

STAFF REPORT: ENGINEERING AND PUBLIC WORKS DEPARTMENT

REPORT TO: Infrastructure & Recreation Committee
MEETING DATE: January 11th 2011
REPORT NO.: EPW.11.001
SUBJECT: Drinking Water System Operating Authority Accreditation Agreement
PREPARED BY: Liz Stinson, Compliance & Efficiency Coordinator

A. Recommendation

THAT Council approve the Mayor and Clerk executing the Drinking Water System Operating Authority Accreditation Agreement as outlined in Report EPW.11.001 entitled "Drinking Water System Accreditation Agreement".

B. Background

The Municipal Drinking Water Licensing Program is a new approvals program established for municipal residential drinking water systems. The revised Licensing Program requires that the Operating Authority (Town) obtain a Drinking Water License from the Ministry of the Environment. The Drinking Water License gives the Town the authority to operate the drinking water system. In order to receive a Drinking Water License, the Town must have the following in place:

1. Accepted Operational Plan
2. Accredited Operating Authority
3. Drinking Water Works Permit
4. Permit to Take Water
5. Financial Plan

In order to obtain an Accepted Operational Plan, the Town must incorporate quality management principles into the operation of its drinking water system. The Town's Drinking Water Quality Management System (DWQMS) objectives are incorporated into Operational Plans through procedures and documentation. The Operational Plan is the document, prepared by the Operating Authority, detailing how the Town is complying with the PLAN, DO, CHECK, and IMPROVE components of the Drinking Water Quality Management Standard.

In order to become accredited, the Operating Authority must submit an accreditation application and have their completed Operational Plan reviewed by a third party accreditation body chosen by the Ministry of the Environment.

On June 24th, 2009 the Town applied for accreditation under the Limited Scope – Entire DWQMS accreditation option and is based on the documentation review of twenty of the twenty one elements in the Operational Plan. The twenty first element deals with continual improvement of the DWQMS.

In January 2010, the Town's Operational Plan was reviewed by the accreditation body, Canadian General Standards Board (CGSB), and four non-conformities were identified. CGSB issued four Corrective Action Reports which outlined four areas of the Operational Plan which required revision in order for the document to be accepted. In February 2010, the Operational Plan was revised accordingly and the revisions were submitted to CGSB for approval. On September 9, 2010 the Town received notification from CGSB that the required revisions to the Operational Plan had been approved and the Corrective Action Reports had been closed.

On September 30th, 2010 CGSB provided the Town with an accreditation agreement. The agreement has been reviewed by Town Staff and the Town's Solicitor and both have found it to be an acceptable contract and recommend that the Town execute the accreditation agreement with CGSB (Refer to Attachment #1).

On November 15th, 2010 the Town received its Drinking Water Works Permit (DWWP) from the Ministry of the Environment. The DWWP is a permit to establish or alter a drinking water system. This document, together with the Drinking Water License, will replace the Certificate of Approval. The Town currently holds a Permit to Take Water and no immediate changes are expected to be made to this document.

Next Steps

After the Town signs the accreditation agreement, an accreditation certificate will be issued and the Town will be considered an accredited Operating Authority. However, this certificate will be issued subject to the condition that the Town submits a Full Scope – Entire DWQMS to CGSB within twelve months from the date of issuance of the limited scope certificate (September, 2011). A Full Scope accreditation will be based on a systems audit as well as on-site verification of all twenty-one elements of the DWQMS.

Town Staff must also prepare a Financial Plan for submission to the Ministry of Municipal Affairs and Housing within 6 months of receiving a Drinking Water License. Although not all of the requirements of the Drinking Water Licensing Program have been met, the Town received its Drinking Water License from the Ministry of the Environment on November 15th, 2010. Therefore, the Town must complete and submit its Financial Plan by May 15th, 2011.

C. The Blue Mountains' Strategic Plan

An annual management review of the Town's DWQMS furthers the Town Strategic Plan Goal # 6 "Providing a Strong, Well-Managed Municipal Government."

D. Environmental Impacts

Becoming an accredited operating authority is an essential component of ensuring that an adequate system of continuous improvement is applied to the production of the Town's drinking water.

Many of the policies and procedures within the Town's Operational Plan encourage practices that can help prevent accidental releases of chemicals into the environment, protect Operations Staff from workplace injury and ensure the public receives safe drinking water.

E. Budget Impact

There is no budgetary impact associated with the signing of the Drinking Water System Accreditation Agreement, however, the costs associated with CGSB's review of the Operational Plan and Corrective Action Reports to date are \$2,740.50. Funding to cover the cost of the 2010 accreditation process was drawn from the \$15,000 DWQMS capital budget. As an external audit by CGSB is not expected to be scheduled until after the Town applies for a Full Scope – Entire DWQMS application, no further accreditation expenses are expected for 2010.

The 2011 costs associated with the DWQMS are expected to be a maximum of \$7,850 plus costs associated with auditor travel and accommodation and any applicable review of Corrective Action Reports if they are issued.

DWQMS Fee Schedule

Application Fee (Full Scope)	\$500	One Time Fee
Internal Audit Cost	\$2,700	Annual Fee
Program & Listing Fee	\$250	Annual Fee
Systems Audit Fee & On-Site Verification Audit (1Year after accreditation)	\$4,400 Max	One Time Fee
Audit Travel Expenses & Accommodations	To be determined	As Required
Corrective Action Report Review	To be determined	As Required
TOTAL COSTS	\$7,850 + Travel & Accom. + CARs	

As the Town has not yet undergone an onsite verification audit by CGSB, it is difficult to estimate the true cost of this process. Furthermore, other Municipalities within Ontario who have undergone a verification audit have reported varying and inconsistent costs. Similarly, it is difficult to determine the costs associated with the Corrective Action Report Review. The cost increases with the number of Corrective Action Reports that are issued, however, it is possible that no Corrective Action Reports will be issued, in which case there would be no cost associated with this item. All associated 2011 DWQMS costs will be funded from the 2011 DWQMS Capital Budget.

E. Attached

1. Drinking Water System Operating Authority Accreditation Agreement

Respectfully submitted

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