






Conservation Halton Board of Directors Meeting / Annual General Meeting 04 21

Zoom: <https://us02web.zoom.us/j/85674535536?pwd=NnV6cDJsRkUxMTRpcVpzOHZGN2V5Zz09> Passcode:
577572



Start: Thursday, April 22, 2021 - 3:00pm

End: Thursday, April 22, 2021 - 5:30pm

-
1. Roll Call
 2. Disclosure of Pecuniary Interest for Conservation Halton Board of Directors
 3. Acceptance of Agenda
 4. Consent Items
 - 4.1. Approval of Conservation Halton Board of Directors Meeting Minutes dated March 25
 Conservation Halton Board of Directors DRAFT Meeting Minutes dated March 25
 - 4.2. Approval of Conservation Halton Board of Directors Inaugural Meeting Minutes dated March 25
 Conservation Halton Board of Directors DRAFT Inaugural Meeting Minutes dated March 25
 - 4.3. Approval of Conservation Halton Governance & Risk Committee Meeting Minutes dated March 25
 Conservation Halton Governance & Risk Committee DRAFT Meeting Minutes dated March 25
 - 4.4. Approval of Conservation Halton Finance & Audit Committee Meeting Minutes dated April 8
 Conservation Halton Finance & Audit Committee DRAFT Meeting Minutes dated April 8
 - 4.5. Purchasing Activity Memo - February 1 - March 31 (CHBD 04 21 01)
 Purchasing Activity Memo - April 22 (CHBD 04 21 01)
 - 4.6. Health & Safety Update (Q4 2020 - Q1 2021) (CHBD 04 21 02)



Health & Safety Update (Q4 2020 - Q1 2021 (CHBD 04 21 02)

4.7. Provincial consultation on growing the size of the Greenbelt ERO No. 019-3136 CH File No.: PPL 046 (CHBD 04 21 03)



Provincial consultation on growing the size of the Greenbelt ERO No. 019-3136 CH File No.: PPL 046 (CHBD 04 21 03)



Provincial consultation on growing the size of the Greenbelt ERO No. 019-3136 CH File No.: PPL 046 (Appendix A)

4.8. Permits & Letters of Permission issued under Ontario Regulation 162/06 from January 1 to March 31, 2021 (CHBD 04 21 04)



Permits & Letters of Permission issued under Ontario Regulation 162/06 from January 1 to March 31, 2021 (CHBD 04 21 04)



Permits & Letters of Permission issued under Ontario Regulation 162/06 from January 1 to March 31, 2021 (Appendix B)

5. Action Items

5.1. Update on the Reid Road Reservoir Quarry and the Proposal to Designate as an Undertaking under the Environmental Assessment Act ERO No. 019-2876 CH File No.: PQ 018 (CHBD 04 21 05)



Update on the Reid Road Reservoir Quarry and the Proposal to Designate as an Undertaking under the Environmental Assessment Act ERO No. 019-2876 CH File No.: PQ 018 (CHBD 04 21 05)



Update on the Reid Road Quarry and the Proposal to Designate as an Undertaking under the Environmental Assessment Act ERO No. 019-2876 File No PQ 018 (Appendix C)

5.2. Conservation Halton Mapping Transition and Implementation Protocol Work Plan (CHBD 04 21 06)



Conservation Halton Mapping Transition and Implementation Protocol Work Plan (CHBD 04 21 06)

5.3. Conservation Halton Spill Policy Review and Update Work Plan (CHBD 04 21 07)



Conservation Halton Spill Policy Review and Update Work Plan (CHBD 04 21 07)

5.4. 2020 Audited Financial Statements - April 22 Board Report (CHBD 04 21 08)



2020 Audited Financial Statements - April 22 Board Report (CHBD 04 21 08)



2020-12-31 Conservation Halton DRAFT FS (Appendix D)



Conservation Halton Audit Findings Report Dec 2020 KPMG (Appendix E)

5.5. Appointment of Auditor for 2021 - April 22 Board Report (CHBD 04 21 09)



Appointment of Auditor for 2021 year end - (CHBD 04 21 09)

6. CEO Verbal Update/Presentation

6.1. 2020 Year in Review (Hassaan Basit, President & CEO)

7. CHF Update (Jim Sweetlove)

8. IN CAMERA

8.1. Legal Matter (CHBD 04 21 10)

9. Other Business

10. Adjournment

MEETING NO: # Conservation Halton Board of Directors Meeting 02 21

MINUTES

A meeting of the Conservation Halton Board of Directors was held on Thursday, March 25, 2021 at 3:00 p.m. via Zoom Webinar.

Members Present:

Hamza Ansari
Rob Burton
Mike Cluett
Joanne Di Maio
Cathy Duddeck
Allan Elgar
Steve Gilmour
David Gittings
Zeeshan Hamid
Moya Johnson
Gordon Krantz
Bryan Lewis
Marianne Meed Ward
Rory Nisan
Gerry Smallegange
Jim Sweetlove
Jean Williams

Absent:

Rick Di Lorenzo
Zobia Jawed

Staff present

Kim Barrett, Associate Director, Science & Partnerships
Hassaan Basit, President & CEO/Secretary-Treasurer
Garner Beckett, Executive Director, Conservation Halton Foundation
Niamh Buckley, Administrative Assistant, Office of the President & CEO
Chitra Gowda, Senior Manager, Watershed Planning & Source Protection
Craig Machan, Associate Director, Park Operations
Kellie McCormack, Associate Director, Planning & Regulations
Marnie Piggot, Director, Finance
Plezzie Ramirez, Director, Human Resources
Jill Ramseyer, Director, Corporate Compliance
Barb Veale, Director, Planning & Watershed Management
Mark Vytvytskyy, COO

The Chair, Gerry Smallegange called the meeting to order at 3:03 p.m.

1. Roll Call**2. Disclosure of Pecuniary Interest for Conservation Halton Board of Directors**

There were **NONE**.

3. Acceptance of Agenda**CHBD 02 01**

Moved by: Jean Williams

Seconded By: Moya Johnson

THAT the Agenda **be approved as distributed**

Carried**4. Consent Items**

4.1. Approval of Conservation Halton Board of Directors Meeting Minutes dated February 18

4.2. Forest Creek Estates Land Dedication
(CHBD 02 21 01)

4.3. Conservation Halton comments on Recovery Strategy and Action Plan for the Silver
Shiner (*Notropis photogenis*) in Canada (Proposed)
(CHBD 02 21 02)

Consent Items were **adopted**

5. Action Items

5.1 Delegation of Approval Authority for Permissions Ontario Regulation 162/06
(CHBD 02 21 03)

CHBD 02 02

Moved by: Dave Gittings

Seconded by: Gordon Krantz

THAT the Conservation Halton Board of Directors **approves the following staff positions be delegated the authority to issue permissions that meet CH Board-Approved Policies for the Administration of Ontario Regulation 162/06:**

- o President and Chief Executive Officer
- o Director, Planning and Watershed Management
- o Associate Director, Planning and Regulations
- o Senior Manager, Water Resources Engineering

Carried

- 5.2. Groundwater Management Program Membership CH File No.: ADM 354
(CHBD 02 21 04)

CHBD 02 03 Moved by: Mike Cluett
Seconded by: Moya Johnson

THAT the Conservation Halton Board of Directors **approves the proposal to become a member of the groundwater management program and authorizes the President and CEO to sign the attached Memorandum (Appendix A) on behalf of Conservation Halton.**

Carried

- 5.3. Proposed Planning Act Amendment Regarding Minister's Zoning Orders (MZO)ERO
No.: 019-3233 / CH File No.: PPO 062
(CHBD 02 21 05)

CHBD 02 04 Moved by: Rory Nisan
Seconded by: Allan Elgar

THAT the Conservation Halton Board of Directors **endorses the submission of comments to the Province recommended in the staff report entitled "Proposed Planning Act Amendment Regarding Minister's Zoning Orders (MZO),**

And

That the Conservation Halton Board of Directors **directs staff to circulate the staff report entitled "Proposed Planning Act Amendment Regarding Minister's Zoning Orders (MZO) to watershed municipalities, Members of Provincial Parliament, and adjacent Conservation Authorities for their information.**

Carried

- 5.4. 2020 Year End Budget Variance Report
(CHBD 02 21 06)

CHBD 02 05 Moved by: Marianne Meed Ward
Seconded by: Jim Sweetlove

THAT the Conservation Halton Board of Directors **approves the allocation of the 2020 operating surplus to the following Reserves:**

- **\$1,036,006 to the Watershed Management & Support Services Stabilization Reserve;**
- **\$65,000 to the Property Management Reserve;**
- **\$30,000 to the Stewardship and Restoration Reserve;**
- **\$1,072,029 to the Conservation Areas Capital Reserve;**

And

THAT a transfer of \$52,894 to the Debt Financing Charges Reserve **be approved for the 2020 budget amount in excess of actual 2020 debt financing charges expense;**

And

THAT a transfer in 2021 of up to \$27,000 from the Watershed Management & Support Services Stabilization Reserve **be approved to complete the staff professional development program in 2021 that was included in the 2020 budget;**

And

THAT the Conservation Halton Board of Directors **receives for information the Budget Variance Report for the year ended December 31, 2020.**

Carried

5.5. 2020 Investments and Investment Revenue Report (CHBD 02 21 07)

CHBD 02 06 Moved by: Zeeshan Hamid
Seconded by: Cathy Duddeck

THAT the Conservation Halton Board of Directors **approves the allocation of investment revenue of \$355,355 to operating funds and to reserves as noted in the report;**

And

THAT the Conservation Halton Board of Directors **receives for information the staff report on 2020 Investments and Investment Revenue dated March 25, 2021.**

Carried

5.6. 2020 Year End Capital Projects Report (CHBD 02 21 08)

CHBD 02 07 Moved by: Bryan Lewis
Seconded by: Moya Johnson

THAT the Conservation Halton Board of Directors **approves the closing of capital projects as identified in the Capital Project Summary Financial Appendix (Appendix D) at December 31, 2020:**

And

THAT a transfer of \$12,016 from the Vehicle and Equipment Reserve **be approved for Watershed Management & Support Service vehicle costs exceeding the 2020 budget;**

And

THAT a capital project **be approved to be added in 2021 for Gypsy Moth - Forest Management funded by a reserve transfer from the Property Management Reserve of \$65,000 and deferred capital revenue of \$13,000.**

Carried

6. CEO Verbal Update

The CEO provided an update on Glen Eden highlighting the following:

- 80,000 visitors from February 16 to Monday, March 22
- 250 Seasonal Staff hire
- CH Staff worked very closely with the public health board ensuring necessary protocols were in place to ensure safety of visitors
- Parks have now transitioned into Maple Syrup season and it has been extended by a week

The CEO shared the **Wellness Wednesdays** virtual staff engagement events that are taking place. Human Resources are offering virtual lunch hour wellness sessions which include Yoga, Pilates and the latest addition **Meditation Mondays**. CH is planning the launch of a mental health component – **Not Myself Today** program in partnership with the Canadian Mental Health Association during Mental Health Week (May 3 – 9, 2021)

The Planning department continues to work on 5 active legal files.

The CAA working group continue to meet biweekly and the results are proving productive with positive engagement with the MECP. The discussions are focused on advising MECP on high-level regulations enabled by the CAA as well as defining planning and permitting process issues and suggesting possible solutions and options for moving forward; It is anticipated that proposed regulations under the Conservation Authorities Act will be posted to the Environmental Registry later this spring.

7. CHF Update - Jim Sweetlove

CHF Chair, Jim Sweetlove advised that the CHF Strategic Road Map Plan has now been posted online.

CHF campaign for Kelso Quarry will start in April.

The CHF Gala event will take place in September. More to come.

8. Other Business

There was **NO** other business.

9. Adjournment

CHBD 02 08

Moved by: Marianne Meed Ward

THAT the Conservation Halton Board of Directors meeting **be adjourned at 3:22 p.m.**

Carried

DRAFT

MEETING NO: # Conservation Halton Board of Directors Inaugural Meeting 03 21

MINUTES

The Conservation Halton Board of Directors Inaugural Meeting was held on Thursday, March 25 at 3:25 p.m. Via Zoom Webinar

Members Present:

Hamza Ansari
Rob Burton
Mike Cluett
Joanne Di Maio
Cathy Duddeck
Allan Elgar
Steve Gilmour
Dave Gittings
Zeeshan Hamid
Moya Johnson
Gordon Krantz
Bryan Lewis
Marianne Meed Ward
Rory Nisan
Gerry Smallegange
Jim Sweetlove
Jean Williams

Absent:

Rick Di Lorenzo
Zobia Jawed

Staff present

Kim Barrett, Associate Director, Science & Partnerships
Hassaan Basit, President & CEO
Garner Beckett, Director, CH Foundation
Niamh Buckley, Administrative Assistant, Office of the President & CEO
Craig Machan, Associate Director, Park Operations
Kellie McCormack, Associate Director, Planning & Regulations
Marnie Piggot, Director, Finance
Plezzie Ramirez, Director, Human Resources
Jill Ramseyer, Director, Corporate Compliance
Barb Veale, Director, Planning & Watershed Management
Mark Vytvytskyy, COO

Chair Gerry Smallegange called the meeting to order at 3:25 p.m.

1. Acceptance of Agenda as distributed

CHBD 03 01

Moved by: Jean Williams
Seconded by: Gordon Krantz

THAT the Conservation Halton Board of Directors **accepts the agenda as distributed.**

Carried

2. Disclosure of Pecuniary Interest for Board of Directors

There were **NONE.**

3. Consent Items**3.1. Roll Call - Induction of Board Members for 2021**

Date of Term to expire in **February 2022 as per the Conservation Authorities Act.**

(4.1) A member shall be appointed for a term of up to four years, as may be determined by the council that appoints the member. 2017, c. 23, Sched. 4, s. 12 (2).0 or until a successor is appointed.

**3.2 Conservation Halton Board Advisory Committees Membership 2021
(CHBD 03 21 01)**

The consent items were **adopted.**

4. Action Items

The Chair and Vice Chair of the Conservation Halton Board of Directors will also be the Chair and Vice Chair of the Halton-Hamilton Region Source Protection Authority.

The CEO/Secretary-Treasurer assumed the role of the Chair.

The CEO/Secretary-Treasurer advised that the Elections would be conducted in accordance with Section 10 of the Conservation Authorities Act.

Only current members of the Authority may vote.

4.1.1 The CEO/Secretary-Treasurer called for a motion to **appoint Election Scrutineers to count the ballots for the election of Chair and Vice Chair.****CHBD 03 02**

Moved by: Jean Williams
Seconded by: Mike Cluett

THAT Plezzie Ramirez and Marnie Piggot be **appointed as scrutineers in the event of an election and that all ballots be destroyed by the scrutineers afterwards.**

Carried

4.1.2. The CEO/Secretary-Treasurer called for nominations for the position of Chair Of Conservation Halton Board of Directors for 2021.

It was Moved by Gordon Krantz that Gerry Smallegange be nominated for the position of Chair to Conservation Halton Board of Directors for 2021.

The CEO/Secretary-Treasurer called for nominations for a second time. There were no nominations.

The CEO/Secretary-Treasurer called for nominations for a third time. There were no nominations.

The CEO/Secretary-Treasurer called for a motion to close nominations for the position of Chair of Conservation Halton Board of Directors for 2021.

CHBD 03 03 Moved by: Allan Elgar
Seconded by: Moya Johnson

THAT nominations be **closed for the position of Chair of Conservation Halton Board of Directors for 2021.**

Carried

Gerry Smallegange confirmed he would allow his name to stand and thanked all present.

The CEO declared Gerry Smallegange, by acclamation, to the position of Chair, Conservation Halton Board of Directors 2021.

4.1.3 The CEO/Secretary-Treasurer called for nominations for the position of Vice Chair of Conservation Halton Board of Directors for 2021.

It was Moved by Cathy Duddeck that Moya Johnson be nominated for the position of Vice Chair for Conservation Halton Board of Directors for 2021.

The CEO/Secretary-Treasurer called for nominations for a second time. There were no nominations.

The CEO/Secretary-Treasurer called for nominations for a third time. There were no nominations.

The CEO/Secretary-Treasurer called for a motion to close nominations for the position of Vice Chair of Conservation Halton Board of Directors for 2021.

CHBD 03 04 Moved by: Dave Gittings
Seconded by: Bryan Lewis

THAT nominations be **closed for the position of Vice Chair of Conservation Halton Board of Directors for 2021.**

Carried

Moya Johnson confirmed she would allow her name to stand and thanked all present.

The CEO declared Moya Johnson by acclamation, to the position of Vice Chair, Conservation Halton Board of Directors 2021.

Chair Gerry Smallegange assumed the Chair for the remainder of the meeting.

5. Other Business

There was **NO** other business.

6. Adjournment

CHDB 03 05

Moved by: Cathy Duddeck

THAT the Inaugural meeting of the Conservation Halton Board of Directors **be adjourned at 3:29 p.m.**

Carried

MEETING NO: # Conservation Halton Governance & Risk Committee 01 21

MINUTES

A meeting of the Conservation Halton Governance & Risk Committee was held on Thursday, March 25, 2021 at 1:30 p.m. Via Zoom Video Conference.

Members Present: Cathy Duddeck (Chair)
Gordon Krantz
Rory Nisan (Vice Chair)
Jean Williams

Absent with regrets: Gerry Smallegange

Absent: Rick Di Lorenzo

Staff Present: Hassaan Basit, President & CEO/Secretary-Treasurer
Niamh Buckley, Administrative Assistant, Office of the President & CEO
Jill Ramseyer, Director, Corporate Compliance

Chair Cathy Duddeck called the meeting to order at 1:30 p.m.

1. Roll Call

2. Acceptance of Agenda

GC 01 01 Moved by: Jean Williams
Seconded by: Gordon Krantz

THAT the Agenda **be accepted as distributed.**

Carried

3. Disclosure of Pecuniary Interest for Conservation Halton Governance & Risk Committee Members

There were **NONE.**

4. Consent Items

4.1 Risk Management Program Updates (GC 01 21 01)

Governance & Risk Committee members are very supportive of the direction being taken by Conservation Halton in terms of Risk Management and inquired when it would be presented again and if it would be presented to the Conservation Halton Board. Jill Ramsey confirmed that Conservation Halton Staff are committed to providing a major snapshot of where we stand in term of risk management biannually.

Gordon Krantz suggested enhanced protection around storm water management lands. CH Staff will investigate coverage and liability risk with insurers.

The Consent Item was adopted.

5. Other Business

There was **NO** other business.

6. Adjournment

GC 01 02

Moved by: Jean Williams

That the Conservation Halton Governance & Risk Committee meeting **be adjourned at 1:54 p.m.**

Carried

MEETING NO: # Conservation Halton Finance & Audit Committee 01 21

MINUTES

A meeting of the Finance & Audit Committee was held on Thursday, April 8, 2021 via Zoom videoconference at 9:30 a.m.

Present: Rob Burton (Chair)
Mike Cluett
Joanne Di Maio
Moya Johnson
Jim Sweetlove

Absent: Hamza Ansari
Gerry Smallegange

Staff Present: Hassaan Basit, President & CEO/Secretary-Treasurer
Marnie Piggot, Director of Finance,
Niamh Buckley, Administrative Assistant, Office of the President & CEO

Guests Present: Matthew Betik, Auditor, KPMG LLP
Stacey Stahlmann, Senior Manager, Audit Services, KPMG

Chair Rob Burton called the meeting to order at 9:40 a.m.

1. Acceptance of Agenda

FA 01 01 Moved by: Moya Johnson
Seconded by: Jim Sweetlove

THAT the Finance and Audit Committee **approves the agenda as distributed.**

Carried

2. Disclosure of Pecuniary Interest for Finance & Audit Committee Members

There were **NONE**

3. Action Items

3.1 2020 Audited Financial Statements
(FA 01 21 01)

FA 01 02 Moved by: Moya Johnson

Seconded by: Mike Cluett

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board of Directors the AMENDED audited financial statements for the year ended December 31, 2020, as attached, be approved.**

KPMG Auditors Matthew Betik and Stacey Kraemer presented the Audit Findings Report confirming a clean report and excellent cooperation from Conservation Halton Staff.

Carried

3.2 Appointment of Auditor for 2021
(FA 01 21 02)

FA 01 03

Moved by: Joanne Di Maio
Seconded by: Jim Sweetlove

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board of Directors the reappointment of KPMG LLP as auditor for Conservation Halton for the 2021 fiscal year.**

4. Other Business

There was **NO** other business.

5. Adjournment

FA 01 04

Moved by: Mike Cluett

THAT the Finance & Audit Committee meeting **be adjourned 10:04 a.m.**

Carried

REPORT TO: Conservation Halton Board of Directors

MEMO NO: # CHBD 04 21 01

FROM: Jill Ramseyer, Director, Corporate Compliance

DATE: April 22, 2021

SUBJECT: Purchasing Memo – February 1, 2021 to March 31, 2021

Recommendation

THAT the Conservation Halton Board of Directors **receives for information the Purchasing Memo for the period February 1, 2021 to March 31, 2021 in accordance with the Purchasing Policy.**

Report

The following report summarizes purchases to be reported during the period February 1, 2021 to March 31, 2021. The Conservation Halton Purchasing Policy requires single or sole source purchases greater than \$25,000 (not including taxes) and Tenders awarded from a value of \$100,000.00 up to a value of \$350,000 (not including taxes) to be reported to the Board of Directors for information. Request for Proposal award recommendations that exceed \$100,000.00 (not including taxes) and Tenders that exceed \$350,000.00 (not including taxes) will be subject to Board approval prior to award.

Single or Sole Source Purchases (above \$25,000.00):

Vendor	Amount (excluding HST)	Details
Sysco Toronto	\$25,000.00 +	Due to the cancellation of RFP # 020920 - Supply and Delivery of Food Products in February of this year, to re-evaluate the volume of items required and the uncertainty of the current Covid-19 impacted environment, the decision was made to amend & extend the previous agreement with Sysco Toronto until February 28, 2022. A new RFP will be issued in July of this year to accommodate the period following the extension expiration.

ParkPass Inc.	<p>\$65,000.00</p> <p>+</p> <p>\$28,900</p>	<p>Annual subscription fee for CH e-commerce platform including parkvisit.ca and winterpass.ca reservation and payment system.</p> <p>Product development fees for winterpass.ca including other enhancements and customizations to the e-commerce platform to facilitate Glen Eden season operations and adherence to Provincial COVID-19 protocols for visitor capacity limits.</p>
---------------	---	---

Impact on Strategic Priorities

This report supports the Momentum priority of Organizational Sustainability by ensuring consistent and transparent processes are in place for reporting large purchases.

Financial Impact

There is no financial impact to this report.

Signed & respectfully submitted:



Jill Ramseyer
Director, Corporate Compliance

Approved for circulation:



Hassaan Basit
President & CEO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

Pavan Seth, Procurement Manager
pseth@hrca.on.ca

TO: Conservation Halton Board of Directors

MEMO #: CHBD 04 21 02

FROM: Jill Ramseyer, Director, Corporate Compliance

DATE: April 22, 2021

SUBJECT: Health & Safety Update (Q4 2020 – Q1 2021)

MEMO

The attached summary provides an overview of Conservation Halton's health and safety performance for Q4 of 2020 through Q1 of 2021 and the focus of projects and initiatives for 2021 aimed at reducing the number of incidents and fostering the safety culture at Conservation Halton.

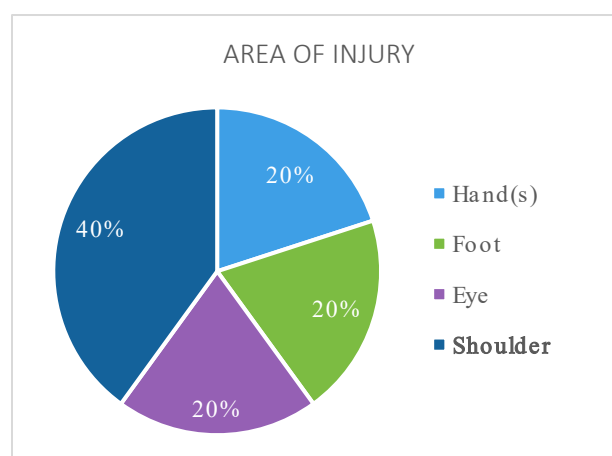
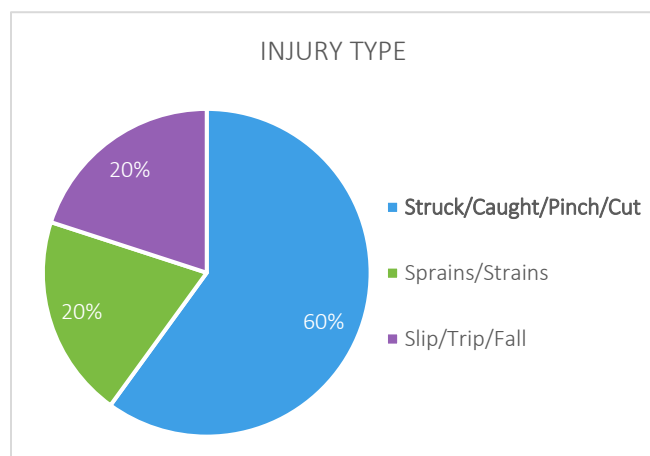
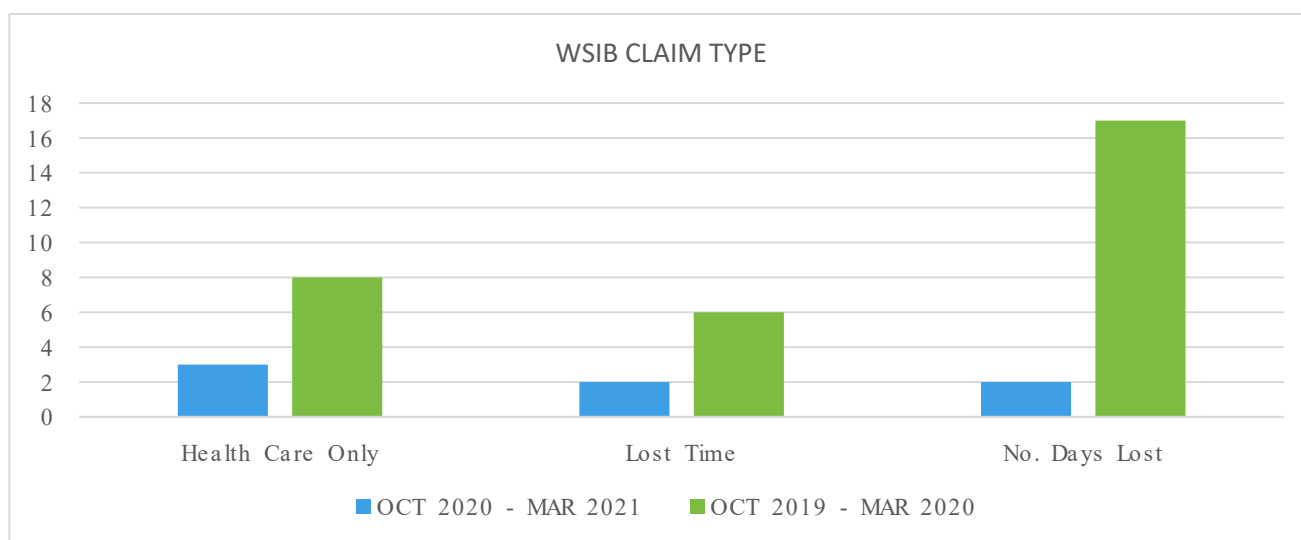
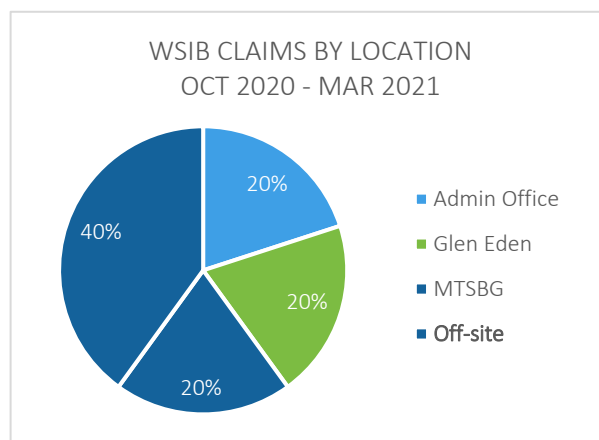
The number of incidents are tracked and categorized depending on severity (whether there was lost time and the number of lost days) and frequency (number of incidents and whether they are reportable to WSIB or not). Several other indicators are tracked such as area of injury, root cause, location, job type and more. Analysis of the data allows us to determine what type of prevention programs, including training, should be implemented.

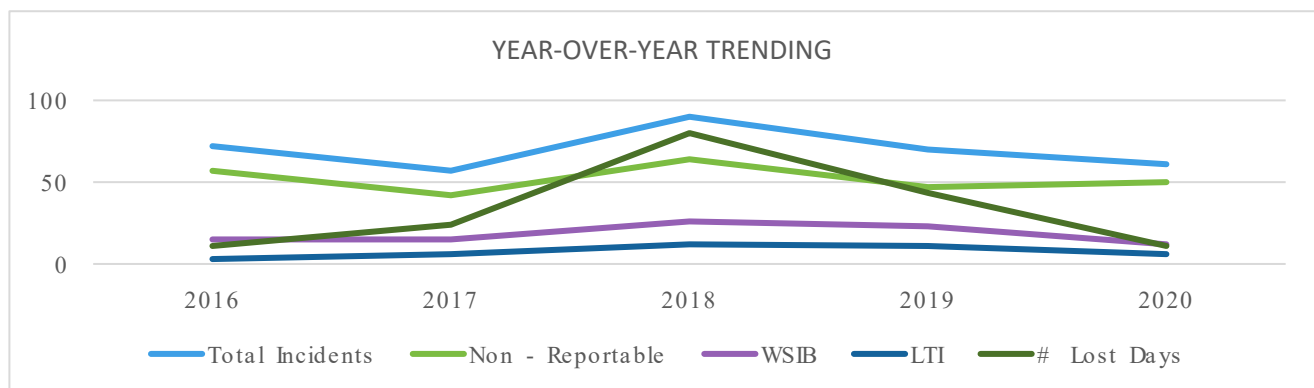
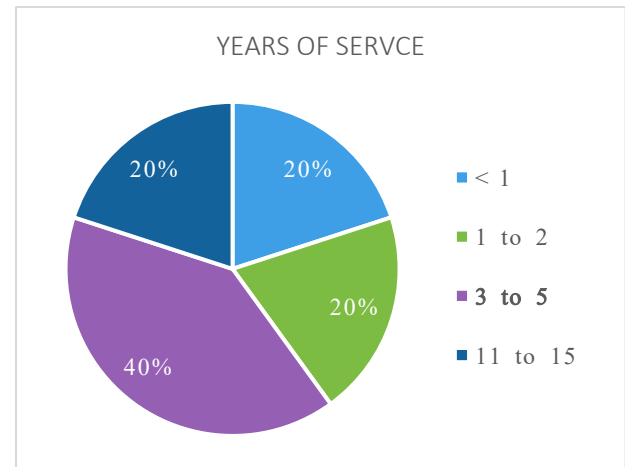
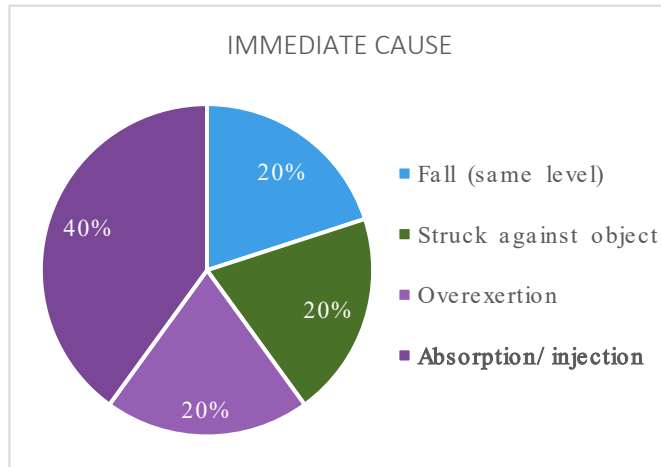
With the resurgence of COVID-19 cases and subsequently additional restrictions and lockdowns, the Glen Eden ski hill was not able to open until mid-February 2021 and this was at a reduced capacity. Other programs also continued to be scaled back or modified. The number of incidents and reportable WSIB claims were impacted in comparison to fully operational seasons. The reportable claims were 65% less than over the same Q4-Q1 period in 2019-2020. The number of lost days was also significantly lower. In a regular year we see a heavier claim volume at Glen Eden. We can attribute some of the reduction of WSIB claims and overall incidents to fewer employees working over the reporting period.

FOR QUESTIONS ON CONTENT: Nikki Garstang, Health and Safety Specialist
ngarstang@hrca.on.ca, 905.336.1158 x2246

WSIB INJURY STATISTICS

LOCATION	Oct 2020 – Mar 2021	Oct 2019 – Mar 2020
Admin Office	1	0
Glen Eden	1	11
Kelso	0	0
Mountsberg	1	0
Crawford Lake	0	1
Hilton Falls	0	0
Rat-MN	0	0
Workshop	0	1
Off-site	2	1
Total	5	14





LTI = Lost Time Injuries

AREAS OF FOCUS

- Revamping of the Vehicle and Equipment training program to improve trainer competency and the consistency of training content and delivery among different locations. This will better protect the health and safety of our staff, visitors, property, comply with applicable laws and standards, and improve efficiencies and the condition of equipment.
- Increase the awareness and understanding by people leaders of key responsibilities identified in policies relating to health and safety training, incident reporting and investigation, critical injuries, working alone and return to work.
- Explore and implement ways to effectively track health and safety related training that allows for easy identification of what and when training has been completed and who is due for refresher training and re-certification. Additionally, find a cost-effective solution for training sign-off and storage of digital records.

REPORT TO: Conservation Halton Board of Directors

MEMO NO: # CHBD 04 21 03

FROM: Barbara J. Veale, Director, Planning and Watershed Management

DATE: April 22, 2021

SUBJECT: Provincial consultation on growing the size of the Greenbelt
ERO No. 019-3136
CH File No.: PPL 046

Recommendation

THAT the Conservation Halton Board of Directors **receives for information the staff report entitled “Provincial consultation on growing the size of the Greenbelt”.**

Report

On February 17, 2021, the Ministry of Municipal Affairs and Housing (MMAH) posted a proposal on the Environmental Registry of Ontario (ERO # 019-3136) entitled “Consultation on growing the size of the Greenbelt”. The proposal is open for a 61-day public consultation period until April 19, 2021.

The Greenbelt Area includes lands covered by the policies of the Greenbelt Plan (GBP), as well as the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan. Collectively, these plans identify where urbanization should not occur. The plans provide permanent protection to the agricultural land base and the ecological and hydrological features, areas, and functions within the Greater Golden Horseshoe and beyond. They work together with A Place to Grow (Growth Plan), which provides the overarching strategy for where and how growth can be accommodated in the Greater Golden Horseshoe. Most of the land that Conservation Halton (CH) owns is located within the Greenbelt, including the GBP Area and Niagara Escarpment Plan (NEP) Area.

The proposal identifies two initial focus areas to grow the size and enhance the quality of the Greenbelt: a study area for the Paris Galt Moraine groundwater resources feature and ideas for adding and expanding Urban River Valleys (Figures 1 and 2). In addition, other potential areas to grow the Greenbelt may be considered, subject to the principles outlined below.

Principles for Growing the Greenbelt Expansions

1. No consideration of removal requests or land exchanges
2. No consideration of policy changes
3. Supports Greenbelt Plan objectives, vision, and goals
4. Follows Existing Amendment Process
5. Connects physically and/or functionally to the current Greenbelt
6. Considers impacts on existing provincial priorities

Figure 1 Paris Galt Moraine

Growing the Greenbelt Study Area – Paris Galt Moraine

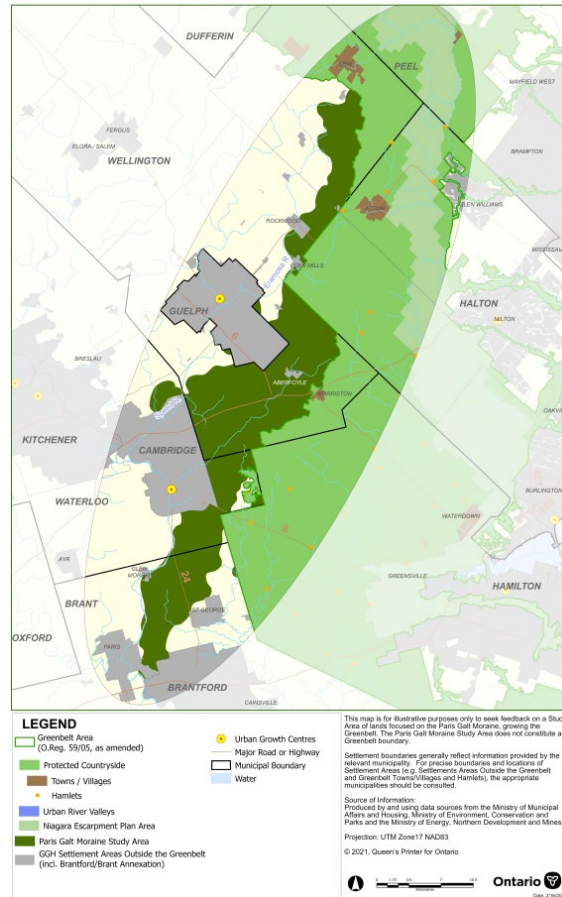
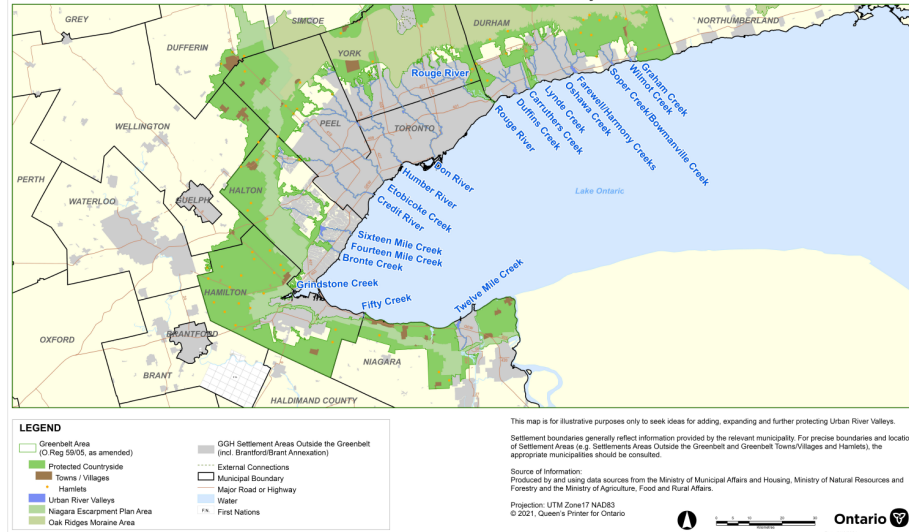


Figure 2 Greenbelt Area – Urban River Valleys

Greenbelt Area – Urban River Valleys



To guide public feedback, six key discussion questions were outlined in the ERO post, including:

1. What are your thoughts on the initial focus area of the Study Area of the Paris Galt Moraine?
2. What are the considerations in moving from a Study Area to a more defined boundary of the Paris Galt Moraine?
3. What are your thoughts on the initial focus area of adding, expanding and further protecting Urban River Valleys?
4. Do you have suggestions for other potential areas to grow the Greenbelt?
5. How should we balance or prioritize any potential Greenbelt expansion with the other provincial priorities mentioned above?
6. Are there other priorities that should be considered?

CH staff consulted with members of the Halton Area Planning Partnership (HAPP) to align responses on the proposal, as much as possible. Staff also provided preliminary input to Conservation Ontario. Given that the commenting deadline was before this Board meeting, staff submitted comments on those discussion questions before the April 19, 2021 as attached (Appendix A). CH indicated support for growing the size of the Greenbelt, subject to municipal support and robust public consultation. In addition, CH recommended the inclusion of two small parcels of land owned by CH which are adjacent to but excluded from the Greenbelt.

Through previous consultations, CH supported the inclusion of Grindstone, Bronte, Sixteen Mile and Fourteen Mile Creeks, as well as Glenorchy Conservation Area, within the Urban River Valleys (URVs) designation, as these areas all fall within CH jurisdiction.

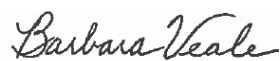
Impact on Strategic Goals

This report supports the Momentum priority of Natural Hazards and Water and Science, Conservation and Restoration.

Financial Impact

There is no financial impact to this report.

Signed & respectfully submitted:



Barbara J. Veale, Ph.D, MCIP, RPP
Director, Planning and Watershed Management

Approved for circulation:



Hassaan Basit
President & CEO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

Barbara Veale, Director, Planning and Watershed Management, 905-336-1158 x 2273, bveale@hrca.on.ca

Kellie McCormack, Associate Director, Planning & Regulations; 905-336-1158 x 2228; kmccormack@hrca.on.ca



905.336.1158
Fax: 905.336.7014
2596 Britannia Road West
Burlington, Ontario L7P 0G3
conservationhalton.ca

Protecting the Natural
Environment from
Lake to Escarpment

April 9, 2021

Ministry of Municipal Affairs and Housing
777 Bay Street
23rd Floor, Suite 2304
Toronto, ON M7A 2J3

BY EMAIL: greenbeltconsultation@ontario.ca

Re: Provincial consultation on growing the size of the Greenbelt
ERO No. 019-3136
CH File No.: PPL 046

Conservation Halton's (CH) jurisdiction covers an area of 1,059 square kilometres, including large expanses of the Greenbelt and the Niagara Escarpment Plan Area. This area is made up of the smaller watersheds of all the streams that enter Lake Ontario, from Grindstone Creek in the west to Joshua's Creek in the east. These drainage areas include portions of the Region of Peel, Region of Halton, City of Hamilton and Wellington County.

Conservation Halton (CH) has had an opportunity to review the proposal on the Environmental Registry of Ontario (ERO # 019-3136) entitled "Consultation on growing the size of the Greenbelt" and offers the following in response to the discussion questions.

1. What are your thoughts on the initial focus area of the Study Area of the Paris Galt Moraine?

Although the Paris Galt Moraine is just outside of CH's jurisdiction, CH supports the addition of the Paris Galt Moraine (PGM) to the Greenbelt Plan (GBP) Area. The Paris Galt Moraine is a critical landscape feature that provides many benefits to Ontarians including, among other things, flood attenuation, municipal and private drinking water supplies, protection and recharge of groundwater aquifers, improved surface water and groundwater quality and quantity, and baseflow to cold water streams which supports sensitive species and vegetation.

2. What are the considerations in moving from a Study Area to a more defined boundary of the Paris Galt Moraine?

The Province should ensure that the entire Paris Galt Moraine feature is included within the boundary of the Greenbelt Plan Area and that the boundary delineation is supported by appropriate scientific/technical studies.

Once the Paris Galt Moraine boundary is defined, CH recommends that the Province develop area specific policies for development within this area, as well as consider including transition policies for implementation.

For any study areas being considered for inclusion in the Greenbelt Plan Area it is important that the Province provide opportunities for robust consultation with the public.

3. What are your thoughts on the initial focus area of adding, expanding and further protecting Urban River Valleys?

The areas within CH's jurisdiction that are currently included within Urban River Valleys (URVs) include: Grindstone, Bronte, Sixteen Mile and Fourteen Mile Creeks, as well as Glenorchy Conservation Area

Fourteen Mile Creek is designated as an Urban River Valley in North Oakville; however, the designation currently terminates at the North Service Road and does not connect to Lake Ontario. CH recommends that the Province consider studying the remaining portion of the Fourteen Mile Creek Valley extending south to Lake Ontario for inclusion in the Greenbelt Urban River Valley designation.

CH supports adding, expanding, or further protecting URVs, where proposed and supported by our municipal partners, specifically the proposed additions within CH's jurisdiction. For any study areas being considered for inclusion in the Greenbelt area, it is important that the Province provide opportunities for robust consultation with the public.

4. Do you have suggestions for other potential areas to grow the Greenbelt?

Most of the land that CH owns is located within the Greenbelt, including the GBP Area and Niagara Escarpment Plan (NEP) Area. However, as shown on the attached map, there is one particular area in CH's jurisdiction where most of the CH-owned lands are within the GBP or NEP Areas but two small CH owned parcels appear to have been inadvertently excluded (refer to blue shaded parcels on the enclosed map). CH staff recommends that the Province include these lands within the Greenbelt.

As stated above, CH supports growing the Greenbelt, if proposed and supported by our municipal partners, specifically the proposed additions within CH's jurisdiction. However, it is important that the Province provide opportunities for extensive consultation with the public.

5. How should we balance or prioritize any potential Greenbelt expansion with the other provincial priorities mentioned above?

Any additions to the GBP would align with Provincial objectives related to natural heritage, water resources, and agriculture. Existing GBP infrastructure policies would likely be applicable in any newly added area and, therefore, would also align with the Province's objectives.

6. Are there other priorities that should be considered?

Climate change is a priority that should also be considered when evaluating Greenbelt expansions/additions. Growing the Greenbelt will help the Province to achieve some of its objectives related to climate change, including mitigating and adapting impacts and increasing resiliency on the landscape.

Thank you for providing an opportunity for input on the proposal to grow the Greenbelt.

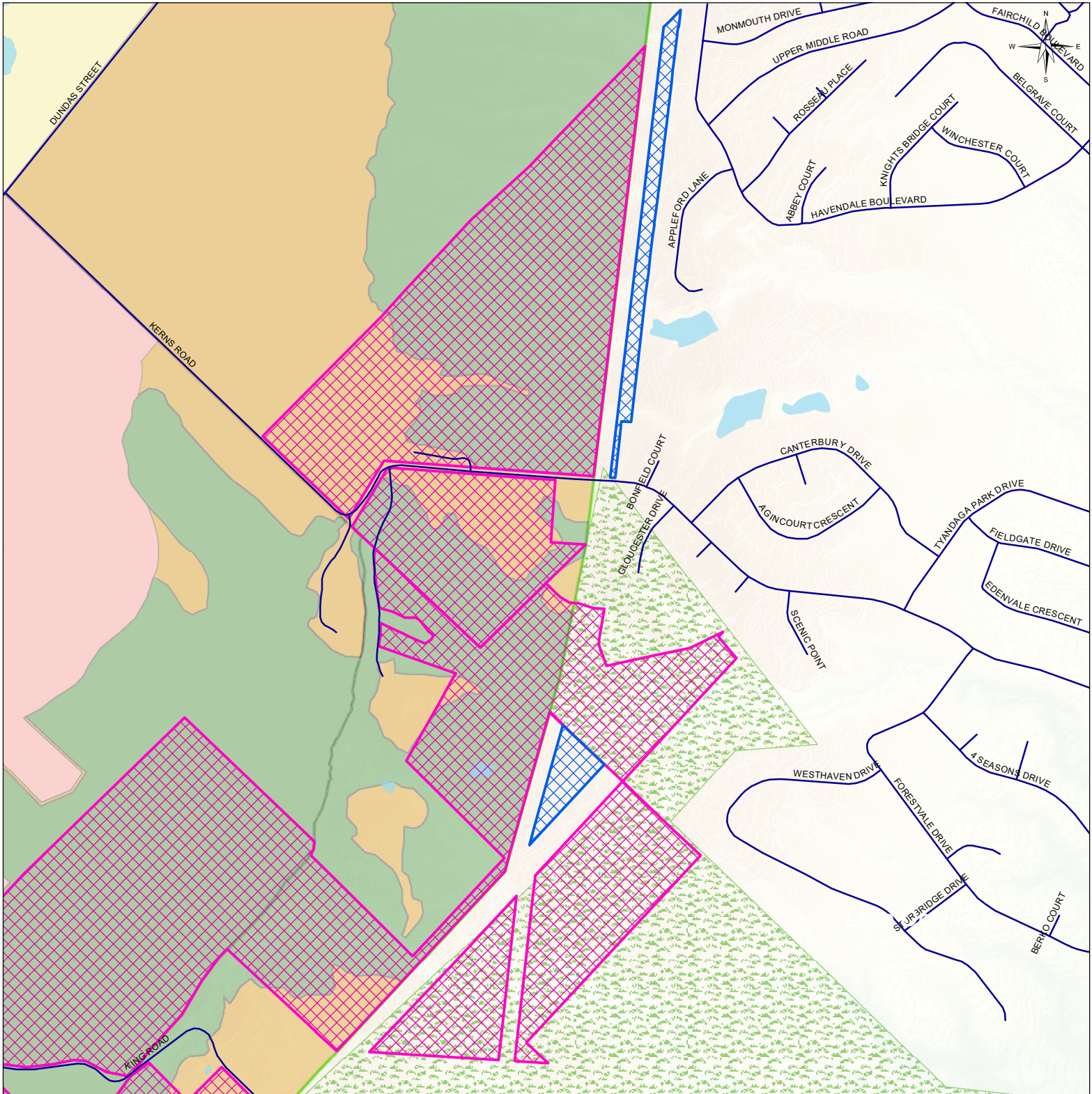
Yours truly,

A handwritten signature in black ink that reads "Barbara Veale". The signature is written in a cursive, flowing style.


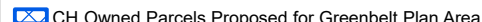

Barbara Veale. PhD, MCIP, RPP
Director, Planning & Watershed Management
905.336.1158 ext. 2273
bveale@hrca.on.ca

Encl. 1 – Map showing CH owned lands proposed for inclusion in the Greenbelt Plan Area



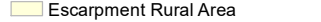
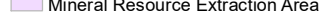

Growing the Size of the Greenbelt (Burlington)




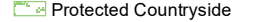

Legend

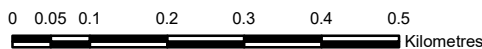
-  Roads
-  CH Owned Parcels Proposed for Greenbelt Plan Area
-  CH Owned Parcels

NEC Planning Areas

- Designation**
-  Escarpment Natural Area
-  Escarpment Protection Area
-  Escarpment Rural Area
-  Mineral Resource Extraction Area
-  Urban Area

Greenbelt Designation

-  Niagara Escarpment Plan
-  Protected Countryside
-  Urban River Valley



This mapping was produced by Conservation Halton and should be used for information purposes only. Data sources used in its production are of varying quality and accuracy and all boundaries should be considered approximate. Conservation Halton disclaims all responsibility for any and all mistakes or inaccuracies in the information and further disclaims all liability for loss or damage, which may result from the use of this information. This map is protected by copyright (© 2021) and may not be reproduced without written consent from Conservation Halton. Any copying, redistribution or republication the content thereof, for commercial gain is strictly prohibited. Produced by Conservation Halton GISP

REPORT TO: Conservation Halton Board of Directors

REPORT NO: CHBD 04 21 04

FROM: Barbara J. Veale, Director, Planning & Watershed Management

DATE: April 22, 2021

SUBJECT: **Permits & Letters of Permission issued under Ontario Regulation 162/06 from January 1 to March 31, 2021**

Recommendation

THAT the Conservation Halton Board of Directors **receives for information the Permits and Letters of Permission issued by staff under Ontario Regulation 162/06 for the period of January 1 to March 31, 2021, as identified in Report No. CHBD 04 21 06 dated April 22, 2021.**

Report

Between January 1 and March 31, 2021, Conservation Halton (CH) issued 100 Permits and 13 Letters of Permission (see attached table) (Appendix B). All approvals were reviewed and approved in accordance with Board approved policies contained in CH's *Policies and Guidelines for the Administration of Ontario Regulation 162/06 and Land Use Planning Policy Document April 27, 2006, last amended, November 26, 2020.*

Impact on Strategic Priorities

This report supports the Momentum priority of Natural Hazards and Water.

Financial Impact

CH staff work with permit applicants to address their needs while meeting Board approved policies for administering Ontario Regulation 162/06. Fees for permits are based on staff time and effort required to process different types of applications as approved by the Board.

Signed & respectfully submitted:



Barbara J. Veale
Director, Planning & Watershed Management

Approved for circulation:



Hassaan Basit
President & CEO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

Kellie McCormack, Associate Director, Planning & Regulations; 905-336-1158 x 2228;
kmccormack@hrca.on.ca

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
Burlington						
A/18/B/68	7629	4507 No. 4 Sideroad	Reconstruction of a two-storey dwelling and accessory building, replacement of septic system, construction of detached garage with carport, and associated grading works within the floodplain associated with Bronte Creek.	2020-10-19	2020-11-02	Ola Panczyk
A/19/B/79	**REVISED** 7311	4468 Escarpment Drive	**REVISED** Construction of a new dwelling including covered porches, patio/deck, balcony, and swimming pool within 30 meters of a wetland.	2021-01-15	2021-01-18	Ola Panczyk
A/20/B/04	7694	103 Colonial Court	Placement of a buried armourestone retaining wall for erosion protection along the mouth of Appleby Creek terminating at the shoreline of Lake Ontario.	2020-12-24	2021-01-15	Cassandra Connolly
A/20/B/116	**REVISED** 7622	4471 Escarpment Drive	**REVISED** The construction of a single dwelling including front and rear decks/patios, driveway, septic system, and associated minor grading within 30-120m of a Provincially Significant Wetland (PSW).	2021-02-16	2021-02-23	Cassandra Connolly
A/20/B/124	7691	582 Guelph Line	The re-construction of a detached garage, the removal of an existing single level armourestone wall, and importation of fill and minor grading works within the floodplain of Roseland Creek.	2020-12-09	2021-01-13	Cassandra Connolly
A/20/B/140	7702	3176 Trailwood Drive	Construction of an inground swimming pool with patio surround partially within the 7.5m regulatory allowance associated with Roseland Creek.	2021-01-15	2021-01-25	Cassandra Connolly
A/20/B/143	7731	506 Picton Place	The partial re-construction and expansion of an existing dwelling to include second storey addition, and the construction of a new balcony above an existing rear patio, within the 7.5m regulatory allowance associated with the floodplain of Roseland Creek.	2021-01-26	2021-02-11	Cassandra Connolly
A/20/B/145	7705	60 Park Avenue East	Installation of a new 250mm diameter PVC outlet from an existing catch basin which will outfall into the valley of West Aldershot Creek, with erosion protection measures to be installed down the valley slope.	2020-12-23	2021-01-26	Cassandra Connolly
A/20/B/146	7701	60 Park Avenue East	Replacement of a pool, construction of a new pavilion/cabana, removal of existing landscaping and hardscaping, and construction of new patios within the valley and the 7.5m regulatory allowance associated with West Aldershot Creek.	2021-01-06	2021-01-25	Cassandra Connolly
A/20/B/36	7679	4281 Lakeshore Road (Paletta Gardens Wastewater Pump Station Upgrades)	Upgrades to the Paletta Gardens Wastewater Pump Station including installation of a new floodproofed diesel generator and walk-in enclosure within the floodplain of Shoreacres Creek.	2020-12-14	2021-01-08	Matt Howatt
A/20/B/37	7680	5061 Lakeshore Road	Upgrades to the Bromley Park Wastewater Pump Station including installation of a new floodproofed diesel generator and walk-in enclosure within the floodplain of Appleby Creek.	2020-12-14	2021-01-08	Matt Howatt
A/20/B/42	7690	816 Tanager Avenue	Re-construction of a retaining wall, reconstruction and expansion of a patio and deck, and foundation repair to a dwelling located within the valley of West Aldershot Creek.	2020-11-16	2021-01-13	Cassandra Connolly
A/20/B/71	7740	298 Gardenview Drive	Re-construction of a detached garage, roof reconstruction, replacement of rear steps, and re-construction and expansion of rear patios and decks within the valley of Grindstone Creek and 15m regulatory allowance.	2021-02-17	2021-02-26	Cassandra Connolly
A/20/B/77	7727	1349 Hazelton Boulevard	Construction of an inground pool and patio within 7.5m of the floodplain associated with Upper Hager Creek.	2021-02-11	2021-02-16	Cassandra Connolly
A/21/B/01	7708	3354 Minerva Way	Construction of an inground pool and patio within 7.5m of the floodplain associated with Sheldon Creek.	2021-01-07	2021-02-01	Cassandra Connolly

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
A/21/B/02	7685	6450 Walkers Line	Replacement of a concrete culvert conveying Bronte Creek with a rigid frame open-footing culvert; the alteration (widening) of the creek bed and creation of adjacent slopes; and, the construction of road shoulders at the new bridge structure.	2021-01-06	2021-01-12	Cassandra Connolly
A/21/B/04	7686	662 Guelph Line	Construction of a covered exterior structure (roof cover) attached to an existing modular structure located within the floodplain of Roseland Creek.	2021-01-06	2021-01-08	Cassandra Connolly
A/21/B/05	7695	0 Rockwood Drive	Replacement of an existing 200mm watermain on Rockwood Drive by open cut trench within the flooding and erosion hazards associated with Tuck Creek and by horizontal directional drilling below the watercourse.	2021-01-18	2021-01-18	Matt Howatt
A/21/B/06	7700	2023 Barlow Crescent	Construction of an inground pool and patio within 7.5m of the stable top of bank erosion hazard associated with Upper Rambo Creek, maintaining the minimum 3 m setback from the hazard.	2021-01-11	2021-01-26	Amanda Roger
A/21/B/14	7720	609 Thornwood Avenue	Construction of an on-ground swimming pool within the floodplain and 7.5m regulatory allowance of Tuck Creek.	2021-01-28	2021-02-08	Cassandra Connolly
A/21/B/15	7712	674 Powell Court	Construction of a plunge pool, patio, and a rear deck within the floodplain and 7.5m regulatory allowance associated with Roseland Creek.	2021-01-25	2021-02-03	Cassandra Connolly
A/21/B/16	7742	3050 Lakeshore Road	Reconstruction of a residence, construction of a back covered porch, stairs, on-grade patio, and pool maintaining applicable setbacks associated with shoreline erosion hazard of Lake Ontario.	2021-01-19	2021-02-26	Cassandra Connolly
A/21/B/18	7764	658 North Shore Boulevard East	Construction of a dwelling with rear yard balconies, patio and a swimming pool requiring retaining wall within the erosion hazard of the shoreline of Lake Ontario, maintaining setback requirements for habitable and non-habitable development.	2021-01-22	2021-03-23	Cassandra Connolly
A/21/B/18	7764	658 North Shore Boulevard East	Construction of a dwelling with rear yard balconies, patio and a swimming pool requiring retaining wall within the erosion hazard of the shoreline of Lake Ontario, maintaining setback requirements for habitable and non-habitable development.	2021-03-11	2021-03-23	Cassandra Connolly
A/21/B/22	7758	409 Erindale Drive	Construction of an inground pool, patio, deck, and ancillary building partially within the floodplain and its 7.5m regulatory allowance, and within 7.5m of the valley associated with Sheldon Creek.	2021-03-02	2021-03-16	Cassandra Connolly
A/21/B/24	7724	1691 Snake Road	Construction of an agricultural storage building within the 15m regulatory allowance associated with Grindstone Creek.	2021-02-09	2021-02-12	Cassandra Connolly
A/21/B/25	7726	6559 Glenfern Avenue	Demolition of an existing dwelling, decks, and pool located within the valley of Bronte Creek and the construction of a new dwelling, septic system, and driveway extension partially within the 15m regulatory allowance.	2021-02-09	2021-02-16	Cassandra Connolly
A/21/B/28	7746	3096 Jenn Avenue	Construction of an inground pool and patio within the 7.5m regulatory allowance associated with the floodplain of Sheldon Creek.	2021-02-25	2021-03-01	Cassandra Connolly
A/21/B/29	7745	3262 Sharp Road	Construction of an inground pool and patio within the 7.5m regulatory allowance associated with the floodplain of Sheldon Creek.	2021-02-25	2021-03-01	Cassandra Connolly
A/21/B/30	7744	4613 Erwin Road	Construction of an inground pool, deck, and patio within the 7.5m regulatory allowance associated with the floodplain of Sheldon Creek.	2021-02-24	2021-02-26	Cassandra Connolly
A/21/B/32	7756	5400 Harvester Road	Installation of a sewer and water line within the flooding and erosion hazards associated with Sheldon Creek.	2021-03-01	2021-03-12	Ola Panczyk

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
A/21/B/33	7766	850 Danforth Place	Reconstruction of a balcony within the erosion hazard of the shoreline of Lake Ontario (Hamilton Harbour/Burlington Bay), maintaining setback requirements for non-habitable development.	2021-03-10	2021-03-25	Cassandra Connolly
A/21/B/37	7761	2267 Pathfinder Drive	Construction of an inground pool within the 7.5m regulatory allowance associated with the floodplain of Appleby Creek.	2021-03-08	2021-03-19	Cassandra Connolly
A/21/B/38	7762	2106 Muirfield Court	Construction of an inground pool, patios, and hardscaping within the 7.5m regulatory allowance associated with the floodplain of Appleby Creek.	2021-03-09	2021-03-16	Cassandra Connolly
A/21/B/39	7754	2662 Britannia Road	Foundation re-construction/repairs for a barn located partially within the 15m regulatory allowance associated with the valley of Bronte Creek.	2021-03-09	2021-03-12	Cassandra Connolly
A/21/B/40	7765	1588 Snake Road	Construction of a roof structure at the rear of a dwelling within the 15m regulatory allowance associated with the valley of Grindstone Creek.	2021-03-10	2021-03-24	Cassandra Connolly
A/21/B/41	7767	1041 Willowbrook Road	Construction of a deck and staircase within the floodplain of Falcon Creek.	2021-03-11	2021-03-25	Cassandra Connolly
A/21/B/42	7769	522 Elwood Road	Placement of an above ground pool located within the 7.5m regulatory allowances of both the floodplain and valley associated with Tuck Creek.	2021-03-16	2021-03-26	Cassandra Connolly
A/20/B/144	Letter of Permission	3388 Cedar Springs Road	Construction of an inground swimming pool and concrete patio within 30 and 120 metres of a wetland greater than 2 hectares in size.	2021-01-04	2021-01-15	Cassandra Connolly

Halton Hills						
A/17/HH/14	7687	0 Trafalgar Road (@ Tenth Sideroad)	Extension of an existing culvert (Crossing C1) including addition of headwalls and retaining wingwalls that conveys a tributary of Sixteen Mile Creek. (PR 2960) C1	2021-01-04	2021-01-13	Matt Howatt
A/17/HH/15	7688	0 Trafalgar Road	Extension of existing twin cell culvert (Crossing C2) and addition of third cell, headwalls and retaining wingwalls and associated watercourse alterations of a tributary of Sixteen Mile Creek. (PR 2960) C2	2021-01-04	2021-01-13	Matt Howatt
A/18/HH/18	7697	0 Eighth Line (Hwy 401 to 10th Sdrd)	Installation of a 1200 mm Wastewater Main along Eighth Line from 10 Side Road to Highway 401 by micro-tunneling below three tributaries of Sixteen Mile Creek and within the flooding and erosion hazards associated with these watercourses and within 120 metres of wetlands greater than 2 hectares in size.	2020-12-17	2021-01-19	Matt Howatt
A/20/HH/22	7703	6 Cleve Court	of a relocated SWM Pond outfall to a tributary associated with (Mansewood Creek) Sixteen Mile Creek including grading within the floodplain.	2020-10-28	2021-01-26	Ben Davis
A/20/HH/23	7704	6 Cleve Court	Construction of a new SWM Pond outfall to a tributary associated with (Mansewood Creek) Sixteen Mile Creek including grading within the floodplain.	2020-10-28	2021-01-26	Ben Davis
A/20/HH/24	7706	6 Cleve Court	Construction of a relocated SWM Pond outfall to a tributary associated with (Mansewood Creek) Sixteen Mile Creek including grading within the floodplain.	2020-10-28	2021-01-26	Ben Davis
A/21/HH/02	7692	Tenth Sideroad & Steeles Avenue	Installation of the new 600mm and 750mm diameter Zone 6 watermain (Zone 6) crossing beneath tributaries of Sixteen Mile Creek.	2021-01-04	2021-01-13	Matt Howatt

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
A/21/HH/04	7722	9269 Eighth Line	Construction of a one storey rear addition to an existing dwelling, rear covered porch and septic system replacement located between 15 and 30 metres from a wetland greater than 2 hectares in size, but no closer than the existing system.	2021-02-11	2021-02-11	Ben Davis
A/21/HH/06	7748	8420 Ninth Line	Construction of a two-storey dwelling and detached garage located within 15 of the valley associated with a tributary of Sixteen Mile Creek.	2021-03-01	2021-03-02	Ben Davis
A/21/HH/07	7752	13084 Tenth Sideroad	Septic system replacement located within 15 metres from a wetland less than 2 hectares in size, but no closer than the existing system.	2021-03-02	2021-03-09	Ben Davis
A/21/HH/03	Letter of Permission	8477 Tenth Sideroad	Septic system replacement located between 30 and 120 metres of a Provincially Significant Wetland	2021-03-01	2021-03-01	Ben Davis

Hamilton						
A/20/H/46	**REVISED** 7544	27 Campbellville Road	**REVISED** Reconstruction of a deck and patio within the floodplain of Bronte Creek and between 15 and 30 metres of the Beverley Swamp Provincially Significant Wetland (PSW).	2021-03-09	2021-03-22	Cassandra Connolly
A/20/H/60	7715	50 Leavitt Boulevard	The installation of infiltration infrastructure within a regulated karst feature.	2021-02-01	2021-02-05	Ola Panczyk
A/20/H/65	7723	900 Centre Road	Additions to a home and new accessory decking within the floodplain associated with a tributary of Grindstone Creek .	2021-02-12	2021-02-12	Charles Priddle
A/20/H/70	7689	19 Laurendale Avenue	Construction of a second storey addition within the 15 metre regulatory allowance from the valley of Grindstone Creek that maintains the minimum required 6 metre setback from the hazard.	2020-12-21	2021-01-12	Cassandra Connolly
A/21/H/01	7719	43 Parkshore Place		2021-01-12	2021-02-08	Cassandra Connolly
A/21/H/05	7772	16 Old Guelph Road (RBG)	Construction of an Enbridge Gas rectifier bed within the valley and associated 7.5m regulatory allowance associated with a tributary of the North Cootes Paradise watershed.	2021-03-01	2021-03-29	Cassandra Connolly
A/21/H/07	7750	2088 Centre Road	Partial re-construction of a dwelling located within 120m of a Provincially Significant Wetland, maintaining the minimum 15m setback for existing development.	2021-03-02	2021-03-05	Cassandra Connolly
A/20/H/44	**REVISED** Letter of Permission	1126 Centre Road	**REVISED** Construction of an inground pool and pool shed within 30 metres and 120 meters of a Provincially Significant Wetland (PSW).	2021-02-25	2021-02-26	Cassandra Connolly
A/20/H/51	Letter of Permission	460 Tenth Concession Road East	Construction of a 146 sqm accessory building within 30 – 120 metres of a Provincially Significant Wetland (PSW).	2021-02-03	2021-02-04	Charles Priddle
A/21/H/06	Letter of Permission	102 Eleventh Concession Road East	Construction of an addition to the dwelling and a pool pavilion between 30 and 120 metres of a Provincially Significant Wetland (PSW).	2021-03-01	2021-03-15	Cassandra Connolly

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
Milton						
A/17/M/67	7733	0 Britannia Road (RR 25 to JSP)	Widening of Britannia Road including the installation of underground utility lines, 1.2 m diameter watermain, three new storm sewer outfalls, new bridge and associated works within the flooding and erosion hazards associated with Sixteen Mile Creek. PR2670B (Crossing C-7)	2021-02-12	2021-02-16	Justin McAurthur
A/17/M/68	7729	0 Britannia Road (RR 25 to JSP)	Widening of Britannia Road over a tributary of Sixteen Mile Creek, including the installation of a 1200 millimeter x 4500 millimeter open bottom concrete box culvert (Crossing 8), a 1200 millimeter watermain, a 3.0 metre wide multi-use path, 2 new storm water management outlets to the culvert and associated works within the flooding and erosion hazards associated with a tributary of Sixteen Mile Creek. PR2670B (Crossing C-8)	2021-02-12	2021-02-16	Justin McAurthur
A/17/M/69	7734	0 Britannia Road (RR25 to JSP)	Widening of Britannia Road over a tributary of Sixteen Mile Creek, including the installation of a 1200 millimeter x 9680 millimeter open bottom concrete box culvert (Crossing 9), underground utilities, a 1200 millimeter watermain, a 3.0 metre wide multi-use path, 2 storm water management outlets within the flooding and erosion hazards associated with a tributary of Sixteen Mile Creek. PR2670B (Crossing C-9)	2021-02-12	2021-02-16	justin mcarthur
A/17/M/71	7735	0 Britannia Road (RR25 to JSP)	Construction of a new six lane section of Britannia Road over a tributary of Sixteen Mile Creek, including the installation of a 1900 millimeter x 14000 millimeter open bottom concrete box culvert (Crossing 11), underground utilities, a 3.0 metre wide multi-use path, two storm water management outlets, two dry stormwater management ponds within the flooding and erosion hazards associated with a tributary of Sixteen Mile Creek. PR2670B (crossing C-11)	2021-02-12	2021-02-16	Justin McAurthur
A/18/M/106	7698	0 Trafalgar Road (b/w Britannia & Hwy 401)	Installation of a 1200 mm Wastewater Main from Highway 401 at Eighth Line to Trafalgar Road approximately 250 metres north of Britannia Road by micro-tunneling below three tributaries of Sixteen Mile Creek and within the flooding and erosion hazards associated with these watercourses and within 120 metres of a Provincially Significant Wetland (PSW). (PR 3126A)	2020-12-17	2021-01-19	Matt Howatt
A/19/M/36	7736	Britannia Road & Fourth Line	Replacement of the existing culvert at Fourth Line and Britannia Road conveying a tributary of Sixteen Mile Creek with a twin opening 1200 millimeter x 4500 millimeter open bottom concrete box culvert, installation of a 1200 millimeter watermain, tie-in to the existing 900 millimetre watermain and associated works within the flooding and erosion hazards and regulatory limits associated with a tributary of Sixteen Mile Creek. (PR 2670B)	2021-02-12	2021-02-16	Jutin McAurthur
A/19/M/63	7684	0 Fourteenth Sideroad (b/w Appleby & Tremaine)	Replacement of an existing 200mm watermain across two tributaries of Bronte Creek between the Milton Reservoir and Tremaine Road.	2020-12-22	2021-01-06	Matt Howatt
A/20/M/72	7709	0 Thompson Road (Mattamy Martin East Property)	Construction of an access road for SWM Pond SSA-1 outfall within the valley associated with Sixteen Mile Creek.	2021-01-18	2021-02-02	Ben Davis
A/20/M/74	7693	1211 Fourth Line	Construction of a diversion channel associated with a tributary of Sixteen Mile Creek, not including node connections.	2021-01-12	2021-01-15	Ben Davis
A/20/M/83	7713	Oxford Subdivision (North Diversion Nodes)	Construction of the northern diversion channel node connections associated with a tributary of Sixteen Mile Creek including grading within the floodplain.	2021-01-29	2021-02-04	Ben Davis

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
A/20/M/84	7714	Oxford Subdivision	The construction of the southern diversion channel node connections associated with a tributary of Sixteen Mile Creek including grading within the floodplain.	2021-02-09	2021-02-04	Ben Davis
A/20/M/85	7983	8656 Esquesing Line	The installation of 1 ¼ NPS pipeline for a residential hookup located within the floodplain and valley associated with a tributary of Sixteen Mile Creek.	2020-12-10	2021-01-06	Ben Davis
A/20/M/88	7682	117 Commercial Street	Construction of front covered porch located within the floodplain associated with Sixteen Mile Creek.	2020-12-21	2021-01-04	Ben Davis
A/21/HH/05	7732	10570 Sixth Line	Septic tank replacement located between 15 and 30 metres from a wetland greater than 2 hectares in size, but no closer than the existing tank.	2021-02-18	2021-02-18	Ben Davis
A/21/M/03	7730	Campbell Avenue E. & Campbell Road Road Allowance	Reconstruction of Campbell Ave E (Phase 3) from Canyon Rd to Campbellville Rd, including a new roundabout intersection, storm sewer and culvert replacements within the floodplain associated with Sixteen Mile Creek.	2021-02-09	2021-02-18	Ben Davis
A/21/M/05	7711	11035 Inglis Drive	Installation of a 6.4m x 10.97 inground swimming pool and 1m concrete patio around the pool located between 15 and 30 metres of a Provincially Significant Wetland (PSW).	2021-01-14	2021-02-03	Ben Davis
A/21/M/06	7728	12272 Sixth Nassagaweya Line	Construction of a 2-storey dwelling, swimming pool and septic system replacement located between 15 and 30 metres of a wetland greater than 2 hectares in size.	2021-02-12	2021-03-15	Ben Davis
A/21/M/08	7710	5636 Trafalgar Road	Installation of 40 metres of NPS 2 pipeline and 28 metres of NPS ½ pipeline for a residential hookup located within 15 metres of the valley associated with Sixteen Mile Creek.	2021-02-02	2021-02-02	Ben Davis
A/21/M/09	7716	Bronte St. N. south of Steele Ave.	Relocation of 1065 metres of existing NPS 4 and 6 inch pipeline located within the floodplain associated with Sixteen Mile Creek.	2021-02-04	2021-02-05	Ben Davis
A/21/M/11	7718	11155 Menzies Court	The construction of a detached garage and rear covered porch with basement addition located between 15 and 30 metres of a Provincially Significant Wetland (PSW).	2021-02-05	2021-02-08	Ben Davis
A/21/M/15	7738	51 Millside Drive	Installation of 172 metres of NPS 2 inch pipeline for hookup to a commercial facility within the floodplain associated with Sixteen Mile Creek.	2021-02-24	2021-02-24	Ben Davis
A/21/M/16	7737	Britannia Road (adj to 8625)	Relocation of 100 metres of NPS 2 inch pipeline for the widening of Britannia Road within 15 metres of the valley associated with Sixteen Mile Creek.	2021-02-24	2021-02-24	Ben Davis
A/21/M/17	7741	6750 Trafalgar Road	Temporary watercourse alteration and construction of a temporary feedermain flushing basin within the regulated area of Sixteen Mile Creek.	2021-02-19	2021-03-01	justin mcarthur
A/21/M/19	7757	6649 Regional 25 Road	Demolition of 3 existing detached accessory buildings and construction of an 81ft x 32ft detached accessory building within the floodplain associated with Sixteen Mile Creek.	2021-03-05	2021-03-16	Ben Davis
A/21/M/24	7768	114 Ashbrook Court	The construction of a 2-storey addition to the dwelling and the reconstruction of a detached garage, attaching it to the dwelling within 6 and 15 metres of the valley associated with Sixteen Mile Creek.	2021-03-17	2021-03-26	Ben Davis
A/21/M/21	Letter of Permission	7548 Sixth Line	Reconstruction of a dwelling, driveway and septic system located between 30 and 120 metres of a wetland greater than 2 hectares in size.	2021-03-11	2021-03-19	Ben Davis
A/20/M/24	**REVISED** Letter of Permission	8027 Milborough Line	REVISED - Construction of a 1-storey single family dwelling, in-ground swimming pool, patio and septic system located between 30 and 120 metres of a Provincially Significant Wetland	2021-02-11	2021-03-08	Ben Davis
A/20/M/89	Letter of Permission	5455 Fifteenth Sideroad	Replacement of a septic tank located between 30 and 120 metres of a Provincially Significant Wetland (PSW).	2020-12-23	2021-01-04	Ben Davis

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
A/21/M/01	Letter of Permission	11058 First Line	Installation of 60 metres if 1 ¼ NPS pipeline for a natural gas connection located between 30 and 120 metres of a wetland greater than 2 hectares in size.	2021-01-06	2021-01-07	Ben Davis
A/21/M/02	Letter of Permission	8091 Appleby Line	One storey addition to an existing dwelling located between 30 and 120 metres of a wetland greater than 2 hectares in size.	2021-01-06	2021-01-07	Ben Davis
A/21/M/10	Letter of Permission	10447 Second Line	One storey rear addition to an existing dwelling located between 30 and 120 metres of a Provincially Significant Wetland (PSW).	2021-02-04	2021-02-05	Ben Davis
A/21/M/14	Letter of Permission	4319 Henderson Road	Partial reconstruction of an existing dwelling as a result of fire damage located between 30 and 120 metres of a Provincially Significant Wetland (PSW).	2021-02-22	2021-02-22	Ben Davis

Mississauga

No permits issued during this time period

Oakville

A/19/O/09	7747	0 Rebecca Street Street (Adjacent to 125 Forsythe Street)	Replacement of a 500 millimetre watermain within 15 metres of the floodplain and stable top of bank associated with Sixteen Mile Creek. (PR-3210)	2021-02-17	2021-03-01	Justin McArthur
A/19/O/49	7763	0 Sixth Line (b/w Dundas & Thresing Mill Blvd)	Relocation of Upper West Morrison Creek including construction of an interim channel and portion of an ultimate channel to facilitate the widening of Sixth Line.	2021-02-23	2021-03-23	Laura Head
A/20/O/13	7770	1333 Dorval Drive	Bank stabilization works along the bank of Sixteen Mile Creek.	2021-03-18	2021-03-26	Laura Head
A/20/O/18	**REVISED** 7431	425 Avon Crescent	**REVISED** Reconstruction of a dwelling within 7.5 metres of a valley associated with Lower Morrison Creek	2020-04-27	2021-03-01	Laura Head
A/20/O/18	**REVISED** 7431	425 Avon Crescent	**REVISED** Reconstruction of a dwelling within 7.5 metres of a valley associated with Lower Morrison Creek	2021-02-19	2021-03-01	Laura Head
A/20/O/59	7707	1200 Stirling Drive(Town of Oakville easement)	Outlet upgrades including the removal of a CSP culvert and creation of a widened channel which will allow for enhanced drainage into Lake Ontario.	2021-01-20	2021-02-03	Laura Head
A/20/O/61	7751	1429 Dundas Street East	Construction of trails with associated grading within 7.5m of Stable Top of Bank associated with Joshua's Creek and the installation of flow spreaders within the valley.	2021-02-08	2021-03-09	Laura Head
A/20/O/77	7743	18 West Street	Alteration and enhancement of existing shoreline protection works including partial reassembling of the armour stone wall, armour stones at the toe of the wall, and a rip rap splash pad behind the cap stone.	2020-12-01	2021-02-26	Colleen Bain
A/21/O/01	7696	1158 Queens Avenue	Construction of roof dormers, front foyer addition and new covered porch within 7.5 metres of stable top of bank associated with a tributary of Sixteen Mile Creek.	2021-01-14	2021-01-19	Laura Head
A/21/O/02	7717	15 Timber Lane	The construction of a pool, minor addition to the terrace and minor landscaping within the erosion hazard associated with Lake Ontario.	2021-01-27	2021-02-10	Laura Head
A/21/O/06	7721	1422 Gulledge Trail	Construction of a second-storey rear deck, inground swimming pool and associated hardscaping within the floodplain and 7.5m regulation limit associated with Taplow Creek.	2021-02-05	2021-02-10	Laura Head
A/21/O/08	7759	1483 Pembroke Drive	Construction of a new two-storey dwelling, attached covered porch, patio and infinity pool within 7.5m of Stable Top of Bank associated with Munn's Creek.	2021-03-11	2021-03-17	Laura Head
A/21/O/11	7749	0 Kerr Street (near 623)	Relocation of two pipelines within the erosion hazard and associated 15m regulation limit of Sixteen Mile Creek.	2021-02-19	2021-03-04	Laura Head

CH File No.	Permit No.	Address	Proposed Works	Complete	Issued	CH Staff Member
A/21/O/12	7773	2100 Lakeshore Road	Reconstruction of a boathouse with pavilion on existing foundation and construction of a marine railway within the erosion and flooding hazard associated with the shoreline of Lake Ontario.	2021-02-19	2021-03-29	Laura Head
A/21/O/12	7773	2100 Lakeshore Road	Reconstruction of a boathouse with pavilion on existing foundation and construction of a marine railway within the erosion and flooding hazard associated with the shoreline of Lake Ontario.	2021-03-05	2021-03-29	Laura Head
A/21/O/13	7739	1252 Wood Place	Restoration of the fire damaged dwelling within 7.5 metres of the floodplain associated with Fourteen Mile Creek.	2021-02-24	2021-02-25	Laura Head
A/21/O/14	7753	1381 Peartree Circle	Construction of an inground swimming pool and associated patio within 7.5m of the Top of Bank associated with Fourteen Mile Creek.	2021-03-04	2021-03-11	Laura Head
A/21/O/16	7771	24 Shorewood Place	Reconstruction and expansion of rear deck within the erosion hazard associated with the shoreline of Lake Ontario.	2021-03-10	2021-03-26	Laura Head
A/21/O/19	7760	2055 Grosvenor Street	Construction of an inground swimming pool and associated patio within 7.5m of the Top of Bank associated with Fourteen Mile Creek.	2021-03-15	2021-03-18	Laura Head
A/21/O/26	7755	213 Dianne Avenue	Reconstruction of a new 2-storey dwelling, covered deck, patio, and pool within the valley associated with Lower Morrison Creek.	2021-03-04	2021-03-15	Amanda Roger

Puslinch						
A/21/P/01	Letter of Permission	17 Calfass Road	Addition to an accessory garage building between 30 meters and 120 metres of a Provincially Significant Wetland (PSW).	2021-02-24	2021-02-25	Charles Priddle

REPORT TO: Conservation Halton Board of Directors

REPORT NO: # CHBD 04 21 05

FROM: Barbara J. Veale, Director, Planning & Watershed Management
905-336-1158 x2273

DATE: April 22, 2021

SUBJECT: Update on the Reid Road Reservoir Quarry and the Proposal to Designate as an Undertaking under the *Environmental Assessment Act*
ERO No. 019-2876
CH File No.: PQ 018

Recommendation

THAT the Conservation Halton Board of Directors **receives for information the Staff report entitled “Update on the Reid Road Reservoir Quarry and the Proposal to Designate the Reid Road Quarry as an Undertaking under the *Environmental Assessment Act*.”**

And

THAT the Conservation Halton Board of Directors **directs staff to circulate the staff report entitled “Update on the Reid Road Reservoir Quarry and the Proposal to Designate as an Undertaking under the *Environmental Assessment Act*” to the Region of Halton, Town of Milton and the Ministry of Natural Resources and Forestry for information.**

Executive Summary

- In early August 2018, an application was circulated to staff under the *Aggregate Resources Act* by James Dick Construction Limited. The application was to establish a new aggregate extraction operation at the western terminus of Reid Side Road in Milton. No advance notice regarding this application was provided to and no pre-consultation occurred with the Region of Halton, Town of Milton, or Conservation Halton.
- Since that time, Conservation Halton staff has worked closely with staff from the Region of Halton, their retained consultants, and staff from the Town of Milton to undertake technical review of the proposal as part of a Joint Agency Review Team (JART). The agencies have secured objector status in the *Aggregate Resources Act* process.
- The two-year *Aggregate Resources Act* review timeline, which had been extended due to the COVID-19 pandemic, ended on January 29, 2021. At this time, no recommendation on the licence application has been made by MNRF staff to the Minister.
- An Environmental Registry of Ontario proposal #019-2876 was released on January 29, 2021, seeking public feedback on the potential for designating the project as an undertaking under the *Environmental Assessment Act*. This is only the second-known instance of such a proposal in Ontario. Such a designation, if approved, would require a scoped, individual environmental assessment to be undertaken for the proposal.

- To meet the Environmental Registry of Ontario deadline, staff submitted the attached letter (Appendix C) submitted jointly from the Region of Halton, the Town of Milton, and Conservation Halton to the Ministry on March 11, 2021. On March 24, 2021, Halton Regional Council approved the ERO content as written.
- This report provides an update to the Conservation Halton Board of Directors on the progress on JART work and the joint submission made with the Region of Halton and the Town of Milton to the Ministry of the Environment, Conservation and Parks.

Report

Background

In August 2018, James Dick Construction Limited (JDCL) filed an *Aggregate Resources Act* (ARA) application with the Ministry of Natural Resources and Forestry (MNR) for a licence to operate a quarry on the site of the former Woodlawn Guelph Campbellville Pit, just west of Twiss Road at its intersection with Reid Side Road in the Town of Milton. A licence for the property existed in various forms from 1976 to 2008, when the licence was revoked by the MNR.

The site has been inactive since that time. The ARA proposal would establish a new quarry use, using underwater blasting to extract below the water table.

Conservation Halton staff is participating on a Joint Agency Review Team (JART) with staff from the Region of Halton and the Town of Milton, as well as the Region of Halton's retained consultants.

On October 24, 2019, the Conservation Halton Board of Directors was provided an update on the proposal through Report No. CHBD 10 19 04 re: "*Aggregate Resources Act* (ARA) Licence Application: Reid Road Reservoir Quarry, James Dick Construction Limited, CH File No. PQ 18. Since that report, the JART's technical review has continued.

This report provides an update on JART work to date and an overview of the comments provided by the JART staff in response to the Environmental Registry proposal to designate the project as an undertaking under the *Environmental Assessment Act*.

JART Agencies Continue to Object to the Proposal

During the ARA review process, a proponent is required to send notice to remaining objectors of attempts to resolve objections, and the proponent's recommendations for resolving objections. A 20-day reply period is provided, during which objectors are required to respond to objections that remain. If an objector does not reply, the MNR deems there is no longer an objection to the application.

JDCL triggered the 20-day reply period by letter dated April 29, 2019, while the first round of technical review was underway through JART. The Region of Halton, the Town of Milton, and Conservation Halton staff submitted replies within that period identifying that objections raised in September 2018 had not been resolved. A second letter from JDCL was received on November 26, 2020. The Region of Halton, the Town of Milton, and Conservation Halton staff submitted replies in December 2020 indicating that objections remained. The agencies have secured objector status in the *Aggregate Resources Act* process.

Technical Review Remains Ongoing

The JART provided detailed technical review comments to JDCL and the MNRF on July 31, 2019. There were 244 individual comments that outline specific technical concerns of the JART partners that need to be addressed by the proponent.

After meeting with Provincial staff in September 2019, JDCL has acknowledged the JART comments and has engaged in dialogue with the JART to better understand and address the comments. JDCL provided a comprehensive reply and second submission to the JART technical comments in December 2019.

The JART provided a reply to JDCL in May 2020. JDCL replied to those comments with additional technical information and comments in fall 2020. This third submission is under review by the JART.

While JDCL has made improvements to the proposal, the JART is not satisfied that the proponent has addressed all of the issues raised through JART. A subsequent information report will be provided to the CH Board of Directors once this review is complete.

Two-year Aggregate Resources Act Review Timeline Concluded

A mineral aggregate proponent has a two-year period, under the *ARA* process, to resolve objections raised by individuals or agencies. The period begins once notice of the application is given in accordance with MNRF requirements. The proponent provides a summary of consultation undertaken during this time to the MNRF for consideration. Following this, MNRF staff makes a recommendation to the Minister on a decision on the *ARA* licence application.

The two-year review timeline, which had been extended due to the COVID-19 pandemic, ended on January 29, 2021. Staff understands that JDCL provided the required summary information to the MNRF. There are numerous objections remaining to this proposal, including those from the broader public. Where there are objections outstanding, Ministry staff normally recommends that the application be referred to a hearing before the Local Planning Appeal Tribunal or a Joint Board convened under the *Consolidated Hearings Act*.

It is the Minister of Natural Resources and Forestry who then can approve a licence application, refuse a licence application, or refer the application to a hearing (if there was no hearing before a decision to refuse). At this time, there is neither a recommendation from MNRF staff on the proposal nor a decision from the Minister.

Responding to the Environmental Registry of Ontario Proposal

[Environmental Registry of Ontario \(ERO\) proposal #019-2876](#) was posted on January 29, 2021, seeking public feedback on the potential for designating the Reid Road Reservoir Quarry project as an undertaking under the *Environmental Assessment Act*. If approved, it would require a scoped, individual environmental assessment to be undertaken for the proposal. Staff understands that this is only the second time a mineral aggregate application has been subject to a proposal for an environmental assessment. The other instance was the Highland Companies' "mega quarry" proposal in the Township of Melancthon in Dufferin County. Highland Companies ultimately

abandoned their proposal after the Province determined that an environmental assessment was required.

The current ERO posting notes numerous concerns raised to the proposal, including over 20 requests for a designation under the *Environmental Assessment Act*. Although a draft regulation was not included in the ERO post, several elements that could potentially be included in a designation were included in the posting:

- Exemptions from providing a Terms of Reference for the study for Minister approval
- Exemptions from some prescribed content requirements (including the requirement to identify and investigate alternative sites)
- Specifying content requirements, which could include alternative designs to underwater blasting and advantages and disadvantages to those designs
- Effects that will be caused or that might reasonably be expected to be caused to the environment
- Actions necessary or that may reasonably be expected to be necessary to prevent, change, mitigate or remedy the effects upon or the effects that might reasonably be expected upon the environment
- Summary of consultation undertaken and the results of the consultation, and potential further consultation
- Additional specific studies pertaining to groundwater, including a door to door well survey program, water quality monitoring program, and an assessment of the effects to groundwater from blasting below the water table; and other studies such as a fugitive dust study and haul route conditions

The proposal goes on to note Ministry expectations that the proponent could use information produced through the *Aggregate Resources Act* application process for completing the environmental assessment. Many of the technical issues above have been considered through the *Aggregate Resources Act* process and JART review.

The commenting deadline for responses was March 15, 2021. To meet the deadline, staff submitted the joint letter to the Ministry on March 11, 2021. The attached letter was prepared as a joint submission of The Region of Halton, the Town of Milton, and Conservation Halton as JART partners. The submission, identifies the following key items and specific environmental assessment content requirements:

- Both Halton Regional Council (September 11, 2019) and Town of Milton Council (August 12, 2019) adopted resolutions requesting an immediate environmental assessment for the lands
- As described in this report, review continues through the JART process
- Exemptions, as suggested by the Ministry, are only appropriate if the proposed regulation clearly specifies the terms of reference and content requirements for the study
- A comprehensive study of use of underwater blasting in Ontario and elsewhere is recommended, including identification of conditions under which the use of this technique is appropriate and conditions under which it is inappropriate
- Technical study of potential impacts in a number of areas is recommended, including flyrock, groundwater, natural heritage, dust, use and maintenance of the proposed haul route, and monitoring and mitigation of impacts

- A detailed study of land use planning considerations related to the proposed quarry

Conclusion

Conservation Halton staff continues to work with the JART partners in assessing the proposal through to the completion of a final JART report to be provided to Regional Council, Town of Milton Council, and the Conservation Halton Board of Directors once the review has concluded.

Impact on Strategic Priorities

This report supports the Momentum priorities of Natural Hazards and Water and Science, Conservation and Restoration.

Financial Impact

There is no financial impact resulting from this report.

Signed & respectfully submitted:



Barbara Veale, Ph.D, MCIP, RPP
Director, Planning & Watershed Management

Approved for circulation:



Hassaan Basit
President & CEO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

Kellie McCormack, Associate Director, Planning & Regulations, 905-336-1158 x2228, kmccormack@hrca.on.ca

Jessica Bester, Senior Environmental Planner, 905-336-1158 x2317, jbester@hrca.on.ca



March 11, 2021

Dorothy Moszynski
Environmental Assessment Branch
Ministry of the Environment, Conservation and Parks
135 St. Clair Avenue West
Toronto, ON M4V 1P5

(Submitted electronically to the Environmental Registry of Ontario)

RE: Environmental Registry of Ontario Proposal #019-2876
Project-specific proposal to designate and exempt the proposed Reid Road Reservoir Quarry in Milton under the Environmental Assessment Act
Joint Submission from the Town of Milton, Regional Municipality of Halton, and Conservation Halton

Dear Ms. Moszynski:

We are writing on behalf of Halton Region, the Town of Milton and the Halton Region Conservation Authority ("the Agencies") in response to ERO posting No. 019-2876: Project-specific proposal to designate and exempt the proposed Reid Road Reservoir Quarry ("the Quarry") in Milton under the *Environmental Assessment Act*, posted January 29, 2021 ("the Proposal").

We note that Halton Region and the Town of Milton have previously requested an environmental assessment for the Quarry: Town of Milton Council on August 12, 2019, and Halton Regional Council on September 11, 2019. Both motions were unanimously carried, and are attached for reference. The additional study and public consultation that would be mandated through an environmental assessment is warranted for this proposal.

An application for a licence under the *Aggregate Resources Act* to permit the Quarry was filed in June 2018. The Agencies have been reviewing the application through a Joint Agency Review Team ("JART") framework since August 2018. The concept of a JART within Halton Region was first established by Regional Council's approval of the "Halton Consolidated – Streamlined Mineral Aggregate Review Protocol," most recently updated in February 2020. JART involves establishing a review team and workflow that facilitates

sharing of information and expertise among review agencies. Staff involved on these applications provide a critical, independent evaluation of proposals to inform decision-making made by the respective councils, boards, and agencies participating. Staff work with applicants to understand and evaluate the technical submissions and obtain more information where necessary, with the intent of improving overall efficiency and knowledge associated with the processing of aggregate applications.

ERO Proposal, Terms of Reference and Prescribed Content

The Proposal refers to “exempting the proposal from certain environmental assessment requirements”. Specific details have not yet been provided. Given this, we are not able to comment on specific exemptions that the Ministry may be contemplating but have identified some areas where the posted Proposal necessitates amendments.

We note that the Proposal contemplates exempting the Quarry from the requirement to prepare and obtain approval of terms of reference, along with other provisions of the *Act* that refer to terms of reference. The Proposal contemplates exempting the Quarry from “some prescribed content requirements” which are not specified.

The Agencies believe that these exemptions are only appropriate if the proposed regulation clearly specifies the terms of reference and content requirements for the required environmental assessment.

Specific Content Requirements

The Agencies support the specific content requirements listed in the Proposal. In addition, we recommend the following issues be studied and addressed through mandatory content requirements.

The first group of issues are those that have been studied through the *Aggregate Resources Act* application process:

1. A study of blasting impacts, including the potential for flyrock.
2. A fugitive dust study, including an assessment of potential impacts on human health and the natural environment.
3. An assessment of impacts on groundwater and surface water resources.
4. An assessment of impacts on natural heritage.

5. Detailed conditions governing the use and maintenance of the proposed haul route.
6. Detailed conditions for the monitoring and mitigation of impacts to groundwater, surface water resources and impacts to the natural environment. These conditions should implement all of the recommendations made by the Agencies through the JART process.

If the Province decides to proceed with the Proposal, the issues listed above are of great interest to the public and should be included as mandatory content requirements in any environmental assessment. With appropriate refinements by the proponent, we anticipate that a significant portion of these content requirements could be met by work that has already been completed.

The Agencies have asked the applicant, through the JART process, to undertake a thorough land use planning analysis in support of the Quarry. This is consistent with Ministry of Natural Resources and Forestry guidance documents, which indicate that conformity with Provincial policies and plans must be considered in reviewing the *Aggregate Resources Act* application. To date, the applicant has not provided this analysis, relying instead on the pre-existing zoning to justify the development of the Quarry in this location.

The Agencies believe that the environmental assessment process proposes an opportunity to step back and ask some larger questions concerning the proposed Quarry that have not been assessed as part of the *Aggregate Resources Act* application process:

1. A comprehensive study of the use of underwater blasting in Ontario and elsewhere including the identification of conditions under which the use of this technique is appropriate and conditions under which it is inappropriate.
2. A door to door well survey program within 1500 metres of the quarry boundary.
3. A detailed study of land use planning considerations relating to the proposed quarry, including an assessment of:
 - a. impacts on the agricultural system;
 - b. social impacts on the residents of the Hamlet of Campbellville;
 - c. impacts on surrounding businesses;
 - d. an assessment of the long-term impacts to Reid Side Road from the use of the road by trucks hauling mineral aggregates;

- e. an assessment of conformity with the Provincial Policy Statement, the Greenbelt Plan, the Halton Region Official Plan and the Town of Milton Official Plan; and
- f. the applicability of the *Conservation Authorities Act* and other Provincial legislation (e.g., *Clean Water Act*, *Endangered Species Act*).

Public Consultation

The Agencies recommend that there should be ongoing public consultation on the Quarry application through the environmental assessment process. The Proposal should not exempt the Quarry from any of the provisions of the *Act* that ensure transparency and public participation, including the right for members of the public to request a hearing under s. 7.2(3) of the *Act*.

Conclusion

Given the level of public interest and concern around the proposed Quarry, the Agencies believe that the additional study and public consultation involved in the Environmental Assessment process is warranted and welcomed.

If there are further questions, please contact Halton Region's project lead, Joe Nethery (joe.nethery@halton.ca, 905-825-6000, ext.3035).

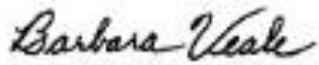
Sincerely,



Curt Benson, MCIP, RPP
Director, Planning Services and Chief Planning Official
Halton Region



Barb Koopmans, MCIP, RPP
Commissioner, Development Services
Town of Milton



Barb Veale, MCIP, RPP
Director, Planning and Watershed Management
Conservation Halton

cc: James Parkin, MHBC (by email)
Greg Sweetnam, James Dick Construction Limited (by email)
Katie O'Connell, Ministry of Natural Resources and Forestry (by email)

Encl.



HALTON REGION

NOTICE OF MOTION

DATE: September 11, 2019

ITEM: Support for Environmental Assessment – Reid Reservoir Quarry

DATE OF MEETING
NOTICE OF MOTION
TO BE CONSIDERED: Council Meeting – September 11, 2019

MOVED BY: Councillor C. Best
SECONDED BY: Mayor G. Krantz

WHEREAS a Class A Category 1 & 2 License Application has been made under the *Aggregate Resources Act* by James Dick Construction Limited to extract aggregate from the property locally known as the former Reid Reservoir Quarry in the Village of Campbellville in the Town of Milton (“the License”);

AND WHEREAS citizens, elected representatives and technical experts have voiced concerns with respect to the granting of the License due to the proposed quarry’s proximity to residential homes, school, and local and regional roads and provincial highway 401, as well as technical concerns;

AND WHEREAS the Member of Provincial Parliament for Milton, Mr. Parm Gill, has rightfully recognized the concerns of residents affected by the proposed License;

AND WHEREAS MPP Gill has announced that he will request an immediate Environmental Assessment of the proposed quarry from the Minister of Environment, Conservation, and Parks, prior to the License being considered;

NOW BE IT RESOLVED THAT The Regional Municipality of Halton declare its support for MPP Gill’s request of the immediate Environmental Assessment of the proposed Reid Reservoir Quarry by the Minister of Environment, Conservation, and Parks;

AND BE IT FURTHER RESOLVED THAT Council and staff continue to work with our elected representatives at all levels of government to facilitate the Environmental Assessment, if it is granted;

AND BE IT FURTHER RESOLVED THAT a copy of this resolution be circulated to the Town of Milton, Provincial MPP for Milton Parm Gill, Federal MP for Milton Lisa Raitt, Association of Municipalities of Ontario, the Provincial Minister of Environment, Conservation, and Parks, Conservation Halton, Premier of Ontario Doug Ford, and the Provincial Minister of Natural Resources and Forestry.



THE CORPORATION OF THE TOWN OF MILTON

NOTICE OF MOTION

INTRODUCTION DATE: August 12, 2019

SUBJECT: Support for Environmental Assessment – Reid Reservoir Quarry

CONSIDERATION DATE: August 12, 2019

REQUESTED BY: Councillor Tesser Derksen

SECONDED BY: Councillor Best

WHEREAS a Class A Category 1 & 2 License Application has been made under the *Aggregate Resources Act* by James Dick Construction Limited to extract aggregate from the property locally known as the former Reid Reservoir Quarry in the Village of Campbellville in the Town of Milton (“the License”);

AND WHEREAS both citizens, elected representatives, and geological and environmental experts have voiced opposition to the granting of the License due to the proposed quarry’s proximity to residential homes, school, and local and regional roads and provincial highway 401;

AND WHEREAS the Member of Provincial Parliament for Milton, Mr. Parm Gill, has rightfully recognized the concerns of residents affected by the proposed License;

AND WHEREAS MPP Gill has announced that he will request an immediate Environmental Assessment of the proposed quarry location from the Minister of Environment, Conservation, and Parks, prior to the License being considered;

NOW BE IT RESOLVED THAT the Town of Milton declare its support for MPP Gill's request of the immediate Environmental Assessment of the proposed Reid Reservoir Quarry site by the Minister of Environment, Conservation, and Parks;

AND BE IT FURTHER RESOLVED THAT Council and staff continue to work with our elected representatives at all levels of government to facilitate the Environmental Assessment, if it is granted;

AND BE IT FURTHER RESOLVED THAT a copy of this resolution be circulated to The Region of Halton, Provincial MPP for Milton Parm Gill, Federal MP for Milton Lisa Raitt, Association of Municipalities of Ontario, the Provincial Minister of Environment, Conservation, and Parks, Conservation Halton, Premier of Ontario Doug Ford, and the Federal Minister of Natural Resources and Forestry.

REPORT TO: Conservation Halton Board of Directors

REPORT NO: # CHBD 04 21 06

FROM: Barbara J. Veale, Director, Planning and Watershed Management

DATE: April 22, 2021

SUBJECT: Conservation Halton Mapping Transition and Implementation Protocol Work Plan

Recommendation

THAT the Conservation Halton Board of Directors **approves the Conservation Halton Mapping Transition and Implementation Protocol Work Plan.**

Executive Summary

At the February 18, 2021 meeting of Conservation Halton's (CH) Board of Directors, staff presented Memo # CHBD 01 21 15 which outlined, among other things, an overview of CH's Floodplain Mapping Program and Approximate Regulation Limit (ARL) mapping. The memo stated that staff would prepare a report with a work plan for the development of a mapping transition and implementation protocol, which is presented in this report. A mapping transition and implementation protocol will provide greater certainty, consistency, and transparency in the application and use of draft and new mapping to inform decision making.

Report

Background

At the February 18, 2021 meeting of Conservation Halton's (CH) Board of Directors, staff presented Memo # CHBD 01 21 15 to provide: 1) a status update on CH's Floodplain Mapping Program, specifically the Morrison-Wedgewood Diversion Channel Flood Risk Mapping and Spill Mitigation Studies and 2) provide an overview of CH's Approximate Regulation Limit (ARL) mapping, interim spill policy and approach to development proposals in spill hazards.

The Staff Memo outlined next steps for 2021 and stated that staff would bring a report to CH's Board within 60 days with work plans that would address a process/plan for:

1. Developing spill policies to replace the interim spill policy, including a public consultation plan
2. A mapping transition and implementation protocol associated with draft regulation limit mapping, including how public consultations will occur for future mapping updates

The purpose of this report is to present a high-level work plan for item #2 above.

Rationale for Protocol

In 2018, CH renewed its Floodplain Mapping Program to review and update flood hazard mapping across its jurisdiction. At the same time, staff has been working to review and update other components of CH's regulatory mapping (e.g., wetland layer). As these mapping reviews and updates progress, staff anticipates that refinements to CH's ARL mapping will be necessary. Additional hazard or regulated areas may be identified but, some areas may also be removed.

When hazards (i.e., flooding or erosion hazards) or wetlands are identified and mapped through technical studies, they are incorporated into CH's ARL mapping, following the public consultation process outlined in Conservation Ontario's, "*Procedures for Updating Section 28 Mapping: Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Regulations*" and, for major mapping updates, following Board approval. CH's ARL mapping is a screening tool to determine if a site contains natural hazards and is regulated by CH. This tool is available on CH's website and is used by CA staff, municipal staff, consultants, real estate agents, and the public.

Mapping is a dynamic, iterative process. Updated modelling or new information obtained via a technical study or a site visit can result in refinements to CH's regulatory mapping. Before CH's mapping is released publicly, numerous iterations of draft mapping may be produced throughout the technical review and/or study process. Draft mapping may identify hazard or regulated areas that were not previously mapped and, although public consultation may not be completed or Board approval received, this mapping may be the best information available for understanding the magnitude and extent of a hazard, potential risk to life and property, and/or for decision making.

Once draft mapping is considered reliable or credible, CH has an obligation to make the public aware of and apply its regulation to ensure that risk to life or property damage from development is avoided once a hazard is identified. CH is also required to assess risks associated with development proposals. Regardless of whether a hazard or wetland is mapped or not, these lands are considered regulated by CH.

There is currently no Provincial guidance for conservation authorities related to the transition or implementation of draft hazard or regulatory mapping. As such, to provide greater clarity and transparency to the public and stakeholders, CH staff will develop a mapping transition and implementation protocol to outline when draft regulation limit mapping should be accepted and how public consultations should occur for future mapping updates.

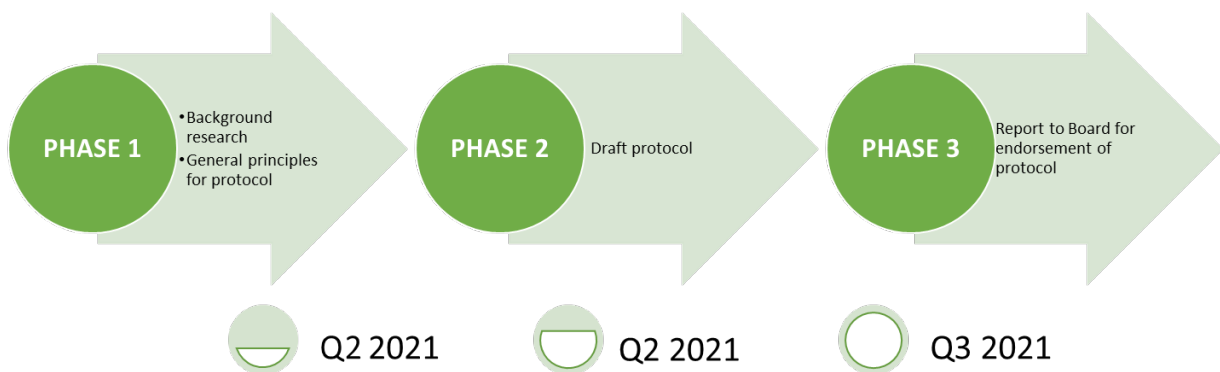
CH's protocol will identify when draft hazard mapping should be brought into CH's ARL mapping for screening purposes, when hazard lines can be considered complete, and when CH's regulatory policies will apply. The protocol will identify when in the mapping process public consultations will take place for future mapping updates. The timing for when CH staff can rely on and start using draft mapping may differ depending on the regulated feature, nature of the technical review and study, or level of risk, and will be considered through the development of the protocol.

A mapping transition and implementation protocol will ensure that the process by which CH uses draft and new mapping is transparent, consistent, and defensible. It will also ensure more efficient and effective application of draft mapping by staff. Landowners or potential purchasers will be able to make better informed decisions, based on the best available information. CH decisions related to

flood forecasting or advisory and municipal decisions around risk management or emergency response may also benefit from this protocol.

Work Plan for the Development of New Spill Policies

The process for developing a mapping transition and implementation protocol will be undertaken in three phases, as outlined below.



Phase 1:

An engagement strategy, outlining how input will be sought from key stakeholders, will be prepared in the early stage of Phase 1. Background research on approaches to draft mapping transition and implementation other jurisdictions will be conducted, as well as principles for the protocol will be developed.

The projected timeline to complete Phase 1 is mid-Spring 2021.

Phase 2:

A draft mapping transition and implementation protocol will be developed in Phase 2 and input from key stakeholders will be sought. CH staff will assess the input received and revise the draft protocol, as necessary.

The projected timeline to complete Phase 2 is the end of the summer 2021.

Phase 3:

The draft protocol will be presented in a staff report to CH's Board for endorsement in this final phase of the process.

The projected timeline to complete Phase 3 is early fall 2021.

Conclusion

The work plan outlined above provides an overview of the process that staff intends to follow to develop a mapping transition and implementation protocol. Staff recommends that the Board of Directors endorse this staff report and the work plan within. A mapping transition and implementation protocol will provide greater certainty, consistency, and transparency in the application and use of draft and new mapping.


Impact on Strategic Priorities

This report supports the Momentum priority of Natural Hazards and Water.

Financial Impact

There is no financial impact to this report.

Signed & respectfully submitted:



Barbara J. Veale, Ph.D, MCIP, RPP
Director, Planning and Watershed Management

Approved for circulation:



Hassaan Basit
President & CEO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

Kellie McCormack, Associate Director, Planning &
Regulations; 905-336-1158 x 2228;
kmccormack@hrca.on.ca

REPORT TO: Conservation Halton Board of Directors

REPORT NO: # CHBD 04 21 07

FROM: Barbara J. Veale, Director, Planning and Watershed Management

DATE: April 22, 2021

SUBJECT: Conservation Halton Spill Policy Review and Update Work Plan

Recommendation

THAT the Conservation Halton Board of Directors **approves the Conservation Halton Spill Policy Review and Update Work Plan.**

Executive Summary

At the February 18, 2021 meeting of Conservation Halton's (CH) Board of Directors, staff presented Memo # CHBD 01 21 15 which outlined, among other things, an overview of CH's interim spill policy and approach to development in spill hazards. The memo stated that staff would prepare a report with a work plan for the development of new spill policies for April 2021. A high-level work plan is presented in this report, including the process for policy development and stakeholder, public, and Board engagement. New spill policies will provide the public with greater certainty and transparency on CH's requirements for developing in spill hazards.

Report

Background

At the February 18, 2021 meeting of Conservation Halton's (CH) Board of Directors, staff presented Memo # CHBD 01 21 15 to provide: 1) a status update on CH's Floodplain Mapping Program, specifically the Morrison-Wedgewood Diversion Channel Flood Risk Mapping and Spill Mitigation Studies and 2) to provide an overview of CH's Approximate Regulation Limit (ARL) mapping, interim spill policy and approach to development proposals in spill hazards.

The memo outlined next steps for 2021 and stated that staff would bring a report to CH's Board within 60 days with work plans that would address a process/plan for:

1. Developing spill policies to replace the interim spill policy, including a public consultation plan
2. A mapping transition and implementation protocol associated with draft regulation limit mapping, including how public consultations will occur for future mapping updates

The purpose of this report is to present a high-level work plan for item #1 above.

Ontario Regulation 162/06 and Policy Implications

Spills are flood hazards/hazard lands under the *Conservation Authorities Act* and Ontario Regulation 162/06. Not all regulated areas are mapped, but natural hazards, whether mapped or not, are regulated by conservation authorities. In the past, the nature and extent of spills were difficult to determine. With new tools and technologies, spills can now be characterized and mapped. A spill occurs when floodwaters leave a watercourse and its valley, flowing overland before rejoining the same watercourse at a distance downstream or moving into another watershed.

When hazards are identified and mapped through technical studies, they are incorporated into CH's ARL mapping. CH's ARL mapping is a screening tool to determine if a site may contain natural hazards and may be regulated by CH. This tool is available on CH's website and is used by CA staff, municipal staff, consultants, real estate agents, and the public.

Permission is required from CH to develop in regulated areas. CH's Board-approved *Policies and Guidelines for the Administration of Ontario Regulation 162/06 and Land Use Planning Policy Document (2020)* outline the policies and technical requirements that must be met before permission may be granted.

The spill policy contained in CH's Board-approved policies until April 2020, stated that spills are not subject to Ontario Regulation 162/06. The 2006 spill policy reflected the challenges associated with applying a regulation when spills could not easily be mapped (i.e., it was difficult to determine the limit of CH's regulated area). Today, new tools and technologies allow the definition of spill areas and the identification of associated hazard risks. CH has an obligation to make the public aware of and apply its regulation to ensure that risk to life or property damage from development is avoided.

An interim policy was needed as a short-term measure to enable CH's ARL maps to be updated to identify flood risk for the public. An interim policy acknowledging that spills are subject to Ontario Regulation 162/06 and advising that permission is required for development in these areas was approved by the Board in April 2020 (CHBD 04 20 17). CH's interim spill policy states:

Development and redevelopment in spill areas will be considered on a case-by-case basis. Permission may only be granted where the site is subject to low risk and, where appropriate, mitigation measures can be implemented to reduce potential impacts to the satisfaction of Conservation Halton (e.g., flood proofing).

CH's interim spill policy enables staff to assess and inform the public of the risk associated with developing in the spill (flood hazard) on a case-by-case basis while allowing for more time to develop and publicly consult on more robust policies that will address development within the spill flood hazards. Under the interim policy, staff work with applicants to assess the scale/scope of works that may be supported on a given site, as well as identify if there are any mitigation measures that could be implemented to reduce risk. If the risk is deemed low, there may be flexibility to grant permission for development proposals that might not otherwise meet CH's more restrictive floodplain policies.

Under the current interim spill policy, any development proposed within an identified low-risk flood hazard would require technical studies to demonstrate that:

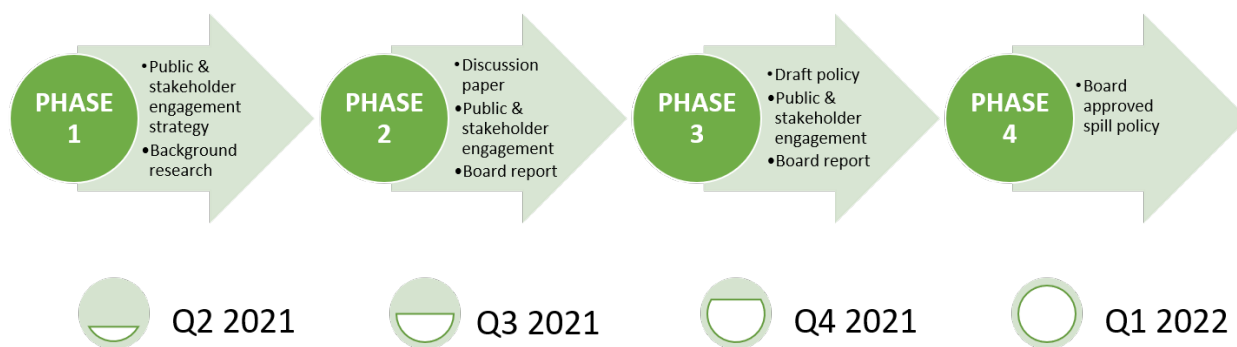
- i. there is no increased risk to existing development
- ii. the proposed development is not exposed to greater risk than existing development
- iii. neighboring properties are not negatively impacted by the proposed development (i.e., flood conveyance is not impacted)
- iv. the building is floodproofed to the extent practical and feasible and there is no risk of structural failure due to potential flood hazards
- v. access and egress within the flooding hazard, appropriate for the nature of the development proposed, will be provided
- vi. there are no feasible alternatives for the proposed development to be directed to an area outside of the hazard or to a lower risk area onsite. [Note: Where no alternative exists, development proposals that would be permitted under CH's current floodplain policies will be permitted in spill areas]

While these principles are not explicitly stated in the policy, they underpin the regulatory test contained in the *Conservation Authorities Act* and Ontario Regulation 162/06 which directs conservation authorities to ensure that the “control of flooding” is not compromised when making decisions about development in flood hazard areas, which includes areas impacted by spills.

There is currently no Provincial guidance or policy on how conservation authorities should deal with development proposals within spill areas.

Work Plan for the Development of New Spill Policies

The process for developing new spill policies will be undertaken in four phases, as outlined below.



Phase 1:

A stakeholder and public engagement strategy will be prepared in the early stage of Phase 1. The strategy will outline how CH's stakeholders and the public will be able to provide input on CH's new policies. In addition, background research will be conducted on policy approaches to spill hazards in other jurisdictions.

The projected timeline to complete Phase 1 is early summer 2021.

Phase 2:

A discussion paper and Board report are the two key deliverables in Phase 2 of the work plan. The discussion paper will consist of the following:

- background information on spills, including an overview of relevant legislation, regulations, policies
- overview of approaches in other jurisdictions
- challenges/opportunities related to spills mapping and policies
- proposed policy approaches or options, including proposed policy transition and implementation approaches

Opportunities for stakeholder and public input on the discussion paper will be provided. The discussion paper, as well as overview of input received, will be presented in a staff report to CH's Board.

The projected timeline to complete Phase 2 is fall 2021.

Phase 3:

The key deliverables in Phase 3 include draft policies and a Board report. Draft policies will be presented to CH's stakeholders and the public for input. CH staff will assess the input received and make recommendations to the Board on the approval of new spill policies. All input received will be documented.

The projected timeline to complete Phase 3 is the end of 2021.

Phase 4:

The final phase of the spill policy development process will involve consolidating the Board-approved spill policies into CH's *Policies and Guidelines for the Administration of Ontario Regulation 162/06 and Land Use Planning Policy Document*.

The projected timeline to complete Phase 4 is early 2022.

Conclusion

The work plan outlined above provides an overview of the process that staff intends to take to develop new spill policies, as well as the key stages when stakeholders, the public, and CH's Board of Directors will be engaged in the policy development process. Staff recommends that the Board of Directors endorse this staff report and the work plan within. New spill policies will provide the public with greater certainty and transparency on CH's requirements for developing in spill hazards.

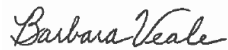
Impact on Strategic Priorities

This report supports the Momentum priority of Natural Hazards and Water.

Financial Impact

There is no financial impact to this report.

Signed & respectfully submitted:



Barbara J. Veale, Ph.D, MCIP, RPP
Director, Planning and Watershed Management

Approved for circulation:



Hassaan Basit
President & CEO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

Kellie McCormack, Associate Director, Planning &
Regulations; 905-336-1158 x 2228;
kmccormack@hrca.on.ca

REPORT TO: Conservation Halton Board of Directors

REPORT NO: # CHBD 04 21 08

FROM: Marnie Piggot, Director, Finance

DATE: April 22, 2021

SUBJECT: 2020 Audited Financial Statements

Recommendation

That the Conservation Board of Directors **approves the attached audited financial statements for the year ended December 31, 2020 as recommended by the Finance & Audit Committee at their meeting on April 8, 2021.**

Executive Summary

At the April 8, 2021 Finance & Audit Committee meeting, the Committee recommended approval by the Conservation Halton Board of Directors of the attached audited financial statements (Appendix D) for the year ended December 31, 2020.

The annual audit of Conservation Halton's financial transactions for the year ended December 31, 2020 was completed by KPMG LLP. The attached draft 2020 financial statements have been prepared by Conservation Halton staff.

The KPMG Auditors' Report which is included in the financial statements is a standard audit report without qualifications and it is their opinion that the statements are presented fairly and in accordance with public sector accounting standards. KPMG has also provided the attached 2020 Audit Findings Report (Appendix E).

Report

The Statement of Financial Position for Conservation Halton reports Accumulated Surplus at December 31, 2020 of \$77 million. This is an overall increase of 2.9% over the 2019 Accumulated Surplus of almost \$75 million.

Statement of Financial Position Summary	2020 Actual	2019 Actual
Financial assets	\$ 32,456,876	\$ 29,423,296
Non-financial assets	72,607,313	72,517,223
Total Assets	\$ 105,064,189	\$ 101,940,519
Less: Financial liabilities	\$ (27,884,841)	\$ (26,918,908)
Accumulated surplus	\$ 77,179,348	\$ 75,021,611

The increase in the Accumulated Surplus is derived from the 2020 Annual Surplus of \$2,157,737 reported on the Statement of Operations. A summary of the Statement of Operations is as follows:

Statement of Operations Summary	2020 Budget	2020 Actual	2019 Actual
Total Revenue	\$ 31,019,101	\$ 29,322,376	\$ 34,072,438
Total Expenses	30,027,943	27,164,639	30,020,625
Annual Surplus	\$ 991,158	\$ 2,157,737	\$ 4,051,813

The audited financial statements were prepared using the amounts in the 2020 year end Budget Variance Report financial appendix presented at the March 25, 2021 Board meeting with a reported operating surplus of \$2,023,035.

The Conservation Halton annual budget is prepared on a modified accrual basis to ensure there is adequate funding cash flow available for the planned outlay of expenditures. This budget preparation method is consistent with public sector budgeting practices.

Adjustments to the audited financial Statement of Operations amounts include the:

- Addition of amortization of tangible capital assets and
- Removal of tangible capital asset acquisitions, Reserve transfers, municipal debt financing and the principal portion of debt financing charges.

These items are not considered revenue and expenses according to PSAB though they are reported as funding sources and expenditure items that Conservation Halton must budget for.

The PSAB adjustments to the Budget Variance Report financial amounts to arrive at the audited financial statement Annual Surplus are as follows:

	2020 Actual	2019 Actual
Total Operating Surplus - Budget Variance Report	\$ 2,203,035	\$ 1,438,374
Public Sector Accounting Board (PSAB) Adjustments:		
• Acquisition of tangible capital assets	2,267,140	8,059,728
• Amortization of tangible capital assets expense	(1,946,029)	(2,035,742)
• Proceeds on disposal of tangible capital assets	(95,618)	(42,592)
• Loss on disposal of tangible capital assets	65,861	(230,220)
• Transfers to and from reserves	(601,878)	(179,404)
• Municipal Debt Financing	(314,532)	(3,372,598)
• Debt financing charges - Principal portion	579,758	414,267
Total PSAB adjustments	(45,298)	2,613,439
Annual surplus per audited financial statements	\$ 2,157,737	\$ 4,051,813

The 2020 budget amounts shown on the Statement of Operations have also been modified to be consistent with PSAB standards. The adjustments to the 2020 budget are outlined in financial statement note 10.

The Accumulated Surplus of \$77,149,348 is made up largely by Tangible Capital Assets and is detailed in note 9 of the audited financial statements as follows:

Surplus – Tangible Capital Assets	\$72,112,103
Deficit – Current Funds	(5,585,201)
Reserves	<u>10,652,446</u>
Total Accumulated Surplus, December 31, 2020	<u>\$77,149,348</u>

The reserve transfers approved in the 2020 year end Budget Variance Report have been reflected in the audited financial statements.

The Deficit – Current Funds is attributed for the most part to long-term debt financing of \$5,091,697 at December 31, 2020 and \$314,532 in Halton Region municipal debt financing invoiced in 2021 for debt financed capital project costs incurred in 2020.

Details of significant budget variances reported on the Statement of Operations were provided in the 2020 Budget Variance Report financial appendix included in the March 25, 2021 agenda.

Impact on Strategic Priorities

This report supports the Momentum priority of Organizational Sustainability.

Financial Impact

The report provides details on the annual financial results for the year ended December 31, 2020 for Conservation Halton. The audited financial statements to be approved will be provided to various funding partners and stakeholders of Conservation Halton to meet funding agreements and are a source of information on the programs carried out by Conservation Halton.

Signed & respectfully submitted:



Marnie Piggot
Director, Finance

Approved for circulation:



Hassaan Basit
President & CEO/Secretary-Treasurer

FOR QUESTIONS ON CONTENT:

Marnie Piggot; Director Finance
905-336-1158, ext. 2240; mpiggot@hrca.on.ca;

Financial Statements of

CONSERVATION HALTON

Year ended December 31, 2020

DRAFT

CONSERVATION HALTON

Financial Statements

Year ended December 31, 2020

Independent Auditors' Report

Statement of Financial Position	1
Statement of Operations and Changes in Accumulated Surplus	2
Statement of Changes in Net Financial Assets	3
Statement of Cash Flows	4
Notes to Financial Statements.....	5-18

DRAFT

INDEPENDENT AUDITORS' REPORT

To the Directors of Conservation Halton

Opinion

We have audited the financial statements of Conservation Halton (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations and changes in accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations and its cash flows year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada
April 22, 2021

CONSERVATION HALTON

Statement of Financial Position

December 31, 2020, with comparative information for 2019

	2020	2019
Financial assets:		
Cash	\$ 633,504	\$ 1,073,262
Investments (note 2)	17,781,423	12,443,202
Investment - Water Management System (note 3)	11,961,907	11,531,387
Accounts receivable (note 4)	2,080,042	4,375,445
	<u>32,456,876</u>	<u>29,423,296</u>
Financial liabilities:		
Accounts payable and accrued charges	2,436,147	3,541,331
Deferred revenue (note 5)	7,458,676	6,481,712
Deferred revenue - capital and major projects (note 6)	936,414	950,530
Deferred revenue - Water Management System (note 3)	11,961,907	11,531,387
Long-term liabilities (note 7)	5,091,697	4,413,948
	<u>27,884,841</u>	<u>26,918,908</u>
Net financial assets	4,572,035	2,504,388
Non-financial assets:		
Tangible capital assets (note 8)	72,112,103	71,820,749
Prepaid expenses	369,033	592,598
Inventory	126,177	103,876
	<u>72,607,313</u>	<u>72,517,223</u>
Contingencies (note 11)		
Commitments (note 12)		
Implications due to COVID-19 (note 15)		
Accumulated surplus (note 9)	\$ 77,179,348	\$ 75,021,611

See accompanying notes to financial statements.

On behalf of the Board:

_____ Chair

_____ Vice-Chair

CONSERVATION HALTON

Statement of Operations and Changes in Accumulated Surplus

Year ended December 31, 2020, with comparative information for 2019

	2020 Budget (Note 10)	2020 Actual	2019 Actual
Revenue (note 15):			
Municipal grants	\$ 9,660,318	\$ 9,660,318	\$ 9,330,984
Ministry of Natural Resources and Forestry	155,034	155,034	155,034
Corporate services	113,549	296,071	204,337
Flood forecasting and operations	4,000	1,831	—
Planning and watershed management	3,297,648	3,510,020	2,690,995
Science and partnerships	392,211	395,648	431,638
Project management office	208,484	171,677	101,337
Watershed management and support service operations	320,000	270,140	330,924
Conservation areas	13,682,089	11,389,754	14,449,105
Partnership projects	905,554	705,694	727,267
Major projects	2,280,214	2,766,189	5,650,817
Total revenue	31,019,101	29,322,376	34,072,438
Expenses (note 15):			
Corporate services	4,673,137	4,315,126	4,128,771
Corporate compliance	704,615	714,648	597,651
Flood forecasting and operations	1,063,797	986,802	982,308
Planning and watershed management	4,838,339	4,309,739	4,129,326
Science and partnerships	1,404,848	1,166,653	1,264,482
Project management office	976,413	1,041,886	796,944
Watershed management and support service operations	1,500,696	1,274,611	1,271,059
Conservation areas	12,860,678	10,665,672	14,075,842
Partnership projects	905,554	705,694	727,267
Major projects	862,243	1,819,556	1,902,189
Debt financing charges	237,623	164,252	144,786
Total expenses	30,027,943	27,164,639	30,020,625
Annual surplus (note 9)	991,158	2,157,737	4,051,813
Accumulated surplus, beginning of year		75,021,611	70,969,798
Accumulated surplus, end of year		\$ 77,179,348	\$ 75,021,611

See accompanying notes to financial statements.

CONSERVATION HALTON

Statement of Changes in Net Financial Assets

Year ended December 31, 2020, with comparative information for 2019

	2020 Budget (Note 10)	2020 Actual	2019 Actual
Annual surplus	\$ 991,158	\$ 2,157,737	\$ 4,051,813
Acquisition of tangible capital assets	(2,962,138)	(2,267,140)	(8,059,728)
Amortization of tangible capital assets	1,946,000	1,946,029	2,035,742
Proceeds on disposal of tangible capital assets	–	95,618	42,592
Loss on disposal of tangible capital assets	–	(65,861)	230,220
	(24,980)	1,866,383	(1,699,361)
Change in prepaid expenses		223,565	(305,553)
Change in inventories		(22,301)	79,405
Net change in net financial assets		2,067,647	(1,925,509)
Net financial assets, beginning of year		2,504,388	4,429,897
Net financial assets, end of year		\$ 4,572,035	\$ 2,504,388

See accompanying notes to financial statements.

CONSERVATION HALTON

Statement of Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 2,157,737	\$ 4,051,813
Items not involving cash:		
Amortization	1,946,029	2,035,742
Loss on disposal of tangible capital assets	(65,861)	230,220
	4,037,905	6,317,775
Change in non-cash working capital balances:		
Accounts receivable	2,295,403	(1,786,873)
Prepaid expenses	223,565	(305,553)
Inventory	(22,301)	79,405
Accounts payable and accrued charges	(1,105,184)	(60,568)
Deferred revenue	976,964	461,484
Deferred revenue - capital and major projects	(14,116)	(202,644)
	6,392,236	4,503,026
Capital transactions:		
Acquisition of tangible capital assets	(2,267,140)	(8,059,728)
Proceeds on disposal of tangible capital assets	95,618	42,592
	(2,171,522)	(8,017,136)
Investing activities:		
Net (purchase) sale of investments	(5,338,221)	1,578,767
Investment - Water Management System	(430,520)	(439,117)
	(5,768,741)	1,139,650
Financing transactions:		
Deferred revenue - Water Management System	430,520	439,117
Proceeds from long-term debt	1,257,506	2,360,386
Repayment of long-term debt	(579,757)	(390,899)
	1,108,269	2,408,604
Net change in cash	(439,758)	34,144
Cash, beginning of year	1,073,262	1,039,118
Cash, end of year	\$ 633,504	\$ 1,073,262

See accompanying notes to financial statements.

CONSERVATION HALTON

Notes to Financial Statements

Year ended December 31, 2020

Purpose of Organization:

Conservation Halton is established under the Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources, exclusive of gas, oil, coal and minerals for the watersheds within its area of jurisdiction. The watersheds include areas in the Regions of Halton and Peel, the Township of Puslinch and the City of Hamilton.

Conservation Halton's mission is to protect and enhance the natural environment from lake to escarpment for present and future generations.

1. Significant accounting policies:

(a) Basis of accounting:

The financial statements of Conservation Halton are prepared by management in accordance with the Chartered Professional Accountants of Canada Public Sector Accounting Handbook.

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measureable; expenses are recognized as they are incurred and measureable as a result of receipt of goods or services and the creation of a legal obligation to pay.

These financial statements do not include the activities of the Conservation Halton Foundation, a related incorporated registered charity with a mission to raise funds and profile for Conservation Halton projects and programs.

(b) Investments:

Investments are recorded at the lower of cost and market value based on quoted market prices. Losses are recorded when the decline in market value is other than temporary.

(c) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Costs include all amounts that are directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue on the same basis as the amortization expense related to the acquired tangible capital assets. Assets under construction are not amortized and are transferred into their relative asset category when available for productive use. Amortization is recorded on either a straight-line basis over the estimated life of the assets or by using the declining-balance method.

CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

1. Significant accounting policies (continued):

(c) Tangible capital assets (continued):

The following rates are used:

Asset	Basis	Useful Life - Years
Land improvements	Straight-line	30 to 50 years
Buildings and building improvements	Straight-line	25 to 50 years
Machinery and equipment	Straight-line	5 to 40 years
Furniture and fixtures	Straight-line	5 to 20 years
Infrastructure	Straight-line	20 to 75 years
Vehicles	Declining balance	30%
Computer hardware and software	Straight-line	4 to 10 years

(d) Inventory:

Inventory is valued at the lower of cost and net realizable value. Cost is determined using specific identification of the cost of the individual items.

(e) Deferred revenue - Capital and Major Projects:

Conservation Halton receives certain amounts for which the related services have yet to be performed. These amounts are recognized as revenue in the fiscal year the related expenses are incurred or services performed. Funds received for the purchase of tangible capital assets are recognized when the related asset is purchased.

(f) Deferred revenue - Water Management System:

Conservation Halton has received funds for expenses to be incurred for the future operation of a water management system and management of certain lands. These funds are externally restricted and cannot be drawn until Conservation Halton commences management of the lands. These amounts will be recognized as revenues when the relating expenses are incurred or management services performed.

CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

1. Significant accounting policies (continued):

(g) Revenue recognition:

Municipal levies, government transfers and funding for projects are recognized as revenue when the transfer is authorized, any eligible criteria has been met and the amount can be reasonably estimated.

User charges and fees are recognized as revenue in the period in which the related services are performed.

(h) Use of estimates:

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates and assumptions include accrued liabilities, contaminated site liability, contingencies and tangible capital assets. Actual results could differ from estimates.

2. Short-term investments:

	2020	2019
Business investment	\$ 1,555,710	\$ 490,219
Notice plan investment	2,038,278	2,007,687
High interest savings	5,300,053	3,238,345
Guaranteed investment certificates	4,000,000	2,000,000
Pooled fund - Provincial and Corporate bonds	4,357,101	4,206,953
Pooled fund - Equity	530,281	499,998
Total	\$ 17,781,423	\$ 12,443,202

The guaranteed investment certificates have effective rates that range between 0.85% and 2.85% (2019 - 2.34% to 2.85%). Interest is receivable on the date of maturity. Maturity dates range from March 15, 2021 to July 11, 2022. The business investment and pooled funds (which include money market, bond and equity funds) earn interest at variable rates which is paid monthly.

The notice plan investment has accrued interest rate of 2.5% that is tied to bank reference rates that are subject to change and withdrawals require 31 days' notice.

Market value of investments are \$18,710,874 (2019 - \$13,127,041).

CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

3. Investment/Deferred revenue - Water Management System:

Conservation Halton entered into an agreement for the transfer of a Water Management System and its long-term operation with an estimated time line of 2063. The agreement is based on the principle that the net costs associated with ongoing operation, maintenance and performance of the Water Management System will not be a financial liability to Conservation Halton.

To ensure that Conservation Halton should not have a net financial liability for the management of the water system, Conservation Halton has received amounts from 2008 to 2017, as part of the agreement. The amounts received are to be invested in accordance with Municipal Act Regulations and will be managed by an Investment Committee as required by the agreement. At the time of transfer, Conservation Halton will be able to draw on the funds, only to facilitate the management of the water system.

The funds are invested as follows:

	2020	2019
Cash	\$ 96	\$ 96
Provincial and provincially regulated agency bonds	8,511,511	10,340,648
Guaranteed investment certificates	3,450,300	1,190,643
Total	\$ 11,961,907	\$ 11,531,387

The Provincial and provincially regulated agency bonds have effective yields of 3.62% to 4.95% (2019 - 2.27% to 5.00%). Interest is receivable on the date of maturity. Maturity dates range from April 17, 2021 to December 1, 2037.

The guaranteed investment certificates have been an effective interest rate of 2.33% and 2.85% (2019 - 2.51%). Interest is receivable on the date of maturity. Maturity dates range from March 8, 2021 to January 13, 2022.

Market value of investments are \$13,542,502 (2019 - \$12,522,755).

4. Accounts receivable:

Included in accounts receivable is \$206,634 (2019 - \$112,476) due from Conservation Halton Foundation.

During 2020, the Foundation contributed \$518,095 (2019 - \$349,322) to fund projects carried out by the Conservation Halton.

CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

5. Deferred revenue:

	Balance at December 31, 2020	Additions	Revenue recognized	Balance at December 31, 2019
Watershed Management	\$ 2,788,391	\$ 1,323,949	\$ 494,409	\$ 1,958,851
Partnership Projects	1,304,914	10,516,826	9,902,216	690,304
Source Water Protection	15,063	173,049	255,545	97,559
Conservation Areas	3,350,307	4,843,644	5,228,335	3,734,998
	<u>\$ 7,458,675</u>	<u>\$ 16,857,468</u>	<u>\$ 15,880,505</u>	<u>\$ 6,481,712</u>

Additions to deferred revenue includes contributions from external parties and payments for annual passes and lesson programs received during the year pertaining to the following year.

6. Deferred revenue - capital and major projects:

	Balance at December 31, 2020	Contributions received	Revenue recognized	Balance at December 31, 2019
Capital - Ministry of Natural Resources	\$ 241,336	\$ 382,824	\$ 479,930	\$ 338,442
Capital - Municipal	695,075	464,000	358,503	589,578
Capital - Other Municipal funding	—	110,629	133,139	22,510
	<u>\$ 936,411</u>	<u>\$ 957,453</u>	<u>\$ 971,572</u>	<u>\$ 950,530</u>

CONSERVATION HALTON

Notes to Financial Statements, continued

Year ended December 31, 2020

7. Long-term liabilities:

	2020	2019
5 year term loan at 2.95% interest compounded annually, with a registered collateral mortgage covering 54.36 acres of land, due November 2025	\$ 212,369	\$ –
5 year term loan at 3.5%, interest only payable during the first 36 months with a registered collateral mortgage covering 54.36 acres of land, due December 2020	–	409,636
Municipal debt financing and interest payments due annually at variable current interest rates of 3.0% to 3.2% (2019 - 3.0% to 3.2%), annual principal repayments, due December 2027 to December 2049	4,879,328	4,004,312
	<u>\$ 5,091,697</u>	<u>\$ 4,413,948</u>

Principal repayments over the next five fiscal years and thereafter are as follows:

2021	\$ 397,613
2022	390,971
2023	360,820
2024	344,240
2025	267,662
Thereafter	3,330,391
	<u>\$ 5,091,697</u>

CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

8. Tangible capital assets:

Cost	Balance at December 31, 2019	Additions	Disposals	Transfers	Balance at December 31, 2020
Land	\$ 35,759,541	\$ 488,411	\$ —	\$ —	\$ 36,247,952
Land Improvements	564,806	—	—	—	564,806
Buildings and building improvements	15,916,896	134,458	(11,136)	—	16,040,218
Machinery and equipment	8,280,655	457,892	(179,140)	—	8,559,407
Furniture and fixtures	504,214	21,213	(33,230)	—	492,197
Infrastructure	34,167,096	482,172	—	—	34,649,268
Vehicles	2,592,526	370,226	(188,530)	—	2,774,222
Computer hardware and software	1,435,294	115,566	(109,030)	—	1,441,830
Assets under construction	99,269	197,202	—	—	296,471
	\$ 99,320,297	\$ 2,267,140	\$ (521,066)	\$ —	\$ 101,066,371

Accumulated Amortization	Balance at December 31, 2019	Amortization	Disposals	Transfers	Balance at December 31, 2020
Land	\$ —	\$ —	\$ —	\$ —	\$ —
Land Improvements	330,995	11,467	—	—	342,462
Buildings and building improvements	5,778,502	433,644	(6,957)	—	6,205,189
Machinery and equipment	4,543,045	369,141	(176,200)	—	4,735,986
Furniture and fixtures	240,188	21,975	(33,230)	—	228,933
Infrastructure	13,736,823	721,987	—	—	14,458,810
Vehicles	1,891,589	224,107	(168,249)	—	1,947,447
Computer hardware and software	978,406	163,708	(106,673)	—	1,035,441
Assets under construction	—	—	—	—	—
	\$ 27,499,548	\$ 1,946,029	\$ (491,309)	\$ —	\$ 28,954,268

	Net book value, Balance at December 31, 2019	Net book value Balance at December 31, 2020
Land	\$ 35,759,541	\$ 36,247,952
Land Improvements	233,811	222,344
Buildings and building improvements	10,138,394	9,835,029
Machinery and equipment	3,737,610	3,823,421
Furniture and fixtures	264,026	263,264
Infrastructure	20,430,273	20,190,458
Vehicles	700,937	826,775
Computer hardware and software	456,888	406,389
Assets under construction	99,269	296,471
	\$ 71,820,749	\$ 72,112,103

CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

8. Tangible capital assets (continued):

Cost	Balance at December 31, 2018	Additions	Disposals	Transfers	Balance at December 31, 2019
Land	\$ 35,932,065	\$ –	\$ (172,524)	\$ –	\$ 35,759,541
Land Improvements	564,806	–	–	–	564,806
Buildings and building improvements	15,498,531	423,699	(5,334)	–	15,916,896
Machinery and equipment	8,245,453	260,722	(225,520)	–	8,280,655
Furniture and fixtures	476,330	27,884	–	–	504,214
Infrastructure	26,105,097	6,861,074	–	1,200,925	34,167,096
Vehicles	2,468,589	319,743	(195,806)	–	2,592,526
Computer hardware and software	1,438,085	111,823	(114,614)	–	1,435,294
Assets under construction	1,245,411	54,783	–	(1,200,925)	99,269
	\$ 91,974,367	\$ 8,059,728	\$ (713,798)	\$ –	\$ 99,320,297

Accumulated Amortization	Balance at December 31, 2018	Amortization	Disposals	Transfers	Balance at December 31, 2019
Land	\$ –	\$ –	\$ –	\$ –	\$ –
Land Improvements	319,528	11,467	–	–	330,995
Buildings and building improvements	5,182,042	598,516	(2,056)	–	5,778,502
Machinery and equipment	4,333,196	374,686	(164,837)	–	4,543,045
Furniture and fixtures	218,351	21,837	–	–	240,188
Infrastructure	13,072,202	664,621	–	–	13,736,823
Vehicles	1,865,755	194,947	(169,113)	–	1,891,589
Computer hardware and software	913,718	169,668	(104,980)	–	978,406
Assets under construction	–	–	–	–	–
	\$ 25,904,792	\$ 2,035,742	\$ (440,986)	\$ –	\$ 27,499,548

	Net book value, Balance at December 31, 2018	Net book value Balance at December 31, 2019
Land	\$ 35,932,065	\$ 35,759,541
Land Improvements	245,278	233,811
Buildings and building improvements	10,316,489	10,138,394
Machinery and equipment	3,912,257	3,737,610
Furniture and fixtures	257,979	264,026
Infrastructure	13,032,895	20,430,273
Vehicles	602,834	700,937
Computer hardware and software	524,367	456,888
Assets under construction	1,245,411	99,269
	\$ 66,069,575	\$ 71,820,749

CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

9. Accumulated surplus:

Accumulated surplus consists of operating surplus and reserves as follows:

	Balance at December 31, 2020	Excess of Revenue over expenses	Transfers (to) from reserves	Balance at December 31, 2019
Surplus - investment in tangible capital assets	\$ 72,112,103	\$ (1,975,786)	\$ 2,267,140	\$ 71,820,749
Surplus (deficit) - current funds	(5,585,201)	4,133,523	(3,868,297)	(5,850,427)
Total surplus	66,526,902	2,157,737	(1,601,157)	65,970,322
Reserves:				
Conservation areas capital	3,294,218	—	578,335	2,715,883
Conservation areas stabilization	1,000,568	—	—	1,000,568
Vehicle and equipment	723,967	—	(190,455)	914,422
Building	373,137	—	(106,991)	480,128
Building - state of good repair	315,611	—	51,318	264,293
Watershed management capital - municipal funds	783,981	—	182,648	601,333
Watershed management capital - self generated funds	416,909	—	26,000	390,909
Watershed management and support services stabilization	1,789,212	—	996,019	793,193
Digital transformation	254,900	—	4,900	250,000
Debt financing charges capital	425,564	—	(47,106)	472,670
Legal - planning and watershed management	258,891	—	—	258,891
Legal - corporate	200,000	—	—	200,000
Water festival	188,911	—	—	188,911
Property management	145,629	—	50,589	95,040
Land securement	60,437	—	25,900	34,537
Stewardship and restoration	420,511	—	30,000	390,511
Total reserves	10,652,446	—	1,601,157	9,051,289
Accumulated surplus	\$ 77,179,348	\$ 2,157,737	\$ —	\$ 75,021,611

CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

10. Budget amounts:

The 2020 budget amounts approved by Conservation Halton on November 21, 2019 were not prepared on a basis consistent with that used to report actual results under Public Sector Accounting Standards. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenses in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenses rather than including amortization expenses. As a result, the budget figure presented in the statements of operations and changes in net financial assets represent the budget adopted by Conservation Halton on November 21, 2019, with adjustments as follows:

	2020	2019
Budget surplus (deficit) for the year	\$ (259,938)	\$ 246,068
Less: Amortization of tangible capital assets	(1,946,000)	(2,035,000)
Less: Municipal debt financing	(176,430)	-
Add: Acquisition of tangible capital assets	2,962,138	1,772,135
Add: Debt financing charges - principal portion	411,388	470,988
Budget surplus per Statement of Operations	\$ 991,158	\$ 454,191

11. Contingencies:

Conservation Halton has been named as defendant or co-defendant in several lawsuits that have claims outstanding. Conservation Halton anticipates any individual settlement amount will not exceed the limits of insurance coverage provided to Conservation Halton on the majority of the claims. For claims in which the claim amount exceeds the limit of insurance coverage provided to Conservation Halton the outcome is not determinable.

Conservation Halton has entered into an agreement to ensure implementation of a monitoring and mitigation plan for the future rehabilitation of lands adjacent to a Provincially Significant Wetland. The agreement requires a Trust account to be established by the funder to ensure there are funds available for the rehabilitation plan implementation. Conservation Halton is a member of the Investment Committee that will oversee management of the Trust account with a balance of \$1,960,480 (2019 - \$1,346,118) at December 31, 2020. A deposit to the Trust account by the funder is required to be made by March 31, 2021 for \$351,997 (2020 - \$583,663) which was completed. Conservation Halton will release their interest in the Trust account when the implementation plan is completed.

CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

12. Commitments:

Conservation Halton has entered into contracts related to projects at Glen Eden, various dam studies and repairs, and leases for office equipment and vehicles. Commitments outstanding on these contracts to be paid beyond December 31, 2020 are as follows:

2021	\$ 1,002,882
2022	24,455
2023	18,986
2024	6,060
	<hr/>
	\$ 1,052,383

13. Pension agreements:

Conservation Halton belongs to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of the members of its staff. This plan specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The cost of the plan is the employer's contribution to the plan.

The 2020 employer portion of OMERS pension contributions was \$1,137,090 (2019 - \$1,135,862).

Conservation Halton belongs to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer plan, on behalf of the members of its staff. This plan specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Because OMERS is a multi-employer pension plan, any pension plan surpluses or deficits are the joint responsibility of Ontario municipal organizations and their employees. As a result, Conservation Halton does not recognize any share of the OMERS pension surplus or deficit.

The latest available report for the OMERS plan was December 31, 2020. At that time the plan reported a \$3.2 billion actuarial deficit (2019 - \$3.4 billion actuarial deficit), based on actuarial liabilities of \$111.8 billion (2019 - \$106.4 billion) and actuarial assets of \$108.6 billion (2019 - \$103.0 billion). Ongoing adequacy of the current contribution rates will need to be monitored and may lead to increased future funding requirements.

CONSERVATION HALTON

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2020

14. Comparative information:

Certain comparative information on the statement of operations under revenue and expenses have been reclassified to conform to the financial statements presentation adopted in the current year.

15. Implications due to COVID-19:

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

During the year, Conservation Halton has experienced the following in relation to the pandemic:

- Reduction in self-generated Conservation Areas revenue;
- Temporary and permanent layoffs; and
- Mandatory working from home requirements for those able to do so.

Conservation Halton has applied for funding through the Canada Emergency Wage Subsidy (CEWS) program. The estimated claims for 2020 total \$4,700,000. Conservation Halton continues to determine if it meets all of the eligibility requirements under the CEWS program, therefore these financial statements have not recorded this potential funding source as revenue in 2020.

The ultimate duration and magnitude of the COVID-19 pandemic's impact on Conservation Halton's operations and financial position is not known at the time. There remains uncertainty for the upcoming year regarding the items mentioned above. These impacts could include a decline in future cash flows, changes to the value of financial assets and liabilities, and the use of accumulated surplus to sustain operations. An estimate of the financial effect of the pandemic on Conservation Halton is not practicable at this time.

CONSERVATION HALTON

Notes to Financial Statements (continued)

Year ended December 31, 2020

15. Revenue and expenses by program:

2020	Corporate Services	Corporate Compliance	Engineering, Flood Forecasting & Operations	Planning & Watershed Management	Science & Partnerships	Project Management Office	Watershed Management & Support Service Operations	Conservation Areas	Partnership Projects	Major Projects	Debt Financing Charges	Reserve Funding	Total
Revenue:													
Municipal funding	\$ 3,431,838	\$ 531,715	\$ 408,063	\$ 1,416,921	\$ 886,228	\$ 664,667	\$ 853,396	\$ 354,909	\$ —	\$ —	\$ 649,011	\$ 464,200	\$ 9,660,318
Provincial transfer payments	—	—	155,034	—	—	—	—	—	—	—	—	—	155,034
Program fees and other	296,071	—	1,831	3,510,020	395,648	171,677	270,140	11,389,754	705,694	2,766,189	—	—	19,507,024
	3,727,909	531,715	564,928	4,926,941	1,281,876	836,344	1,123,536	11,744,663	705,694	2,766,189	649,011	464,200	29,322,376
Expenses:													
Salaries, wages and benefits	3,175,987	528,530	381,466	3,950,504	1,122,178	863,308	986,395	6,400,812	245,172	—	—	—	17,654,352
Members per diems and expenses	23,133	—	—	—	—	—	—	—	—	—	—	—	23,133
Materials and supplies	144,206	6,129	10,214	9,449	9,386	54,260	71,572	979,498	96,904	1,473,804	—	—	2,855,422
Property taxes	—	56,672	—	—	—	—	—	4,961	—	—	—	—	61,633
Purchased services	686,192	87,639	67,870	114,068	35,089	103,134	119,365	1,950,249	363,618	345,752	—	—	3,872,976
Legal	4,807	35,678	—	229,317	—	—	—	16,579	—	—	—	—	286,381
Finance and rent	25,430	—	—	1,751	—	—	16,195	322,946	—	—	—	—	366,322
Debt financing charges	—	—	—	—	—	—	—	—	—	—	164,252	—	164,252
Amortization of tangible capital assets	253,325	—	527,252	4,650	—	20,371	110,265	1,030,167	—	—	—	—	1,946,030
Loss on disposal of tangible capital assets	2,046	—	—	—	—	813	(29,181)	(39,540)	—	—	—	—	(65,862)
	4,315,126	714,648	986,802	4,309,739	1,166,653	1,041,886	1,274,611	10,665,672	705,694	1,819,556	164,252	—	27,164,639
Excess (deficiency) of revenues over expenses, for the year	\$ (587,217)	\$ (182,933)	\$ (421,874)	\$ 616,572	\$ 115,223	\$ (205,542)	\$ (151,075)	\$ 1,078,991	\$ —	\$ 946,633	\$ 484,759	\$ 464,200	\$ 2,157,737

DRAFT

CONSERVATION HALTON

Notes to Financial Statements (continued)

Year ended December 31, 2020

15. Revenue and expenses by program:

2019	Corporate Services	Corporate Compliance	Engineering, Flood Forecasting & Operations	Planning & Watershed Management	Science & Partnerships	Project Management Office	Watershed Management & Support Service Operations	Conservation Areas	Partnership Projects	Major Projects	Debt Financing Charges	Reserve Funding	Total
Revenue:													
Municipal funding	\$ 3,421,328	\$ 445,952	\$ 466,652	\$ 1,065,554	\$ 1,103,428	\$ 697,557	\$ 729,674	\$ 240,000	\$ —	\$ —	\$ 696,639	\$ 464,200	\$ 9,330,984
Provincial transfer payments	—	—	155,034	—	—	—	—	—	—	—	—	—	155,034
Program fees and other	204,337	—	—	2,690,995	431,638	101,337	330,924	14,449,105	727,267	5,650,817	—	—	24,586,420
	3,625,665	445,952	621,686	3,756,549	1,535,066	798,894	1,060,598	14,689,105	727,267	5,650,817	696,639	464,200	34,072,438
Expenses:													
Salaries, wages and benefits	2,901,895	467,588	408,191	3,834,543	1,179,347	510,472	891,913	7,863,678	207,044	—	—	—	18,264,671
Members per diems and expenses	21,047	—	—	—	—	—	—	—	—	—	—	—	21,047
Materials and supplies	122,421	4,806	9,138	22,354	20,557	74,866	206,330	1,827,559	52,243	739,953	—	—	3,080,227
Property taxes	—	49,421	—	—	—	—	—	5,671	—	—	—	—	55,092
Purchased services	654,703	63,602	101,317	125,945	64,578	138,491	40,948	2,755,382	467,980	1,162,236	—	—	5,575,182
Legal	7,843	12,234	—	136,220	—	—	—	64,026	—	—	—	—	220,323
Finance and rent	64,756	—	—	3,128	—	—	10,814	314,637	—	—	—	—	393,335
Debt financing charges	—	—	—	—	—	—	—	—	—	—	144,786	—	144,786
Amortization of tangible capital assets	256,214	—	463,662	7,136	—	73,115	64,175	1,172,801	—	—	—	—	2,037,103
Loss on disposal of tangible capital assets	99,892	—	—	—	—	—	56,879	72,088	—	—	—	—	228,859
	4,128,771	597,651	982,308	4,129,326	1,264,482	796,944	1,271,059	14,075,842	727,267	1,902,189	144,786	—	30,020,625
Excess (deficiency) of revenues over expenses, for the year	\$ (503,106)	\$ (151,699)	\$ (360,622)	\$ (372,777)	\$ 270,584	\$ 1,950	\$ (210,461)	\$ 613,263	\$ —	\$ 3,748,628	\$ 551,853	\$ 464,200	\$ 4,051,813

Appendix E

Conservation Halton

Audit Findings Report
for the year ended December 31, 2020

KPMG LLP

Chartered Professional Accountants

Prepared March 15, 2021 for
upcoming Finance and Audit
Committee meeting on April 8, 2021

KPMG



Table of contents

EXECUTIVE SUMMARY	1
MATERIALITY	4
AUDIT RISKS AND RESULTS	5
OTHER OBSERVATIONS	9
FINANCIAL STATEMENT PRESENTATION AND DISCLOSURE	10
APPENDICES	11
APPENDIX 1: OTHER REQUIRED COMMUNICATIONS	12
APPENDIX 2: AUDIT QUALITY AND RISK MANAGEMENT	13
APPENDIX 3: ENGAGEMENT LETTERS	14
APPENDIX 4: DRAFT MANAGEMENT REPRESENTATION LETTER	15
APPENDIX 5: AUDIT AND ASSURANCE INSIGHTS	16
APPENDIX 6: KPMG'S AUDIT APPROACH AND METHODOLOGY	17
APPENDIX 7: CURRENT DEVELOPMENTS AND AUDIT TRENDS	18

KPMG contacts

The contacts at KPMG in connection with this report are:



Matthew Betik, CPA, CA

Audit Engagement Partner

Tel: 519-747-8245

mbetik@kpmg.ca



Stacey Stahlmann, CPA, CA

Audit Senior Manager

Tel: 519-747-8846

skraemer@kpmg.ca

Executive summary



Purpose of this report*

The purpose of this Audit Findings Report is to assist you, as a member of the Finance and Audit Committee, in your review of the results of our audit of the financial statements as at and for the year ended December 31, 2020.



Finalizing the audit

As of March 15, 2021, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Receipt of management representation letter;
- Receipt of legal responses; and
- Completing our discussions with the Finance and Audit Committee; and
- Obtaining evidence of the Board's approval of the financial statements.

Our auditors' report will be dated upon the completion of any remaining procedures.

*This Audit Findings Report should not be used for any other purpose or by anyone other than the Board of Directors, Finance and Audit Committee and Management. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Executive summary



Audit materiality

Materiality has been determined based on total revenue for 2020. We have determined materiality to be \$860,000

See page 4



Audit risks and results

Our audit is risk-focused. In planning our audit we have taken into account key areas of focus for financial reporting. These include:

- grant revenue, deferred revenue, and grant receivables (government transfers); and
- revenue recognition policies

See pages 5 to 10



Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.



Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.



Executive summary



Adjustments and differences

We did not identify differences that were corrected nor uncorrected.



Independence

We are independent and have extensive quality control and conflict checking processes in place.

KPMG is providing assistance with the calculation of the eligible wages for the Canada Emergency Wage Subsidy ("CEWS").

Materiality

Materiality is used to identify risks of material misstatements, develop an appropriate audit response to such risks, and evaluate the level at which we think misstatements will reasonably influence users of the financial statements. It considers both quantitative and qualitative factors. To respond to aggregation risk, we design our procedures to detect misstatements at a lower level of materiality.

Materiality determination	Comments	Amount
Benchmark	Based on actual revenue for 2020	\$29.3 Million
Materiality	Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The corresponding amount for the prior year's audit was \$900,000	\$860,000
% of Benchmark	The corresponding percentage for the prior year's audit was 2.5%	2.9%
Audit Misstatement Posting Threshold (AMPT)	Threshold used to accumulate misstatements identified during the audit. The corresponding amount for the previous year's audit was \$43,000	\$43,000

We will report to the Finance and Audit Committee:



Corrected audit misstatements



Uncorrected audit misstatements



Audit risks and results

We highlight our professional requirements in respect to fraud risks:

Professional Requirements	Why is it significant?
Fraud risk from revenue recognition	<p>This is a presumed fraud risk.</p> <p>We have rebutted this as the risk is considered low given no significant estimates involved when revenue is recorded and when received.</p>
Our response and significant findings	
KPMG has rebutted the risk.	

Professional Requirements	Why is it significant?
Fraud risk from management override of controls	<p>This is a presumed fraud risk.</p> <p>We have not identified any specific additional risks of management override relating to this audit.</p>
Our response and significant findings	
<ul style="list-style-type: none">– In responding to risks of fraud and management override of controls, we perform testing over journal entries and adjustments in order to analyze for further insights into our audit procedures and findings.– We evaluate business rationale for any significant unusual transactions. <p>No issues were noted in the performance of the above procedures.</p>	



Audit risks and results

Other matters	Why is it significant?
Government transfers	Revenue recognition – risk of error

Our response and significant findings

Grant revenue and deferred contributions.

- We have agreed cash receipts received by Conservation Halton from the Ministry, local Municipalities and other relevant Government entities and reconcile to revenue reported for the fiscal year.
- We have reviewed correspondence for a selection of funding received and perform substantive procedures to ensure appropriate revenue recognition criteria are applied.

No issues were noted.

Audit risks and results

Other matters	Why is it significant?
Canadian Emergency Wage Subsidy (“CEWS”)	Management applied for CEWS funding amounting to \$4.7M, for the period from March 15, 2020 to December 19, 2020. Management has not accrued the \$4.7M in CEWS funding at year-end.

Our response and significant findings

Audit approach:

We obtained a copy of management’s subsidy calculations and performed the following:

- Select a sample of employees, inspect their employment status to assess their eligibility to be included in the subsidy amount and agree their remuneration back to supporting documentation.
- Verify mathematical accuracy of management’s revenue decline calculations, including assessing the eligibility of revenues included/excluded, use revenue decline figures to recalculate CEWS percentages by period applied to remuneration.
- For each claim period, obtain a copy of management’s application form on the CRA site, and a copy of any elections, if applicable.

Evaluate whether the presentation of the CEWS amounts are in accordance with Conservation Halton’s accounting policies and the applicable financial reporting framework.

Findings:

The revenue and receivable have not been recorded in the year end financial statements as Conservation Halton continues to determine if it meets all of the edibility requirements under the CEWS program.

The procedures performed are not intended to confirm that management’s CEWS application is complete or accurate but rather to provide an opinion the financial statements taken as a whole.

Given these procedures have been designed to address this new risk of error related to the existence, accuracy and presentation of the CEWS amount, an incremental fee of \$3,000 for these additional procedures.



Audit risks and results

Other matters	Why is it significant?
Accrued remediation costs	Unusual transaction - Risk of error

Our response and significant findings

- During December 2018, it was identified that furnace oil leaked in the Main Chalet of the Kelso/Glen Eden facility
- Conservation Halton (“CH”), along with service providers and direction received from the TSSA concluded that CH is required to remediate the property and clean up the spill
- CH has insurance that was expected to cover the vast majority of the costs
- Accounting rules require that CH accrue as a liability the estimated costs to remediate the property in accordance with appropriate property and environmental standards. While we understand that there are significant uncertainties in what the final cost will be, that does not relieve the entity from making an estimate based on the best information available. Furthermore, to the extent that insurance will cover the cost, an appropriate recover can be recorded. In 2018, \$820K liability was recorded.
- In 2019, the estimate was re-evaluated to be \$1.7M in total costs, in which CH incurred \$1,527K in total costs, accruing a further \$173K. CH also estimated \$1M in insurance receivable for 2019 that they expected to obtain from two insurance policies in fiscal 2020.
- The full amount of insurance accrued for was received during FY20 (\$1M).

Other observations



In our view, a key area for management's attention is asset management.

Year	TCA Additions (millions \$)	TCA Amortization (millions \$)	Summary observation
2015	3.3	1.6	— In aggregate, over the past six years, tangible capital assets have been acquired at a multiple of 188% of amortization, or 1.88 to 1. Even with 2019 being excluded, the rate is 1.5 to 1.
2016	1.0	1.6	
2017	3.1	1.7	
2018	2.4	1.8	— To ensure that tangible capital assets are being renewed at a sustainable rate, a multiple of 1.5 – 2.0 should be maintained over the long term.
2019	8.1	2.0	
2020	2.7	1.9	— Note that large infrastructure projects can skew this analysis and need to be considered qualitatively.
Average	3.4	1.8	
			— Excluding land, the ratio of net book value to cost of tangible capital assets is 0.55.
			— This means that your assets, on average, are less than 1/2 of the way through their useful lives. The Infrastructure category of assets is the biggest driver, at a ratio of 0.58.



Financial statement presentation and disclosure

The presentation and disclosure of the financial statements are, in all material respects, in accordance with Conservation Halton's relevant financial reporting framework. Misstatements, including omissions, if any, related to disclosure or presentation items are in the management representation letter.

We also highlight the following:

Form, arrangement, and content of the financial statements

The form, arrangement and content of the financial statements are appropriate for the size, scope and industry segment of the organization. It is consistent with its peer group in Ontario and in accordance with PSAB standards.

Application of accounting pronouncements issued but not yet effective

No concerns at this time regarding future implementation

Appendices

Appendix 1: Required communications

Appendix 2: Audit Quality and Risk Management

Appendix 3: Engagement Letters

Appendix 4: Draft Management Representation Letter

Appendix 5: Audit and Assurance Highlights

Appendix 6: KPMG's Audit Approach and Methodology

Appendix 7: Current Developments and Audit Trends



Appendix 1: Other Required Communications

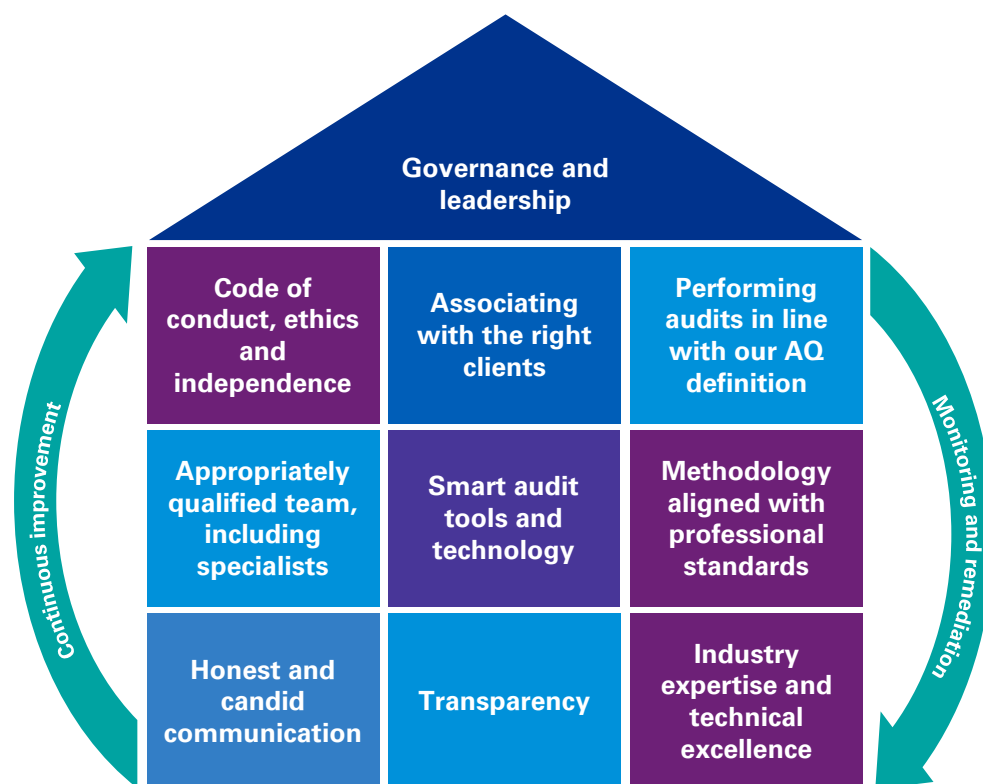
In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

Engagement letter	Management representation letter
The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement letters in Appendix 3.	Management make certain representations at the completion of the annual audit. In accordance with professional standards, a copy of the representation letter is in Appendix 4.
Auditors' report	Audit findings report
The Auditors' Report is included in the draft financial statements.	The report as presented.
Required inquiries	
Professional standards require that during the planning of our audit we obtain your views on risk of fraud and other matters. We make similar inquiries of management as part of our planning process; responses to these will assist us in planning our overall audit strategy and audit approach accordingly.	

Appendix 2: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarizes the key elements of our quality control system.



Audit Quality Framework

What do we mean by audit quality?

Audit Quality (AQ) is at the core of everything we do at KPMG.

We believe that it is not just about reaching the right opinion, but how we reach that opinion.

We define 'audit quality' as being the outcome when audits are:

- Executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls and
- All of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics, and integrity**.

Our AQ Framework summarises how we deliver AQ. Visit our [Audit Quality Resources page](#) for more information including access to our [Audit Quality and Transparency report](#).

Appendix 3: Engagement Letters





KPMG LLP
115 King Street South,
2nd floor
Waterloo Ontario N2J 5A3
Canada
Tel (519) 747-8800
Fax (519) 747-8830

PRIVATE & CONFIDENTIAL

Ms. Marnie Piggot
Director, Finance
Conservation Halton
2596 Britannia Road West
Burlington, Ontario L7P 0G3

November 13, 2020

Dear Ms. Piggot:

Except as specified herein, all provisions of the most recent Engagement Letter between KPMG and Conservation Halton (the "Entity") dated November 30, 2018 continue in effect from period to period unless amended or terminated in writing or unless revised due to the issuance of new professional standards.

This letter amends the following terms of our engagement:

Terms and Conditions

This letter amends the Terms and Conditions in our previous engagement letter dated November 30, 2018 with the ones attached to this letter.

Fees

The Entity and KPMG agree to a fee based on actual hours incurred at mutually agreed-upon rates. The estimated fee for the services described in this letter is \$27,000.

Harmonized Sales Tax (HST) will be computed and shown separately on our invoices, together with our firm's HST registration number, so that you will have the information required to claim input tax credits and input tax refunds, if applicable.

The Entity agrees, by accepting the terms of this engagement, to pay all invoices to KPMG within 30 days of receipt.

COVID 19 Rider

We update our previous engagement letter dated November 30, 2018 with a COVID 19 Rider which can be found ***Appendix – COVID 19 Rider***.



Conservation Halton
November 13, 2020

We are available to discuss these amendments to the terms of our engagement with you at any time. For your convenience in confirming these arrangements, we enclose a copy of this letter. Please sign the copy in the space provided and return it to us.

Yours very truly,

Matthew Betik, CPA, CA
Partner, responsible for the engagement and its performance, and for the report that is issued on behalf of KPMG LLP, and who, where required, has the appropriate authority from a professional, legal or regulatory body
519-747-8245

Enclosure

The terms of the engagement for Conservation Halton set out are as agreed:

Marnie Piggot, Director, Finance

25 February 2021
Date (DD/MM/YY)



Appendix - COVID-19 Rider

1. During the engagement, each party shall keep the other party reasonably informed of any events which:
 - i. relate to the notifying party and the COVID-19 situation;
 - ii. are not existing or reasonably foreseeable at the date of this agreement; and
 - iii. which will materially and adversely affect the notifying party's ability to perform its obligations under the engagement.
2. Each party will implement mitigation measures to enable the services to be performed so far as reasonably practicable in the circumstances, including:
 - i. reducing travel (particularly international travel) and in-person meetings to the minimum necessary level;
 - ii. at the party's premises, implementing such infection control procedures as are recommended or required by official bodies in the applicable location;
 - iii. implementing internal corporate policies which permit and encourage individual remote working, and technical systems to enable individual remote working; and
 - iv. implementing telepresence, audio conference, video conference, and other systems for collaborative working.
3. If, as a result of the global COVID-19 virus situation, performance by a party of its obligations under the engagement are rendered impossible or impracticable, the time for performance of such obligations shall be extended by such period as is reasonable in the circumstances, PROVIDED THAT the party in question is complying, and continues to comply, with its obligations pursuant to paragraphs 1 and 2 above.



KPMG LLP
115 King Street South, 2nd floor
Waterloo Ontario N2J 5A3
Canada
Tel (519) 747-8800
Fax (519) 747-8830

PRIVATE & CONFIDENTIAL

Ms. Marnie Piggot
Director, Finance
Conservation Halton
2596 Britannia Road West
Burlington, Ontario L7P 0G3

November 30, 2018

Dear Ms. Piggot:

The purpose of this letter is to outline the terms of our engagement to audit the annual financial statements ("financial statements" or "annual financial statements") of Conservation Halton (the "Entity"), commencing for the period ending December 31, 2018.

This letter supersedes our previous letter to the Entity dated January 8, 2014.

The terms of the engagement outlined in this letter will continue in effect from period to period, unless amended or terminated in writing. The attached Terms and Conditions and any exhibits, attachments and appendices hereto and subsequent amendments form an integral part of the terms of this engagement and are incorporated herein by reference (collectively the "Engagement Letter").

FINANCIAL REPORTING FRAMEWORK FOR THE FINANCIAL STATEMENTS

The annual financial statements will be prepared and presented in accordance with Canadian public sector accounting standards (hereinafter referred to as the "financial reporting framework").

The annual financial statements will include an adequate description of the financial reporting framework.

MANAGEMENT'S RESPONSIBILITIES

Management responsibilities are described in Appendix – Management's Responsibilities.

An audit does not relieve management or those charged with governance of their responsibilities.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



AUDITORS' RESPONSIBILITIES

Our responsibilities are described in Appendix – Auditors' Responsibilities.

If management does not fulfill the responsibilities above, we cannot complete our audit.

AUDITORS' DELIVERABLES

The expected form and content of our report(s) is provided in Appendix – Expected Form of Report. However, there may be circumstances in which a report may differ from its expected form and content.

In addition, if we become aware of information that relates to the financial statements after we have issued our audit report, but which was not known to us at the date of our audit report, and which is of such a nature and from such a source that we would have investigated that information had it come to our attention during the course of our audit, we will, as soon as practicable: (1) communicate such an occurrence to those charged with governance; and (2) undertake an investigation to determine whether the information is reliable and whether the facts existed at the date of our audit report. Further, management agrees that in conducting that investigation, we will have the full cooperation of the Entity's personnel. If the subsequently discovered information is found to be of such a nature that: (a) our audit report would have been affected if the information had been known as of the date of our audit report; and (b) we believe that the audit report is currently being relied upon or is likely to be relied upon by someone who would attach importance to the information, appropriate steps will be taken by KPMG and appropriate steps will also be taken by the Entity to prevent further reliance on our audit report.

Such steps include, but may not be limited to, appropriate disclosures by the Entity to the users of the financial statements and audit report thereon of the newly discovered facts and the impact to the financial statements.

ADDITIONAL RESPONSIBILITIES REGARDING "OTHER INFORMATION"

"Other information" is defined in professional standards to be the financial or non-financial information (other than the financial statements and the auditors' report thereon) included in the "annual report". An "annual report" is defined in professional standards to comprise a document or combination of documents. Professional standards also indicate that:

- an annual report is prepared typically on an annual basis in accordance with law, regulation or custom (i.e., is reoccurring)
- an annual report contains or accompanies the financial statements and the auditors' report thereon
- an annual report's purpose is to provide owners (or similar stakeholders) with information on the Entity's:
 - o operations; and/or
 - o financial results and financial position as set out in the financial statements.



Conservation Halton
November 30, 2018

Based on discussions with management, the following are expected to meet the definition of an "annual report" under professional standards:

- The document likely to be entitled "Glossy Annual Report"

Management agrees, when possible, to provide us with the final versions of the document(s) comprising the "annual report" prior to the date of our auditors' report on the financial statements. If that timing is not possible, management agrees to provide us with the final versions of the document(s) comprising the "annual report" prior to the entity's issuance so that we can complete our responsibilities required under professional standards.

Management is responsible for the "other information". Our responsibility is to read the "other information" and, in doing so, consider whether such information is materially inconsistent with:

- the financial statements; or
- our knowledge obtained in the audit.

Our responsibility is also to remain alert for indications that the "other information" appears to be materially misstated.

Our auditors' report on the financial statements, when applicable under professional standards, will contain a separate section where we will report on this "other information".

INCOME TAX COMPLIANCE AND ADVISORY SERVICES

Tax compliance and advisory services are outside the scope of this letter. These services will be subject to the terms and conditions of a separate engagement letter.

FEES

The Entity and KPMG agree to a fee based on actual hours incurred at mutually agreed-upon rates. The estimated fee for the services described in this letter is \$26,000.

Harmonized Sales Tax (HST) will be computed and shown separately on our invoices, together with our firm's HST registration number, so that you will have the information required to claim input tax credits and input tax refunds, if applicable.

The Entity agrees, by accepting the terms of this engagement, to pay all invoices to KPMG within 30 days of receipt.

* * * * *

We are available to provide a wide range of services beyond those outlined above. Additional services are subject to separate terms and arrangements.

We are proud to provide you with the services outlined above and we appreciate your confidence in our work. We shall be pleased to discuss this letter with you at any time. If the arrangements and terms are acceptable to the Entity, please sign the duplicate of this letter in the space provided and return it to us.



Conservation Halton
November 30, 2018

Yours very truly,

KPMG LLP

Matthew Betik, CPA, CA
Partner, responsible for the engagement and its performance, and for the report that is
issued on behalf of KPMG LLP, and who, where required, has the appropriate authority
from a professional, legal or regulatory body
519-747-8245

/ga

Enclosure

The terms of the engagement for Conservation Halton set out are as agreed:

Marnie Piggot

Marnie Piggot, Director, Finance

30/Nov./2018

Date (DD/MM/YY)



Appendix - Management's Responsibilities

Management acknowledges and understands that they are responsible for:

- (a) the preparation and fair presentation of the financial statements in accordance with the financial reporting framework referred to above.
- (b) providing us with all information of which management is aware that is relevant to the preparation of the financial statements such as financial records, documentation and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related parties
 - complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors, and committees of the board of directors that may affect the financial statements. All significant actions are to be included in such summaries.
- (c) providing us with unrestricted access to such relevant information.
- (d) providing us with complete responses to all enquiries made by us during our engagement.
- (e) providing us with additional information that we may request from management for the purpose of the engagement.
- (f) providing us with unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence.
- (g) such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management also acknowledges and understands that they are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- (h) ensuring that all transactions have been recorded and are reflected in the financial statements.
- (i) providing us with written representations required to be obtained under professional standards and written representations that we determine are necessary. Management also acknowledges and understands that, as required by professional standards, we may disclaim an audit opinion when management does not provide certain written representations required.
- (j) ensuring that internal auditors providing direct assistance to us, if any, will be instructed to follow our instructions and that management, and others within the entity, will not intervene in the work the internal auditors perform for us.



Appendix - Auditors' Responsibilities

Our function as auditors of the Entity is:

- to express an opinion on whether the Entity's annual financial statements, prepared by management with the oversight of those charged with governance, are, in all material respects, in accordance with the financial reporting framework referred to above
- to report on the annual financial statements

We will conduct the audit of the Entity's annual financial statements in accordance with Canadian generally accepted auditing standards and relevant ethical requirements, including those pertaining to independence (hereinafter referred to as applicable "professional standards").

We will plan and perform the audit to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error. Accordingly, we will, among other things:

- identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the Entity and its environment, including the Entity's internal control. In making those risk assessments, we consider internal control relevant to the Entity's preparation of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control
- obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks
- form an opinion on the Entity's annual financial statements based on conclusions drawn from the audit evidence obtained
- communicate matters required by professional standards, to the extent that such matters come to our attention, to the appropriate level of management, those charged with governance and/or the board of directors. The form (oral or in writing) and the timing will depend on the importance of the matter and the requirements under professional standards



Conservation Halton
November 30, 2018

Appendix - Expected Form of Report

INDEPENDENT AUDITORS' REPORT

To the Directors

Opinion

We have audited the financial statements of Conservation Halton (the Entity), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of operations and change in accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its results of operations and its cash flows year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



Appendix - Expected Form of Report (continued)

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.



Conservation Halton
November 30, 2018

Appendix - Expected Form of Report (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS (NOT-FOR-PROFIT)

These Terms and Conditions are an integral part of the accompanying engagement letter or proposal from KPMG that identifies the engagement to which they relate (and collectively form the "Engagement Letter"). The Engagement Letter supersedes all written or oral representations on this matter. The term "Entity" used herein has the meaning set out in the accompanying engagement letter or proposal. The term "Management" used herein means the management of Entity.

1. DOCUMENTS AND LICENSES.

a. All working papers, files and other internal materials created or produced by KPMG in relation to this engagement and all copyright and intellectual property rights therein are the property of KPMG.

b. Only in connection with the services herein, Entity hereby grants to KPMG a limited, revocable, non-exclusive, non-transferable, paid up and royalty-free license, without right of sublicense, to use all logos, trademarks and service marks of Entity solely for presentations or reports to Entity or for internal KPMG presentations and intranet sites. Further, Entity agrees that KPMG may list Entity as a customer in KPMG's internal and external marketing materials, including KPMG websites and social media, indicating the general services rendered (e.g., "Client is an Audit, Advisory, and/or Tax client of KPMG LLP").

2. ENTITY'S RESPONSIBILITIES.

a. Entity agrees that all management responsibilities will be performed and all management decisions will be made by Entity, and not by KPMG.

b. Entity's provision of documents and information to KPMG on a timely basis is an important factor in our ability to issue any reports under this Engagement Letter. KPMG is not responsible for any consequences arising from Entity's failure to deliver documents and information as required.

c. To the extent that KPMG personnel are on Entity's premises, Entity will take all reasonable precautions for their safety.

d. Entity understands and acknowledges that KPMG's independence may be impaired if any KPMG partner, employee or contractor accepts any offer of employment from Entity.

e. Except as required by applicable law or regulation, Entity shall keep confidential the terms of this Engagement Letter, and such confidential information shall not be distributed, published or made available to any other person without KPMG's express written permission.

f. Management agrees to promptly provide us with a copy of any comment letter or request for information issued by any securities or other regulatory authority in respect of information on which KPMG reported, including without limitation any continuous disclosure filings.

3. FEE ARRANGEMENTS.

a. KPMG's estimated fee is based in part on the quality of Entity's records, the agreed-upon level of preparation and assistance from Entity's personnel, and adherence by Entity to the agreed-upon timetable. KPMG's estimated fee also assumes that Entity's financial statements and/or other financial information, as applicable, are prepared in accordance with the relevant financial reporting framework or the relevant criteria, as applicable, and that there are no significant changes to the relevant financial reporting framework or the relevant criteria, as applicable; no significant new or changed accounting policies; no significant changes to internal control; and no other significant issues.

b. Additional time may be incurred for such matters as significant

issues, significant unusual and/or complex transactions, informing management about new professional standards, and any related accounting advice. Where these matters arise and require research, consultation and work beyond that included in the estimated fee, Entity and KPMG agree to revise the estimated fee. Our professional fees are also subject to an additional charge to cover information technology infrastructure costs and administrative support of our client service personnel. Disbursements for items such as travel, accommodation and meals will be charged based on KPMG's actual disbursements.

c. KPMG's invoices are due and payable upon receipt. Amounts overdue are subject to interest. In order to avoid the possible implication that unpaid fees might be viewed as creating a threat to KPMG's independence, it is important that KPMG's bills be paid promptly when rendered. If a situation arises in which it may appear that KPMG's independence is threatened because of significant unpaid bills, KPMG may be prohibited from signing any applicable report and/or consent.

d. Fees for any other services will be billed separately from the services described in this Engagement Letter and may be subject to written terms and conditions supplemental to those in the Engagement Letter.

e. Canadian Public Accountability Board ("CPAB") participation fees, when applicable, are charged to Entity based on the annual fees levied by CPAB.

4. USE OF MEMBER FIRMS AND THIRD PARTY SERVICE PROVIDERS; STORAGE AND USE OF INFORMATION.

a. KPMG is a member firm of the KPMG International Cooperative ("KPMG International"). Entity acknowledges that in connection with the provision of services hereunder, KPMG may use the services of KPMG International member firms, as well as other third party service providers or subcontractors, and KPMG shall be entitled to share with them all documentation and information related to the engagement, including Entity's confidential information and personal information ("information"). KPMG may also: (i) directly, or using such aforementioned KPMG International member firms, third party service providers or subcontractors, perform data analytics in respect of the information; and (ii) retain and disclose to KPMG International member firms the information to share best practices or for knowledge sharing purposes. In all such cases, such information may be used, retained, processed, or stored outside of Canada by such KPMG International member firms, other third party service providers or subcontractors, and may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG represents that such KPMG International member firms, other third party service providers or subcontractors have agreed or shall agree to conditions of confidentiality with respect to Entity's confidential information, and that KPMG is responsible to ensure their compliance with those conditions. Any services performed by KPMG International member firms or other third party service providers or subcontractors shall be performed in accordance with the terms of this Engagement Letter, but KPMG remains solely responsible to Entity for the delivery of the services hereunder. Entity agrees that any claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms or other third party service providers or subcontractors referred to above.



TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS (NOT-FOR-PROFIT)

b. Certain information (including information relating to time, billing and conflicts) collected by KPMG during the course of the engagement may be used, retained, processed and stored outside of Canada by KPMG, KPMG International member firms or third party service providers or subcontractors providing support services to KPMG for administrative, technological and clerical/organizational purposes, including in respect of client engagement acceptance procedures and maintaining engagement profiles; and to comply with applicable law, regulation or professional standards (including for quality performance reviews). Such information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is used, retained, processed or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG may also share information with its legal advisers and insurers for the purposes of obtaining advice.

c. Entity acknowledges that KPMG aggregates anonymous information from sources including the Entity for various purposes, including to monitor quality of service, and Entity consents to such use. KPMG may also use Entity's information to offer services that may be of interest to Entity.

5. PERSONAL INFORMATION CONSENTS AND NOTICES.

KPMG may be required to collect, use and disclose personal information about individuals during the course of the engagement. Any collection, use or disclosure of personal information is subject to KPMG's Privacy Policy available at www.kpmg.ca. Entity represents and warrants that (i) it will obtain any consents required to allow KPMG to collect, use and disclose personal information in the course of the engagement, and (ii) it has provided notice to those individuals whose personal information may be collected, used and disclosed by KPMG hereunder of the potential processing of such personal information outside of Canada (as described in Section 4 above). KPMG's Privacy Officer noted in KPMG's privacy policy is able to answer any individual's questions about the collection of personal information required for KPMG to deliver services hereunder.

6. THIRD PARTY DEMANDS FOR DOCUMENTATION AND INFORMATION / LEGAL AND REGULATORY PROCESSES.

a. Entity on its own behalf hereby acknowledges and agrees to cause its subsidiaries and affiliates to acknowledge that KPMG or a foreign component auditor which has been engaged in connection with an assurance engagement ("component auditor") may from time to time receive demands from a third party (each, a "third party demand"), including without limitation (i) from CPAB or from professional, securities or other regulatory, taxation, judicial or governmental authorities (both in Canada and abroad), to provide them with information and copies of documents in KPMG's or the component auditor's files including (without limitation) working papers and other work-product relating to the affairs of Entity, its subsidiaries and affiliates, and (ii) summons for production of documents or information related to the services provided hereunder; which information and documents may contain confidential information of Entity, its subsidiaries or affiliates. Except where prohibited by law, KPMG or its component auditor, as applicable, will advise Entity or its affiliate or subsidiary of the third party demand. Entity acknowledges, and agrees to cause its subsidiaries and affiliates to acknowledge, that KPMG or its component auditor, as applicable, will produce documents and provide information in response to the third party demand, without further authority from Entity, its subsidiaries or affiliates.

b. KPMG will use reasonable efforts to withhold from production any documentation or information over which Entity asserts privilege. Entity must identify any such documentation or information at the time of its provision to KPMG by marking it as "privileged". Notwithstanding the foregoing, where disclosure of such privileged documents is required by law, KPMG will disclose such privileged documents. If and only if the authority requires such access to such privileged documents pursuant to the laws of a jurisdiction in which express consent of Entity is required for such disclosure, then Entity hereby provides its consent.

c. Entity agrees to reimburse KPMG for its professional time and any disbursements, including reasonable legal fees and taxes, in responding to third party demands.

d. Entity waives and releases KPMG from any and all claims that it may have against KPMG as a result of any disclosure or production by KPMG of documents or information as contemplated herein.

e. Entity agrees to notify KPMG promptly of any request received by Entity from any third party with respect to the services hereunder, KPMG's confidential information, KPMG's advice or report or any related document.

7. CONNECTING TO THE ENTITY'S IT NETWORK; EMAIL AND ONLINE FILE SHARING AND STORAGE TOOLS.

a. Entity authorizes KPMG personnel to connect their computers to Entity's IT Network and the Internet via the Network while at the Entity's premises for the purpose of conducting normal business activities.

b. Entity recognizes and accepts the risks associated with communicating electronically, and using online file sharing, storage, collaboration and other similar online tools to transmit information to or sharing information with KPMG, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Entity assumes all responsibility or liability in respect of the risk associated with the use of the foregoing, and agrees that KPMG is not responsible for any issues that might arise (including loss of data) as a result of Entity using the foregoing to transmit information to or otherwise share information with KPMG and, in the case of online tools other than email, KPMG's access to and use of the same in connection with obtaining Entity information and documents.

8. LIMITATION ON WARRANTIES.

THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. SUBJECT TO SECTION 14, KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9. LIMITATION ON LIABILITY AND INDEMNIFICATION

a. Subject to Section 14: Entity agrees that KPMG shall not be liable to Entity for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Claims") in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of one million dollars (\$1,000,000).



TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS (NOT-FOR-PROFIT)

b. Subject to Section 14, in the event of a Claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Entity will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the intentional, deliberate or fraudulent misconduct of KPMG.

c. Subject to Section 14: (i) in no event shall KPMG be liable for consequential, special, indirect, incidental, punitive or exemplary damages, liabilities, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs); (ii) in any Claim arising out of the engagement, Entity agrees that KPMG's liability will be several and not joint and several; and (iii) Entity may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. For purposes of this Section 9, the term KPMG shall include its subsidiaries, its associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section 9 shall apply regardless of the form of Claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

10. CONSENT TO THE USE OF THE KPMG NAME OR KPMG REPORT.

Except as otherwise specifically agreed in this Engagement Letter, KPMG does not consent to:

- i. the use of our name or our report in connection with information, other than what we have reported on as part of this engagement letter or our report thereon, that contains, incorporates by reference, or otherwise accompanies our report or our name;
- ii. the use of our report in another language, or the use of our report in connection with information that we reported on that has been translated into another language, or the use of our name in connection with information that we reported on that has been translated into another language;
- iii. the use of our report in connection with an offering document or other securities filing, including continuous disclosure filings; or
- iv. the use of our name or our report in connection with the interim financial statements (or other interim financial information) to any statement by the Entity regarding the services that we provided on the interim financial statements or other interim financial information. Any communication, report, statement or conclusion on the interim financial statements may not be included in, or otherwise referred to in any public document or public oral statements except when the interim review conclusion contains a modified conclusion, in which case our interim review report will accompany the interim financial statements.

If the Entity wishes to obtain KPMG's consent regarding the matters above or other matters not otherwise specifically covered by this Engagement Letter, we will be required to perform procedures as required by applicable professional standards, and such procedures would be a separate engagement and subject to separate engagement terms.

11. ALTERNATIVE DISPUTE RESOLUTION.

Any dispute or claim between the parties arising under or relating to this Engagement Letter or the services provided hereunder (the "Dispute") shall be submitted to non-binding mediation. If

mediation is not successful within 90 days after the issuance by a party of a request for mediation, then the Dispute shall be referred to and finally resolved by arbitration under the Arbitration Rules of the ADR Institute of Canada in force at that time. The Seat of Arbitration shall be the province where KPMG's principal office performing this engagement is located. The language of the arbitration shall be English. The Arbitral Tribunal shall be made up of a single Arbitrator. The arbitration award shall be final, conclusive and binding upon the parties, and not subject to appeal.

12. POTENTIAL CONFLICTS OF INTEREST.

a. KPMG is or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that, without further notice or disclosure to Entity, KPMG may: (i) accept or continue such engagements on matters unrelated to KPMG's engagement for Entity; and (ii) provide advice or services to any other person or entity making a competing bid or proposal to that of Entity whether or not KPMG is providing advice or services to Entity in respect of Entity's competing bid or proposal.

b. In accordance with professional standards, KPMG will not use any confidential information regarding Entity in connection with its engagements with other clients, and will establish confidentiality and other safeguards to manage conflicts, which may include, in KPMG's sole discretion, the use of separate engagement teams and data access controls.

c. In no event shall KPMG be liable to Entity, or shall Entity be entitled to a return of fees or disbursements, or any other compensation whatsoever as a result of KPMG accepting or continuing a conflicting engagement in accordance with the terms of this Engagement Letter.

d. Entity agrees that KPMG may, in its sole discretion, disclose the fact and nature of its engagement for Entity to (i) KPMG International member firms to inform conflict searches, and (ii) to the extent reasonably required in order to obtain the consent of another entity or individual in order to permit KPMG to act for such entity or individual, or for Entity, in connection with the engagement or any future engagement.

e. In the event that circumstances arise that place KPMG into a conflict of interest as between Entity and a pre-existing client, which in KPMG's sole opinion cannot be adequately addressed through the use of confidentiality and other safeguards, KPMG shall be entitled to immediately terminate the engagement with Entity, without liability.

f. Other KPMG International member firms are or may be engaged by entities and individuals who have potentially conflicting legal and business interests to Entity. Entity agrees that (i) it will not assert that other KPMG International member firms are precluded from being engaged by those other entities or individuals, and (ii) those engagements of other KPMG International member firms do not conflict with KPMG's engagement for Entity.

13. LOBBYING.

Unless expressly stated in this Engagement Letter, KPMG will not undertake any lobbying activity, as that term is defined in all applicable federal, provincial and municipal lobbyist registration statutes and regulations, in connection with the engagement. In the event that KPMG and Entity agree that KPMG will undertake lobbying activity in connection with the engagement, such agreement shall be set out in an amendment to this Engagement Letter.



**TERMS AND CONDITIONS FOR ASSURANCE ENGAGEMENTS
(NOT-FOR-PROFIT)**

14. SEVERABILITY.

The provisions of these Terms and Conditions and the accompanying proposal or engagement letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of the provisions of these Terms and Conditions or the accompanying proposal or engagement letter are determined to be invalid, void or unenforceable, the remaining provisions of these Terms and Conditions or the accompanying proposal or engagement letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall remain valid and in effect and be enforceable and binding on the parties to the fullest extent permitted by law.

15. GOVERNING LAW.

This Engagement Letter shall be subject to and governed by the laws of the province where KPMG's principal office performing this engagement is located (without regard to such province's rules on conflicts of law).

16. LLP STATUS.

KPMG is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and, where applicable, has been registered extra-provincially under provincial LLP legislation.

17. INDEPENDENT LEGAL ADVICE

Entity agrees that it been advised to retain independent legal advice at its own expense prior to signing this Engagement Letter (including without limitation with respect to Entity's rights in connection with potential future conflicts) and agrees that any failure on its part to retain such independent legal counsel shall not affect (and it shall not assert that the same affects) the validity of the provisions of this Engagement Letter.

18. SURVIVAL.

All sections hereof other than Section 7(a) shall survive the expiration or termination of the engagement.

Appendix 4: Draft Management Representation Letter

KPMG LLP
115 King Street South, 2nd Floor
Waterloo, Ontario, N2J 5A3

April 22, 2021

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as “financial statements”) of Conservation Halton (“the Entity”) as at and for the year ended December 31, 2020.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated November 30, 2018 and amended November 13, 2020, including for:
 - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements, such as all financial records and documentation and other matters, including:
 - (i) the names of all related parties and information regarding all relationships and transactions with related parties; and
 - (ii) the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.
 - e) providing you with additional information that you may request from us for the purpose of the engagement.

- f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
- g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
- h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.
- i) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that management, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - management;
 - employees who have significant roles in internal control over financial reporting; or
 - others
 where such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

Estimates:

- 8) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Going concern:

- 9) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
- 10) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Non-SEC registrants or non-reporting issuers:

- 11) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 12) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

By: Marnie Piggot, Director, Finance

By: Hassaan Basit, President and CEO

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Appendix 5: Audit and Assurance Insights

Our latest thinking on the issues that matter most to Audit Committees, Boards and Management.

Featured insight	Summary	Reference
Audit & Assurance Insights	Curated thought leadership, research and insights from subject matter experts across KPMG in Canada	Learn more
The business implications of coronavirus (COVID 19)	Resources to help you understand your exposure to COVID-19, and more importantly, position your business to be resilient in the face of this and the next global threat.	Learn more
	Financial reporting and audit considerations: The impact of COVID-19 on financial reporting and audit processes.	Learn more
Accelerate 2019/20	Perspective on the key issues driving the Audit Committee agenda	Learn more
Momentum	A quarterly Canadian newsletter which provides a snapshot of KPMG's latest thought leadership, audit and assurance insights and information on upcoming and past audit events – keeping management and board members abreast on current issues and emerging challenges within audit.	Sign-up now
Board Leadership Centre	Leading insights to help board members maximize boardroom opportunities.	Learn more

Appendix 6: KPMG's audit approach and methodology

Collaboration in the audit

A dedicated KPMG Audit home page gives you real-time access to information, insights and alerts from your engagement team.

Issue identification

Continuous updates on audit progress, risks and findings before issues become events.

Data-driven risk assessment

Automated identification of transactions with unexpected or unusual account combinations – helping focus on higher risk transactions and outliers.



Deep industry insights

Bringing intelligence and clarity to complex issues, regulations and standards.

Analysis of complete populations

Powerful analysis to quickly screen, sort and filter 100% of your journal entries based on high-risk attributes.

Reporting

Interactive reporting of unusual patterns and trends with the ability to drill down to individual transactions.

Appendix 7: Current developments and audit trends

The following is a summary of the current developments that are relevant to the Conservation Halton:

Standard	Summary and implications
PS 3250, Employee Benefits	<p>Identified as the top priority in PSAB's 2014 Project Priority Survey, the Board has approved a project to review Section PS 3250, Retirement Benefits, and Section PS 3255, Post-employment Benefits, Compensated Absences and Termination Benefits. Since the issuance of these Sections decades ago, new types of pension plans have been introduced and there have been changes in the related accounting concepts.</p> <p>This project will involve looking at issues such as deferral of experience gains and losses, discount rates, how to account for shared risk plans, multi-employer defined benefit plans and vested sick leave benefits. Other improvements to existing guidance will also be considered.</p> <p>A new, comprehensive Handbook Section on employment benefits will replace the two existing Sections. PSAB have sent out an invitation to comment.</p>
PS 3280, Asset Retirement Obligations	<p>This standard describes how to account for and report asset retirement obligations associated with tangible capital assets.</p> <p>This standard is effective for fiscal periods beginning on or after April 1, 2021 (Conservation Halton's December 31, 2022 yearend).</p> <p>Implications: Conservation Halton will have to identify if they have any asset retirement obligations.</p>
Public Private Partnerships	<p>In recent years, governments across Canada are increasingly using various forms of public private partnership arrangements for the provision of assets and delivery of services.</p> <p>This project is expected to develop in two stages. The first stage will involve contemplating specific issues, including project scope, recognition and measurement of a public private partnership and disclosure requirements. Other issues will also be considered. The second stage will involve determining how to account for public private partnerships.</p> <p>The objective is to develop a public sector accounting standard specific to public private partnerships.</p>



kpmg.ca/audit



KPMG LLP, an Audit, Tax and Advisory firm (kpmg.ca) and a Canadian limited liability partnership established under the laws of Ontario, is the Canadian member firm of KPMG International Cooperative (“KPMG International”).

KPMG member firms around the world have 174,000 professionals, in 155 countries.

The independent member firms of the KPMG network are affiliated with KPMG International, a Swiss entity. Each KPMG firm is a legally distinct and separate entity, and describes itself as such.

© 2021 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.



REPORT TO: Conservation Halton Board of Directors

REPORT NO: # CHBD 04 21 09

FROM: Marnie Piggot, Director, Finance

DATE: April 22, 2021

SUBJECT: Appointment of Auditor for 2021

Recommendation

THAT Conservation Halton Board of Directors **approves the reappointment of KPMG LLP as auditor for Conservation Halton for the 2021 fiscal year as recommended by the Finance & Audit Committee.**

Report

According to the CH By-law Governance Section C.6, the General Membership shall appoint an auditor for the coming year at the Annual Meeting in accordance with Section 38 of the Conservation Authorities Act.

The Finance & Audit Committee has recommended reappointment of KPMG LLP as auditor for Conservation Halton for the 2021 fiscal year.

Background

A Request for Proposal (RFP) for the Provision of External Audit Services was issued by Conservation Halton in 2017. The Finance & Audit Committee and Conservation Halton Board of Directors approved the following recommendation in September 2017:

That the Finance Committee approve the appointment of the firm of KPMG LLP as external auditors for Conservation Halton for up to a five year term for the fiscal years 2017 to 2021, with the option to renew annually for up to an additional five years.

The annual audit fees for 2017 to 2021 were also approved in the September 2017 report.

Impact on Strategic Goals

This report supports the Momentum priority of Organizational Sustainability.

Financial Impact

The 2021 audit fees included in the KPMG LLP proposal received in response to the RFP issued in 2017 are included in the 2021 budget.

Signed & respectfully submitted:



Marnie Piggot
Director, Finance

Approved for circulation:



Hassaan Basit
President & CEO/Secretary & Treasurer

FOR QUESTIONS ON CONTENT:

Marnie Piggot; Director Finance
905-336-1158, ext. 2240; mpiggot@hrca.on.ca;