

**Cost Apportioning Agreement**

(hereafter, "Agreement")

**THIS AGREEMENT** is made on the 27 day of June, 2023 (hereafter, "Effective Date").

**BETWEEN:****MUNICIPALITY OF MIDDLESEX CENTRE**

(hereafter, "Municipality")

**AND:****AUSABLE BAYFIELD CONSERVATION AUTHORITY**

(hereafter, "ABCA")

**WHEREAS** ABCA is a conservation authority established under the *Conservation Authorities Act* ("Act") and is governed by its participating municipalities in accordance with the Act;

**AND WHEREAS** the Municipality is a lower-tier municipality, located wholly or partly within the area under the jurisdiction of ABCA;

**AND WHEREAS** ABCA is prepared to provide certain services which the Act categorizes as non-mandatory to and on behalf of the Municipality in several service areas;

**AND WHEREAS** pursuant to Ontario Regulation 686/21, Conservation Authorities are authorized to apportion costs to municipalities for delivery of services;

**AND WHEREAS** pursuant to Ontario Regulation 686/21, Conservation Authorities and municipalities are required to enter into an agreement to levy municipalities for services provided, other than the services the Act categorizes as mandatory services;

**NOW THEREFORE**, in consideration of the terms of this agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Initial Term of the Agreement is January 1, 2024 – December 31, 2028. Thereafter, the Agreement shall continue for additional four-year periods (each a "Renewal Term") unless either party provides written notice of termination to the other party no less than one-hundred and eighty (180) and no more than three hundred (300) days prior to the end of such calendar year.
2. The following principles shall guide the implementation of the Agreement between ABCA and Municipality:

- a. The Agreement will provide overarching terms and conditions for delivery of municipal programs and services by ABCA and ABCA deems advisable to further the purpose of the Act.
  - b. ABCA agrees to provide to the Municipalities the services outlined in Schedule A.
  - c. Municipality agrees to financially support the programs and services outlined in Schedule A and for such support to be apportioned among the participating municipalities using the Modified Current Value Assessment method, as outlined in Schedule B.
  - d. ABCA will not add to or delete from the services or programs funded through the Agreement without first consulting with the municipalities and identifying such changes in the annual budget process. Any changes to the programs and services must be approved in writing by the Municipality and any such change following the Municipality's written approval shall be reflected in an updated Schedule A and Schedule B to be circulated and posted once the final annual budget is approved.
  - e. Any change to the total municipal support outlined in Schedule B will be reviewed and approved by the ABCA Board of Directors within the annual budget process including a 30-day consultation period with the Municipality and applied effective January 1 of each calendar year.
  - f. The parties will maintain the current annual approval process for determining the levy by a weighted vote based upon current value assessment in the watershed, and the overall ABCA budget.
  - g. The user-pay principle will be utilized to charge fees, where appropriate, to assist with the costs of Conservation Authority programs.
  - h. The municipality acknowledges and agrees that all Programs and Services identified in Schedule A shall also be included in a Watershed-based Resource Management Strategy that the ABCA is required to develop and implement under the Conservation Authorities Act.
3. This Agreement shall be reviewed by the parties:
- a. On an annual basis; and
  - b. prior to the expiry of the Initial Term and each Renewal Term. It is ABCA's responsibility to initiate the review with Municipality at least one hundred and eighty (180) days prior to the expiry of the Initial Term or Renewal Term, as the case may be.

4. Municipality and ABCA will strive to facilitate open and timely communication at all levels.

5. Where a dispute arises between two or more parties, the parties agree that dispute resolution practices will be implemented using the following principles:

- a. Agree to a fair process for mediating issues;
- b. Utilize the services of a neutral facilitator, if required;
- c. Identify common agreement / ground;
- d. Identify all options to resolve;
- e. Select best option.

6. Upon such written notice of intention to terminate this Agreement being given in any calendar year during the Initial Term or Renewal Term, the date that is the last date of such calendar year or such date as may be otherwise agreed to by all parties in writing, shall be the “Termination Date”. In the event this Agreement is terminated, any operating expenses and costs incurred by ABCA for providing services shall be paid by the Municipality up to and including the Termination Date.

7. This Agreement shall be made available on the ABCA website and by other methods advisable.

8. The Agreement may be executed in counterparts and when each party has executed a counterpart, each of such counterparts shall be deemed to be an original and all such counterparts, when taken together, shall constitute one and the same agreement.

9. The Agreement does not preclude the parties identifying opportunities for further collaboration to the benefit of both parties, and ensure efficiency, transparency and accountability in the use of resources, including in-kind services and assistance, coordination of complementary policy and program initiatives, and projects involving third parties. During the term of this agreement if additional programs and services are requested from ABCA to be delivered on behalf of the Municipality a separate Letter of Agreement will be established with the Municipality (or delegated staff member) and attached as an Appendix.

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

**AUSABLE BAYFIELD CONSERVATION AUTHORITY**

Per: 

Chair - MARISSA VAUGHAN

Per: 

General Manager/Secretary Treasurer - BRIAN HORNER

**MUNICIPALITY OF MIDDLESEX CENTRE**

Per: \_\_\_\_\_

Mayor - \_\_\_\_\_

Per: \_\_\_\_\_

Clerk - \_\_\_\_\_

## Schedule A – Category 3 Programs and Services Requiring Municipal Financial Support Through Cost Apportioning

### SERVICE AREAS

Under Section 21.1 of the *Conservation Authorities Act*, Conservation Authorities (CAs) are to classify their programs and services into 3 categories:

**Category 1: Mandatory programs and services** where municipal levy can be used without an agreement.

**Category 2: Non-mandatory programs and services** the CA delivers at the request of a municipality through an MOU or agreement.

**Category 3: Other non-mandatory programs and services** a CA determines are advisable to implement in the CA's jurisdiction. These programs and services may use municipal levy when a MOU/agreement is in place. Programs and services in Category 3 may also be funded through other means. In the latter situation, an MOU/agreement with the municipality is not required.

It is recognized that natural systems benefit from a systems-wide approach and that watersheds are the ecologically meaningful scale for not only effective planning but to enact meaningful and sustainable change.

ABCA offers a comprehensive list of programs and services that benefit the health of the watershed, protects and educates residents about natural hazards and mitigates the effects of a changing climate. The chart below identifies ABCA's program areas by Category.

<p><b>Category 1</b> Mandated Programs and Services which all CAs must provide in their jurisdiction. Eligible to be funded by municipal levy. No agreement required. Programs or Services as described in Ontario Regulation 686/21</p>	<p><b>Category 2</b> Programs and Services at the request of and on behalf of a Municipality through a MOU or other agreement. Programs or Services as described in Section 21.1.1 of the <i>Conservation Authorities Act</i>.</p>	<p><b>Category 3</b> Programs and Services the CA determines are advisable to implement in the CA's jurisdiction. Apportionment Agreement required for municipal levy continuance. Programs or Services as described in Section 21.1.1 of the <i>Conservation Authorities Act</i>.</p>
<ul style="list-style-type: none"> <li>· Corporate services</li> <li>· Natural hazards management program</li> <li>· Provincial water quality and quantity monitoring</li> <li>· Drain review, fisheries review</li> <li>· Core watershed-based resource management</li> </ul>	<ul style="list-style-type: none"> <li>· DWSP Risk Management Officials</li> <li>· Plan review not related to natural hazards, typically related to natural heritage</li> </ul>	<p><u>Agreement Proposed</u></p> <ul style="list-style-type: none"> <li>· Subwatershed strategies and projects not related to natural hazards</li> <li>· Environmental Monitoring and Research</li> </ul>

<p>strategy</p> <ul style="list-style-type: none"> <li>· Conservation Authority Lands and passive recreation</li> <li>· Drinking Water Source Protection (Clean Water Act)</li> </ul>		<ul style="list-style-type: none"> <li>· Watershed Stewardship and Restoration</li> <li>· Natural heritage systems implementation</li> <li>· Conservation education</li> </ul> <p><u>No Agreement Required</u></p> <ul style="list-style-type: none"> <li>· Lake Huron Regional Initiative</li> <li>· DWSP Risk Management Officials (Maitland Valley CA municipalities)</li> <li>· Huron County Sentinel Well Program</li> <li>· Land acquisition</li> </ul>
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The following ABCA Category 3 service areas are core components of integrated watershed management and have been provided for decades. They are in the ABCA Community Conservation Strategy (2011) and Watershed Management Strategy (2015) and have become valued by the watershed community. These programs and services are funded by a variety of sources: municipal levy, self-generated (user fees, donations, foundations etc.) as well as provincial and federal funding.

### **SERVICE AREA: WATERSHED AND SUB-WATERSHED STRATEGIES AND PROJECTS**

**Program description:** Created for a drainage area, plans incorporate information on current watershed conditions and identify measures to protect, conserve and restore the watershed. Plans address natural hazard issues and recommends mitigation impacts from potential future land uses. The ABCA also facilitates community-based watershed strategies.

**Program details:** The ABCA works with communities to develop and implement subwatershed strategies. Activities include: community engagement and objective setting, supporting protection, enhancement and restoration activities, monitoring and evaluating actions. **Note:** Natural hazard considerations will be incorporated when the current plans are reviewed and updated.

Current plans include Ausable River Action Plan, Old Ausable Channel Management Plan, Main Bayfield Watershed Plan, and Bayfield North Watershed Plan. The ABCA supports local communities in addressing their ecosystem interests and issues with strategies that have smaller and more relevant watershed boundaries.

In the Natural Heritage Systems Implementation Phase, the ABCA incorporates natural heritage information particularly around wetlands to develop planning and regulatory strategies to mitigate downstream natural hazards.

Note: Watershed planning related to natural hazards is a Category 1 program.

### **SERVICE AREA: ENVIRONMENTAL MONITORING AND RESEARCH**

**Program Description:** Groundwater and surface water sites are monitored for a variety of indicators to support flood forecast and warning, low water response, watershed report cards, watershed plans, and stewardship project prioritization. Service Area 2 provides significant information to help guide municipal decision making and implement their legislated responsibilities. The program is a partnership of the municipal, provincial and federal governments and community organizations.

**Program Details:** Surface water quality monitoring is completed at nine sites in West Perth, Bluewater, Central Huron, Lambton Shores, and North Middlesex (in addition to Provincial Water Quality Monitoring Network), Lake Huron nearshore water monitoring at area beaches, edge-of-field monitoring at Huronview Demonstration Farm near Clinton, benthic monitoring at 30 sites across the watersheds. When appropriate, staff will respond to local spills events at the request of Ministry of Environment, Conservation and Parks, municipalities, and citizens.

The main method of reporting on local watershed conditions is through the Watershed Report Card. The ABCA watershed is divided into 16 subwatersheds. Measuring increases understanding of the watershed, focuses efforts and tracks progress. The next Watershed Report Card is scheduled to be released in 2027.

Municipalities and citizens can receive data on local water quality conditions upon request. For some programs, data are available online.

Note: These monitoring sites are in addition to the Provincial Water Quality and Groundwater Monitoring Network that have sites in West Perth, Huron East, South Huron, Central Huron, Bluewater, Lucan Biddulph, Middlesex Centre and North Middlesex. Biomonitoring stations for fish and indicators of river health are located in all Municipalities.

### **SERVICE AREA: WATERSHED STEWARDSHIP AND RESTORATION**

**Program Description:** The stewardship and restoration program has three key components: one-on-one technical assistance to watershed landowners, connecting landowners with cost-share funding, and tree planting. Projects will reduce the risk to life and property from natural hazards, protect water quality and quantity, improve forest conditions, increase biodiversity and make the watersheds more resilient to climate change. The program is delivered

throughout the watersheds. Projects benefit the site and downstream communities.

Program Details: Staff will work with property owners to implement Best Management Practices to mitigate flood and erosion hazards, improve and protect water quality, restore floodplains and river valleys, reduce nutrient contamination, restore and enhance wetlands to reduce flooding peaks and augment low flow, manage terrestrial non-native invasive species, protect groundwater, and improve aquatic species at risk habitat. Staff apply for and manage external funding, promote private land stewardship, provide technical advice and project technical design assistance.

Coordinating the Watershed Stewardship and Restoration program with the Environmental Monitoring and Research program allows for stewardship project prioritization. Prioritizing projects connects landowners with additional cost-sharing funding to best meet the needs of the community, and the environment, and leverages the contributions of local funds with other programs.

#### **SERVICE AREA: CONSERVATION EDUCATION AND COMMUNITY OUTREACH**

Program Description: Education and outreach programs increase knowledge and awareness in children and adults about local environmental issues, watersheds, ecosystems and conservation actions people can implement on their lands. Programs are linked to ABCA priorities.

Program Details: Staff provide curriculum-based education programs for elementary and secondary students. These programs focus on local watersheds, ecosystems, and environmental issues. Programs take place at schools (indoors and outdoors), field trips and through online learning.

Education and outreach programs and community events help achieve the objectives of the conservation authority. These programs are open to people of all ages.

## Schedule B – Apportionment of Category 3 Programs

The municipal costs associated with the Category 3 programs and services outlined in Schedule A are included and clearly identified in ABCA’s overall annual budget. These costs will be apportioned among the participating municipalities according to the Modified Current Value Assessment (MCVA) as outlined below.

An increase, if any, to the total levy outlined below for 2023 will be applied effective January 1 each calendar year and will be the same percentage as ABCA’s overall budget increase. Current MCVA will be updated as soon as available from the Province. Schedule B will be updated annually and distributed to Member Municipalities following final budget and levy approval.

### Apportionment of Category 3 Programs Requiring Municipal Levy for 2023

Table 1: Category 3 Programs Requiring Municipal Support						
Total Cost		\$1,263,490	Total Municipal Apportionment (Levy)			\$ 204,331
		Service Areas				
Municipality	2023 MVCA % Apportionment	Apportionment	Watershed and Sub-watershed Strategies & Projects	Environmental Monitoring & Research	Watershed Stewardship & Restoration	Education & Outreach
Adelaide Metcalfe	2.29	\$ 4,682	\$ 490	\$ 1,558	\$ 825	\$ 1,809
Bluewater	21.88	\$ 44,716	\$ 4,683	\$ 14,881	\$ 7,877	\$ 17,274
Central Huron	3.45	\$ 7,043	\$ 738	\$ 2,344	\$ 1,241	\$ 2,721
Huron East	4.64	\$ 9,485	\$ 993	\$ 3,156	\$ 1,671	\$ 3,664
Lambton Shores	16.94	\$ 34,614	\$ 3,625	\$ 11,519	\$ 6,097	\$ 13,372
Lucan Biddulph	6.03	\$ 12,325	\$ 1,291	\$ 4,102	\$ 2,171	\$ 4,762
Middlesex Centre	8.34	\$ 17,050	\$ 1,786	\$ 5,674	\$ 3,004	\$ 6,587
North Middlesex	11.77	\$ 24,049	\$ 2,519	\$ 8,003	\$ 4,236	\$ 9,291
Perth South	0.20	\$ 411	\$ 43	\$ 137	\$ 72	\$ 159
South Huron	18.62	\$ 38,047	\$ 3,985	\$ 12,662	\$ 6,702	\$ 14,698
Warwick	0.47	\$ 961	\$ 101	\$ 320	\$ 169	\$ 371
West Perth	5.36	\$ 10,947	\$ 1,147	\$ 3,643	\$ 1,928	\$ 4,229
<b>TOTAL</b>	<b>100.00</b>	<b>\$ 204,331</b>	<b>\$ 21,400</b>	<b>\$ 68,000</b>	<b>\$ 35,994</b>	<b>\$ 78,937</b>
<i>Prepared January 2023 based on 2023 Approved Budget</i>						