. Having publicly accessible agreements and policies that guide reviews and decision making, including:	
CA/Municipal MOUs or Technical Service Agreements	Not initiated
CA plan review and regulation approvals policies/guidelines	Implemented
CA Complete application requirements	Implemented
CA Fee schedules and/or policies	Exists but not as a comprehensive agreement/policy as outlined in Minister's Fee Policy
CA Client Service Standards Commitment/Policy [including for example, timelines and identification of a senior CA staff contact serving as a 'client service facilitator' for plan review and/or permit applications issue management]	Implemented
ii. CA Online screening maps	Budgeted for implementation in 2022
iii. CA Annual report on review timelines	Implemented

According to Regulation 686/21: Mandatory Programs and Services under the CA Act, Conservation Authorities are not required to have agreements for Plan Input and Review as these services are a Category 1 program. Service agreements are only required for non-mandated services (ie. Category 2) that a municipality has requested a CA to perform on their behalf. However, Conservation Ontario continues to recommend Planning Service agreements as a best management practice as outlined above.

Currently KCCA only provides natural hazard mandated services to its member municipalities within its Plan Input and Review Program and have no established agreements in place.

In 2009, KCCA discontinued providing natural heritage services on planning act applications based on a Board motion to only provide review, comment and approval of natural heritage studies if an acceptable service agreement is established with the affected municipality.

In 2011, KCCA was approached by the County of Elgin and the Township of Southwold to prepare a draft service agreement for consideration of natural heritage services. Staff worked with other CAs within

Elgin County and led the process of drafting a preliminary agreement for consideration based on a Conservation Ontario template. However, the County of Elgin decided to issue an RFP for natural heritage review services and encouraged the CAs to submit a proposal. Based on the requirements of the RFP, the CAs did not prepare a submission.

However, staff continued discussions with Southwold and worked with Lower Thames Valley Conservation Authority (LTVCA) to consider a joint service agreement specific to Southwold's needs for natural heritage review. Although the topic of natural heritage services are discussed annually at the staff level, it our understanding that Southwold Council decided to wait on a service agreement to see what the County of Elgin was going to do for natural heritage services.

In 2019, staff were approached again by new staff at the County of Elgin for consideration of a collaborative agreement between the County and the four County CAs to provide natural heritage services. KCCA staff believe that County staff presented a report to County Council on the topic. In the end, County staff were directed to prepare an options assessment for natural heritage review services that would consider the use of CAs versus hiring staff in-house or utilizing the services of a third-party consultant. It is unknown when the County of Elgin may consider the subsequent report on natural heritage review services.

As a result of Regulation 686/21 (Mandatory Programs and Services), LTVCA has advanced development of service agreements for several of its member municipalities primarily for the purpose of Category 2 services (Natural Heritage Services) but developed it as a comprehensive service agreement including Category 1 services.

In the spirit of consistency, and because the Township of Southwold crosses watershed boundaries, LTVCA has asked KCCA to consider signing a joint planning level service agreement with LTVCA and the Township of Southwold. However, the proposed service level agreement contains provisions for both Category 1 planning services (natural hazards) and Category 2 services (natural heritage).

To date, the Township of Southwold is the only member municipality within KCCA's jurisdiction that is requesting CA services for natural heritage review. For instance, the City of London has noted that they have internal expertise and qualified professionals to maintain their own responsibilities under the Planning Act for Natural Heritage policies.

At this time, staff would recommend against entering into planning level service agreements that intermix Category 1 and Category 2 services. Sufficient time needs to be spent educating relevant councils on the differences between the categories, when an agreement is necessary or mandated under the CA Act or when it is being implemented for best practices.

In regards to the proposed planning and natural heritage service agreement with LTVCA, KCCA staff believe that an economy of scale may not exist to offer these types of services to one municipality. If KCCA is only offering the services to Southwold, current KCCA staff would need to add this type of service to their existing duties. While the workload is not expected to be heavy it would be additional duties.

From KCCA's staff's perspective natural heritage services should be coordinated at the County Level – with or without CA support. This would provide for the best economies of scales for all organizations involved.

KCCA is currently only providing Plan Input and Review with respect to its natural hazards mandate. While an agreement for these services is recommended by CO, as a Category 1 program an agreement is not required. KCCA is obligated to provide the service and may charge levy by apportioning it through the MVCA or special benefiting levy regardless of whether an agreement is in place or not.

Staff will be focusing efforts on ensuring existing agreements comply with the regulation and exploring options for a watershed-wide master agreement that can be signed by all member municipalities to continue to fund non-mandated services such as tree planting and environmental monitoring.

Consequently, at this time staff are recommending that KCCA respectfully decline the offer to participate in a joint service agreement with LTVCA for planning and natural heritage services within the Township of Southwold. KCCA will continue to fulfill its obligations for natural hazard review for the Township of Southwold but will not be providing natural heritage review.

Recommendation: THAT KCCA respectfully decline the offer to participate in a joint service agreement with LTVCA for planning and natural heritage services within the Township of Southwold at this time.
