



THE CORPORATION OF THE TOWN OF LASALLE WATER AND WASTEWATER COMMITTEE MEETING AGENDA

Tuesday, November 26, 2019, 4:00 PM
Council Chambers, LaSalle Civic Centre, 5950 Malden Road

	Pages
A. Call to Order	
B. Disclosures of Pecuniary Interest and the General Nature Thereof	
C. Adoption of Minutes from Previous Meeting	3
RECOMMENDATION That the minutes of the meeting of the Water & Wastewater Committee dated September 24, 2019 BE ADOPTED as presented.	
D. Business Arising from the Minutes	
E. New Business	
1. 6585 Disputed Rd. Water Consumption	6
Delegate: 1. Mary-Lou Herdman	
RECOMMENDATION That the report of the Manager of Water and Wastewater dated November 13, 2019 (PW-WWC-08-19) regarding 6585 Disputed Rd. Water Consumption BE RECEIVED; and that a credit of \$1,102.94 to the October 2019 water bill BE APPROVED.	
2. Management Review Meeting Minutes September 2019	14
RECOMMENDATION That the report of the Manager of Water and Wastewater dated November 15, 2019 (PW-WWC-10-19) regarding Management Review Meeting Minutes September 2019 BE RECEIVED.	

3. DWQMS Internal Audit Report 2019 22

RECOMMENDATION

That the report of the Manager of Water and Wastewater dated November 15, 2019 (PW-WWC-09-19) regarding DWQMS Internal Audit Report 2019 BE RECEIVED.

4. Water Financial Plan 31

RECOMMENDATION

That the report of the Director of Finance / Treasurer, dated November 14, 2019 (FIN-35-2019) regarding the Town of LaSalle Water Financial Plan BE RECEIVED ; and that the Water System Financial Plan as prepared in accordance with the Safe Drinking Water Act BE APPROVED; and that a notice of availability of the Water System Financial Plan BE ADVERTISED; and that the Water System Financial Plan, the Council resolution approving the Water System Financial Plan, and the Water rate study underpinning the Water System Financial Plan, BE SUBMITTED to the Ministry of the Environment, satisfying the requirements under the Safe Drinking Water Act.

F. Next Meeting

The next scheduled meeting will be held on January 28, 2020.

G. Adjournment



The Corporation of the Town of LaSalle

Minutes of a meeting of the Water and Wastewater Committee Meeting

September 24, 2019, 4:00 p.m.

Council Chambers, LaSalle Civic Centre, 5950 Malden Road

Present: Councillor Jeff Renaud
Mayor Marc Bondy
Deputy Mayor Crystal Meloche
Councillor Sue Desjarlais
Councillor Anita Riccio-Spagnuolo
Regrets: Councillor Mike Akpata
Councillor Mark Carrick
Also Present: P. Marra, Director of Public Works
R. Mackie, Superintendent of Water and Wastewater
L. Petros, Manager of Water & Waste Water
A. Robertson, Director of Council Services & Clerk
Additional Administration: D. Langlois, Director of Finance/Treasurer
J. Milicia, Chief Administrative Officer
Present:

1. Call to Order

Councillor Renaud calls the meeting to order at 4:00 p.m.

2. Disclosures of Pecuniary Interest and the General Nature Thereof

None disclosed.

3. Adoption of Minutes from Previous Meeting

Moved By: Councillor Desjarlais

Seconded By: Deputy Mayor Meloche

That the minutes of the meeting of the Water and Wastewater Committee dated March 26, 2019 BE ADOPTED as presented.

Carried.

4. Business Arising from the Minutes

None.

5. New Business

5.1 2018 Bulk Water Rate

Moved By: Councillor Desjarlais

Seconded By: Deputy Mayor Meloche

That the report of the Director of Finance dated September 9, 2019 (FIN-25-2019) regarding the 2018 bulk water rate BE RECEIVED.

Carried.

5.2 2019 MOE Inspection Report

Moved By: Mayor Bondy

Seconded By: Councillor Riccio-Spagnuolo

That the report of the Superintendent of Water and Wastewater dated May 21, 2019 (PW-WWC-06-19) regarding the August 12, 2019 Ministry of the Environment (MOE) inspection report BE RECEIVED.

Carried.

5.3 DWQMS – Operational Plan Endorsement

Moved By: Mayor Bondy

Seconded By: Deputy Mayor Meloche

That the report of the Manager of Water and Wastewater of LaSalle dated September 11, 2019 (PW-WWC-07-2019) regarding DWQMS Operational Plan BE RECEIVED and that the Operational Plan as outlined BE ENDORSED.

Carried.

6. Next Meeting

The next Water and Wastewater Committee Meeting will be held on November 26, 2019.

7. Adjournment

The meeting is adjourned at the call of the Chair at 4:21 p.m.

Chair: Councillor Jeff Renaud

Clerk: Agatha Robertson



The Corporation of the Town of LaSalle

To: Members of the Water & Wastewater Committee
Prepared by: Lena Petros, Manager of Water and Wastewater
Department: Public Works
Date of Report: November 13, 2019
Report Number: PW-WWC-08-19
Subject: 6585 Disputed Rd. Water Consumption

Recommendation

That the report of the Manager of Water and Wastewater dated November 13, 2019 (PW-WWC-08-19) regarding 6585 Disputed Rd. Water Consumption BE RECEIVED; and that a credit of \$1,102.94 to the October 2019 water bill BE APPROVED.

Report

The homeowner of 6585 Disputed Road contacted Public Works on October 9, 2019 regarding their October water bill. The Public Works Clerk spoke with the resident regarding the bill and printed the reports below showing the consumption for the billing period.

The Clerk explained to the resident that the water passed through the meter but seems to be back to regular consumption now. An appointment was set for Thursday, October 10, 2019 for the Public Works department to check for leaks on the private water system and verify meter number accuracy. Detection of a leak would be hard to determine since consumption had gone back to normal as shown on the October graph below. Also, meter numbers were verified to be accurate.

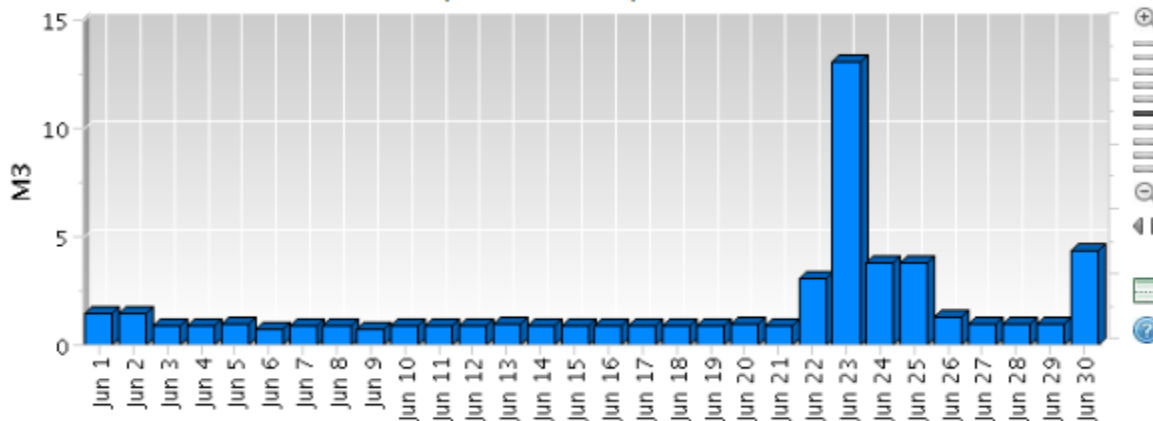
In addition, the homeowner requested sending the current meter out for testing by an independent party. Public Works staff explained the Town's Water and Wastewater Billing and Collection policy (F-GEN-006) should the meter be found to register accurately or in favor of the account holder, the account holder will be responsible for the expense of removing and testing the meter. If the meter is found to register in favor of the Town or if the meter is deemed to be a faulty meter, steps will immediately be undertaken to rectify the problem, and a new bill will be issued based on the average of

the previous four billing periods for the service address. As a result, the homeowner declined this service and meter was not sent out for accuracy test.

Therefore, it is recommended that the Committee concur with the information enclosed regarding the water consumption and a reduction of block 1 and 2 rates to bulk rate as per policy number F-GEN-006 with a credit of \$1,102.94 be granted.

6585 DISPUTED RD (71913569 - 19000001500)

Jun 1, 2019 - Jun 30, 2019



All Intervals
52.7 M3

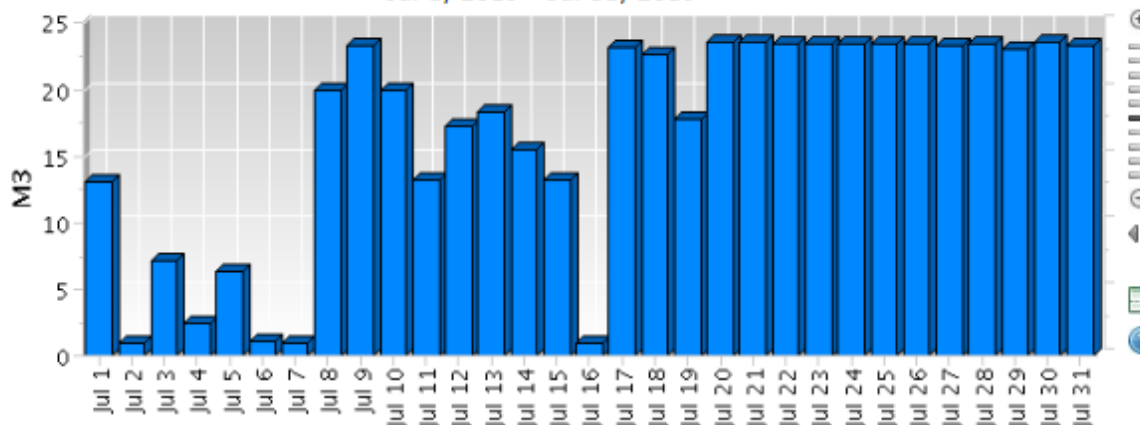
Total
52.7 M3

KavaChart images from VE.com

Note: Weather Data not available

6585 DISPUTED RD (71913569 - 19000001500)

Jul 1, 2019 - Jul 31, 2019

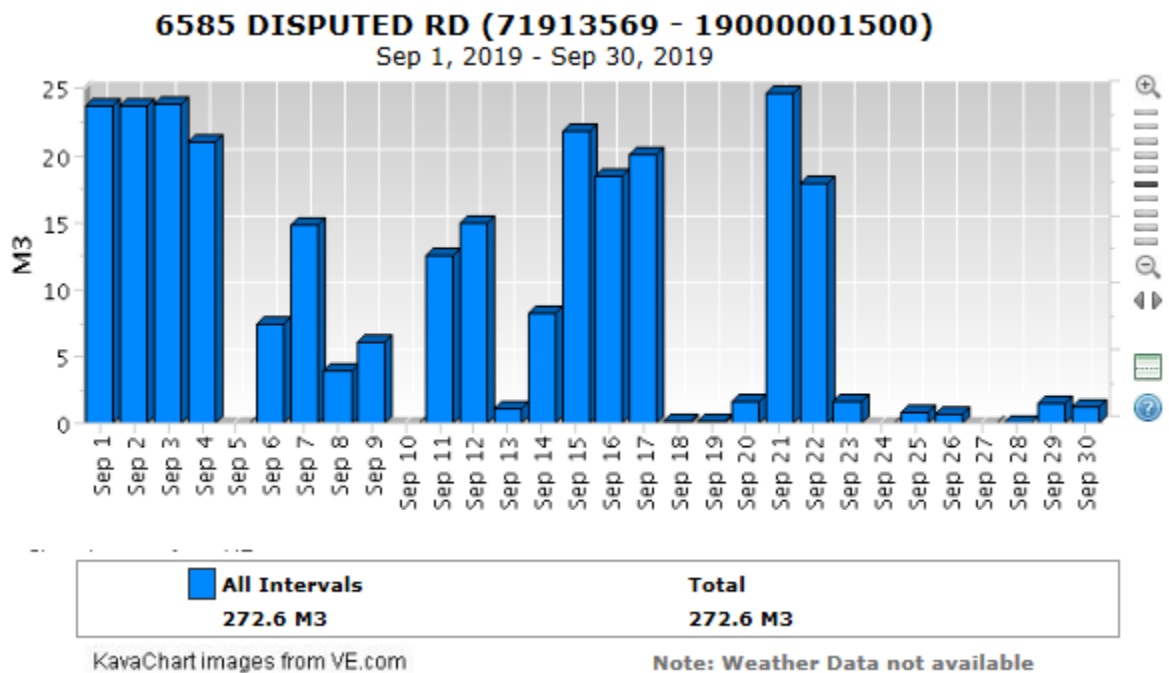
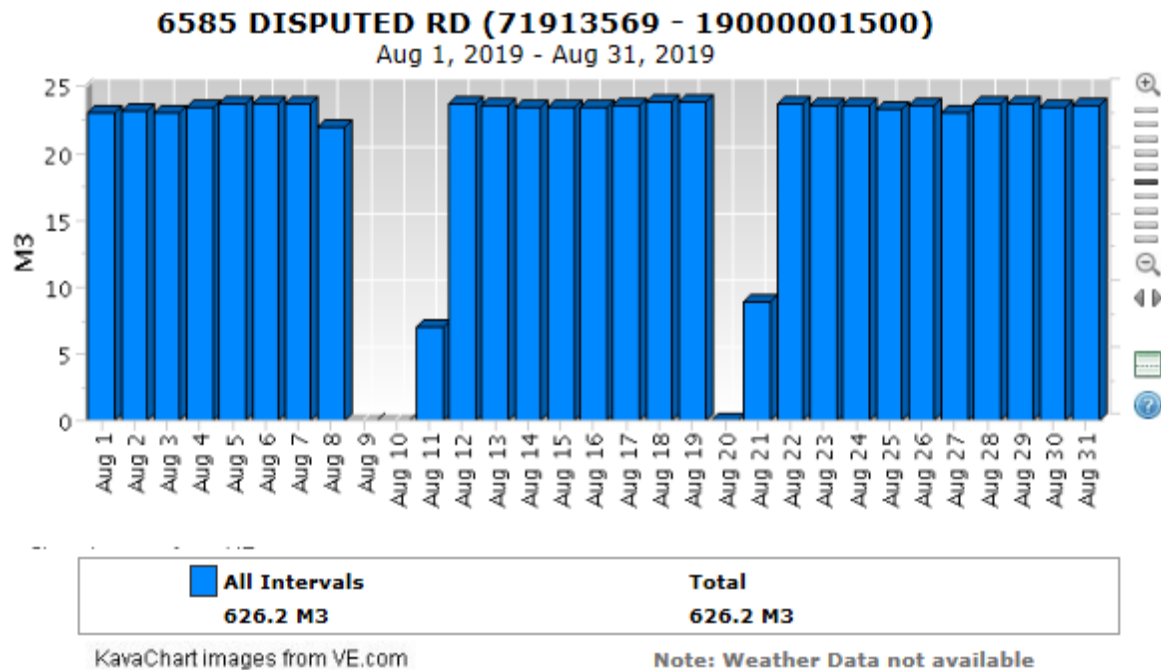


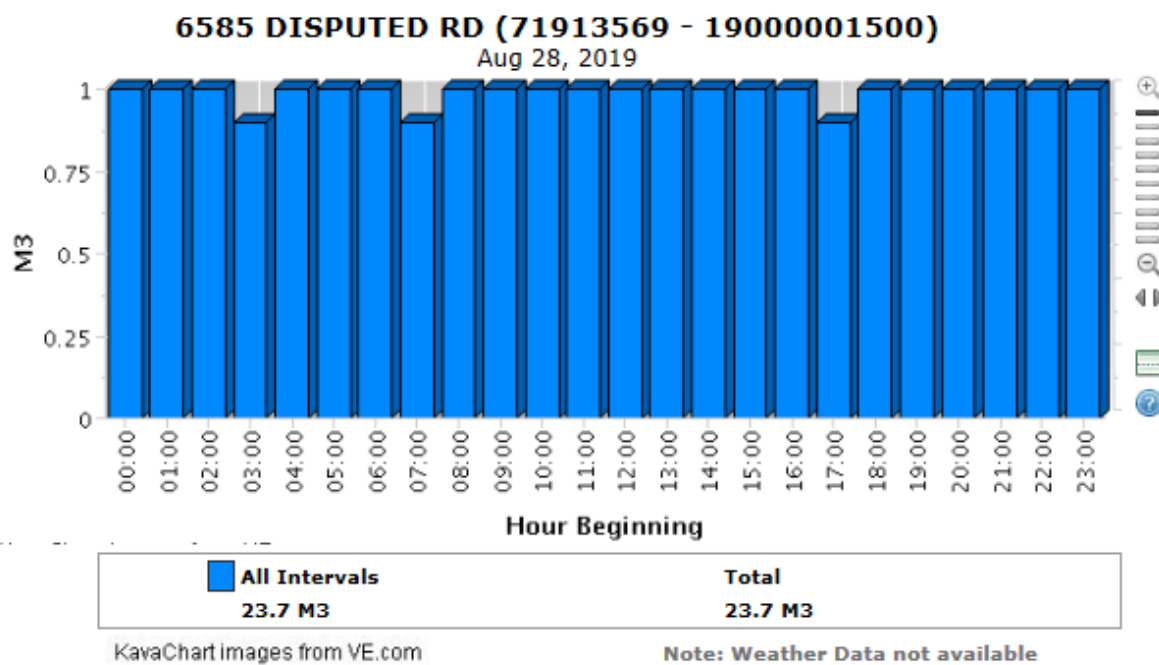
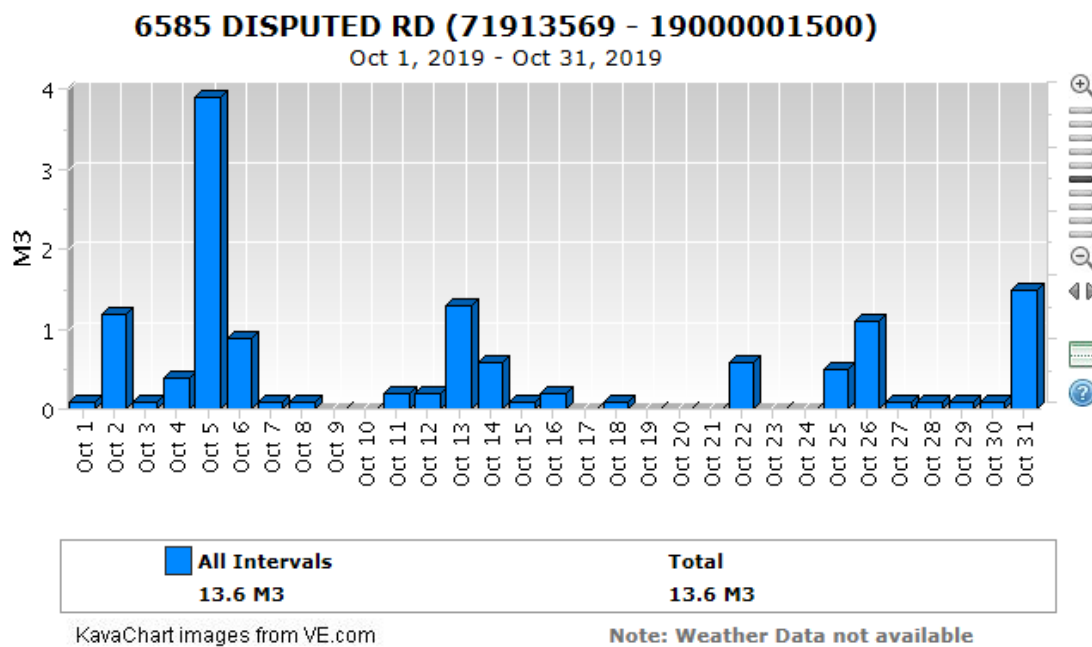
All Intervals
518.9 M3

Total
518.9 M3

KavaChart images from VE.com

Note: Weather Data not available





TOWN OF LASALLE
5950 MALDEN ROAD
LASALLE ON N9H 1S4

Phone: (519) 969-7770
Fax: (519) 969-4029

WATER & WASTEWATER BILL



Account #: [REDACTED]
Service Address: 6585 DISPUTED RD

Billing Date: 03-Oct-2019 Bill From: 01-Jul-2019
Batch #: 2019100302 Bill To: 30-Sep-2019

Due Date : 25-Oct-2019

6483 MATCHETTE RD
LASALLE ON N9J 2J8

Make Cheque Payable to
TOWN OF LASALLE
Enter Amount Enclosed

Account Balance \$ 1,903.99

Amount Due \$ 1,903.99

Please detach and return top portion with payment. Retain bottom portion for your records.

Account #: [REDACTED]
Service Address: 6585 DISPUTED RD

Billing Date: 03-Oct-2019 Bill From: 01-Jul-2019
Batch #: 2019100302 Bill To: 30-Sep-2019

Account Details From: 03-Oct-2019

PIN# [REDACTED]

Code	Description	From	To	Units	Amount
Last Payment Made on: 22-Jul-2019					-169.65
W RFED	WATER FEEDER CHARGE	01/07/19	30/09/19	1.00	33.00
W R709A	5/8"- 3/4" WATER METER SIZE CHARGE	01/07/19	30/09/19	1.00	15.00
W RMW	WATER CONSUMPTION	01/07/19	30/09/19	1.00	1,855.99
71913569	01/08/19 Current Reading: 1592.00	01/07/19	Prev. Reading: 1073.00	Consumption:	519.00 M3
	01/09/19 Current Reading: 2218.00	01/08/19	Prev. Reading: 1592.00	Consumption:	626.00 M3
	01/10/19 Current Reading: 2490.00	01/09/19	Prev. Reading: 2218.00	Consumption:	272.00 M3
Total Consumption:					1417.00 M3
Consumption 81.00 @ 1.05000000					85.05
54.00 @ 1.22000000					65.88
1282.00 @ 1.33000000					1705.06
					1855.99

Current Levy 1,903.99

Account Balance \$ 1,903.99

Due Date : 25-Oct-2019

Amount Due \$ 1,903.99

TOWN OF LASALLE
5950 MALDEN ROAD
LASALLE ON N9H 1S4
Phone: (519) 969-7770
Fax: (519) 969-4029

6483 MATCHETTE RD
LASALLE ON N9J 2J8

Consultations

Type consultations here

Financial Implications

Type financial implications here

Prepared By:

A handwritten signature in black ink, appearing to read 'Lena Petros', with a stylized, cursive script.

Manager, Water and Wastewater

Lena Petros, C.E.T.

Link to Strategic Priorities

	Expanding and diversifying our assessment base
	Effectively communicating the activities and interests of the Town
	Managing our human and financial resources in a responsible manner
	Promoting and marketing LaSalle
	Promote a healthy and environmentally conscious community

Communications

	Not applicable
	Website
	Social Media
	News Release
	Local Newspaper
	Bids & Tenders
	Notification pursuant to the Planning Act

Notifications

Name	Address	Email
Mary-Lou Herdman	6483 Matchette Rd.	herdman@caesarswindsor.com

Report Approval Details

Document Title:	PW-WWC-08-19 - 6585 Disputed Rd. Water Consumption.docx
Attachments:	
Final Approval Date:	Nov 18, 2019

This report and all of its attachments were approved and signed as outlined below:



Director, Public Works

Peter Marra



Chief Administrative Officer

Joe Milicia



The Corporation of the Town of LaSalle

To: Members of the Water & Wastewater Committee
Prepared by: Lena Petros, Manager of Water and Wastewater
Department: Public Works
Date of Report: November 15, 2019
Report Number: PW-WWC-10-19
Subject: Management Review Meeting Minutes September 2019

Recommendation

That the report of the Manager of Water and Wastewater dated November 15, 2019 (PW-WWC-10-19) regarding Management Review Meeting Minutes September 2019 BE RECEIVED.

Report

Management review meetings occur annually to review a number of items relating to the DWQMS for the Town's drinking water system.

Enclosed is a copy of the September 2019 Management Review Meeting Minutes for the Committee to receive for information. There are a number of items that require attention and a responsible person and a due date has been established on each item.

Consultations

N/A

Financial Implications

N/A

Prepared By:



Manager, Water and Wastewater

Lena Petros, C.E.T.

Link to Strategic Priorities

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yes	Not applicable
	Website
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Notifications

Name	Address	Email

Report Approval Details

Document Title:	PW-WWC-10-19 Management Review Meeting Minutes September 2019.docx
Attachments:	- Management review minutes Sep 13, 2019.pdf
Final Approval Date:	Nov 18, 2019

This report and all of its attachments were approved and signed as outlined below:



Director, Public Works

Peter Marra



Chief Administrative Officer

Joe Milicia

DWQMS Management Review Committee LaSalle Public Works

Date: September 13, 2019

Location: LaSalle Public Works Building Board room

Participants: Rob Mackie Superintendent of Water/Wastewater, QMS Rep.
 Lena Petros Manager of Water/Wastewater, QMS Rep.
 Jay Wigle Water/Wastewater Leader

Distribution: All Participants, Owner Representative

Prepared by: Lena Petros – Manager of Water/Wastewater, QMS Rep.

Item	Description	Action	Resp. Person	Due Date
1	Acceptance of Agenda	Accepted		
2	Acceptance of Minutes of Previous Meeting	Accepted		
3	Incidents of regulatory non-compliance: One incident of regulatory non-compliance was noted during MOE inspection. MOE Inspection Report dated August 12, 2019 was reviewed during this meeting. All recommendations from the inspection report have been completed.	NAR		
4	Incidents of adverse drinking water tests: No incidents of adverse drinking water	NAR		
5	Deviations from critical control limits and response actions: No deviation from critical control limits	NAR		

Item	Description	Action	Resp. Person	Due Date
6	The effectiveness of the Risk Assessment Process: Please refer to item 20	NAR		
7	Internal and external audit results: Internal audit report dated October 10, 2018 was reviewed during January 22, 2019 Water & Wastewater Committee meeting. External Audit report dated October 18, 2018 was reviewed during January 22, 2019 Water & Wastewater Committee meeting.	NAR QMS Rep. responded to all internal audit findings and made appropriate revisions		
8	Results of emergency response testing: Water staff participated in town wide emergency exercise on November 14, 2018 that involved Loss of Service Contingency Plan 04 review	NAR		
9	Operational performance: Valve maintenance and unidirectional flushing, 2019 completed 10% Hydrant Maintenance, west of Malden Rd. will be completed by end 2019	NAR NAR		
10	Raw water supply and drinking water quality trends: Meeting with Enwin took place on August 2019, discussed Regulatory, water system operation, financial, and capital programs. Meeting with Town of Tecumseh regarding Howard feed to Tecumseh took place on September 3, 2019	NAR QMS Rep. to follow up with Director of Public Works on the new agreement for capital contribution of twin 30" replacement	Lena Petros	2 nd quarter of 2020

Item	Description	Action	Resp. Person	Due Date
11	Follow-up on action items from previous Management Reviews: None	NAR		
12	The status of management action items identified between reviews: None	NAR		
13	Changes that could affect the QMS: None	NAR		
14	Consumer feedback: Total number of water main breaks for 2018 was 33 Water complaints for 2018 was 15 Noisy meters complaints	NAR NAR QMS Rep's to follow-up with supplier	Lena Petros and Rob Mackie	1 st quarter 2020
15	The resources needed to maintain the QMS: None	NAR		
16	The results of the infrastructure review: Water quality issues with old LaSalle, look into the option of ice pigging Key flushing spots, eg. River Ave Explore Cathodic protection options for new watermain installs and repairs	NAR		
17	Operational Plan currency, content and updates: Current Operational Plan revision # 15 version 2.0	NAR		

Item	Description	Action	Resp. Person	Due Date
18	Staff suggestions: Parkway mainline valve labeling	Superintended of Water/Wastewater to follow-up	Rob Mackie	3 rd quarter 2020
19	Review of List of Essential Supplies/Services/Emergency Contacts for the Town of LaSalle The list was reviewed, updates required	QMS Rep to update the list	Lena Petros	4 th quarter of 2019
20	Risk assessment and risk assessment outcome (Procedure 2) verification and update The risk assessment review meeting took place as part of this meeting and no change is required	NAR		

NAR - No Action Required

OP – Operational Plan

IA – Internal Audit

EA – External Audit



The Corporation of the Town of LaSalle

To: Members of the Water & Wastewater Committee
Prepared by: Lena Petros, Manager of Water and Wastewater
Department: Public Works
Date of Report: November 15, 2019
Report Number: PW-WWC-09-19
Subject: DWQMS Internal Audit Report 2019

Recommendation

That the report of the Manager of Water and Wastewater dated November 15, 2019 (PW-WWC-09-19) regarding DWQMS Internal Audit Report 2019 BE RECEIVED.

Report

As required by the Safe Water Drinking Act, the Town of LaSalle conducts an annual internal audit of our Drinking Water Quality Management System (DWQMS). Enclosed is the findings of the internal audit report dated September 26, 2019.

Consultations

N/A

Financial Implications

N/A

Prepared By:

Manager, Water and Wastewater

Lena Petros, C.E.T.

Link to Strategic Priorities

	Expanding and diversifying our assessment base
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Communications

yes	Not applicable
	Website
	Social Media
	News Release
	Local Newspaper
	Bids & Tenders
	Notification pursuant to the Planning Act

Notifications

Name	Address	Email

Report Approval Details

Document Title:	PW-WWC-09-19 DWQMS Internal Audit Report 2019.docx
Attachments:	- LaSalle Internal QEMS Audit Report (2019-09-26).pdf
Final Approval Date:	Nov 18, 2019

This report and all of its attachments were approved and signed as outlined below:



Director, Public Works

Peter Marra



Chief Administrative Officer

Joe Milicia

Internal QMS Audit Report

LaSalle Water Distribution System

Owned & Operated by: The Town of LaSalle

Report Prepared By: Karen Burgess, Senior Operations Manager, OCWA

Report Issued: September 26, 2019

GENERAL INFORMATION**Audit Objectives:**

- To evaluate the conformance of the Quality Management System (QMS) as implemented at the Drinking Water System(s) listed below to the requirements of the Drinking Water Quality Management Standard (DWQMS) version 2.0 (v.2.0).
- To identify non-conformities with the documented QMS.
- To assess the effectiveness of the QMS and assist in its continual improvement.

Audit Criteria:

- DWQMS v.2.0
- Current Operational Plan for the LaSalle Water Distribution System, Revision 15 – Sept. 11, 2019
- QMS-related documents and records

Audit Scope:

Activities and processes related to QMS (as documented in the DWQMS Operational Plan) implemented at the following Drinking Water System(s) (DWS) owned by the Town of LaSalle:

1. LaSalle Water Distribution System

Auditor(s): Karen Burgess, Senior Operations Manager, OCWA

Participant(s): Lena Petros, Manager of Water & Wastewater and QMS Representative

Date(s): September 17, 2019

Audit Methods: Interviews, observation of activities and review of documentation and records

1. SUMMARY OF FINDINGS

The overall effectiveness of the QMS is considered: ☒ Effective ☐ Not effective

DWQMS Element	Finding
1. Quality Management System	C
2. Quality Management System Policy	C
3. Commitment and Endorsement	C
4. Quality Management System Representative	C
5. Document and Records Control	OFI
6. Drinking Water System	C
7. Risk Assessment	OFI
8. Risk Assessment Outcomes	C

9. Organizational Structure, Roles, Responsibilities and Authorities	C
10. Competencies	OFI
11. Personnel Coverage	C
12. Communications	C
13. Essential Supplies and Services	OFI
14. Review and Provision of Infrastructure	C
15. Infrastructure Maintenance, Rehabilitation and Renewal	C
16. Sampling, Testing and Monitoring	OFI
17. Measurement and Recording Equipment Calibration and Maintenance	C
18. Emergency Management	C
19. Internal Audits	C
20. Management Review	C
21. Continual Improvement	OFI
N/C	Non-Conformance – non-fulfillment of a requirement
OFI	Opportunity for Improvement – conforms to the requirement, but there is opportunity for improvement
C	Conforms to the requirement

2. DETAILS OF FINDINGS

DWQMS Element/Reference		
Element 5 – Document and Records Control		
Type		
<input type="checkbox"/> N/C	<input checked="" type="checkbox"/> OFI	<input type="checkbox"/> Auditor Comment
Description/Details		
<p>Table 1 identifies many of the QMS documents as being available as a hard copy (HC) or electronic copy (EC) however now that City Wide is being utilized some of the documents are only available as EC.</p> <p>OFI – Table 1 must be updated to reflect the current control location for each QMS document.</p>		

DWQMS Element/Reference																											
Element 7 - Risk Assessment																											
Type																											
<input type="checkbox"/> N/C	<input checked="" type="checkbox"/> OFI <input type="checkbox"/> Auditor Comment																										
Description/Details																											
<p>The risk assessment process outlined in the Operational Plan identifies all the requirements.</p> <p>It also stated that the Risk Assessment team considers the Ministry’s “Potential Hazardous Events for Municipal Drinking Water System” in the risk assessment process.</p> <p>OFI - It is recommended to include the actual list of Potential Hazardous Event/Hazard Reference Numbers (based on MOECC’s “Potential Hazardous Events for Municipal Residential Drinking Water Systems”). Staff will then have a clear understanding of what is referenced for this requirement.</p>																											
<table border="1"> <thead> <tr> <th>System Type (indicate all that apply to this DWS)</th> <th>Description of Hazardous Event/Hazard</th> </tr> </thead> <tbody> <tr> <td>All Systems</td> <td>Long Term Impacts of Climate Change</td> </tr> <tr> <td>All Systems</td> <td>Water supply shortfall</td> </tr> <tr> <td>All Systems</td> <td>Extreme weather events (e.g., tornado, ice storm)</td> </tr> <tr> <td>All Systems</td> <td>Sustained extreme temperatures (e.g., heat wave, deep freeze)</td> </tr> <tr> <td>All Systems</td> <td>Chemical spill impacting source water</td> </tr> <tr> <td>All Systems</td> <td>Terrorist and vandalism actions</td> </tr> <tr> <td>Distribution Systems</td> <td>Sustained pressure loss</td> </tr> <tr> <td>Distribution Systems</td> <td>Backflow</td> </tr> <tr> <td>Treatment Systems</td> <td>Sudden changes to raw water characteristics (e.g., turbidity, pH)</td> </tr> <tr> <td>Treatment Systems</td> <td>Failure of equipment or process associated with primary disinfection (e.g., coagulant dosing system, filters, UV system, chlorination system)</td> </tr> <tr> <td>Treatment Systems and Distribution Systems providing secondary disinfection</td> <td>Failure of equipment or process associated with secondary disinfection (e.g., chlorination equipment, chloramination equipment)</td> </tr> <tr> <td>Treatment Systems using Surface Water</td> <td>Algal blooms</td> </tr> </tbody> </table>	System Type (indicate all that apply to this DWS)	Description of Hazardous Event/Hazard	All Systems	Long Term Impacts of Climate Change	All Systems	Water supply shortfall	All Systems	Extreme weather events (e.g., tornado, ice storm)	All Systems	Sustained extreme temperatures (e.g., heat wave, deep freeze)	All Systems	Chemical spill impacting source water	All Systems	Terrorist and vandalism actions	Distribution Systems	Sustained pressure loss	Distribution Systems	Backflow	Treatment Systems	Sudden changes to raw water characteristics (e.g., turbidity, pH)	Treatment Systems	Failure of equipment or process associated with primary disinfection (e.g., coagulant dosing system, filters, UV system, chlorination system)	Treatment Systems and Distribution Systems providing secondary disinfection	Failure of equipment or process associated with secondary disinfection (e.g., chlorination equipment, chloramination equipment)	Treatment Systems using Surface Water	Algal blooms	
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DWQMS Element/Reference Element 10 - Competencies
Type <input type="checkbox"/> N/C <input checked="" type="checkbox"/> OFI <input type="checkbox"/> Auditor Comment
<p>The required competencies noted in Table 6 are established when designing job descriptions for particular positions. These competencies are then discussed with new staff during the recruitment process.</p> <p>It is indicated that a training Matrix is utilized to:</p> <ul style="list-style-type: none"> • Develop the skills and increase the knowledge of Operations staff and management, • Provide operations with information and access to resources that can assist them in performing their duties, • Assist operators in meeting the regulatory requirements with respect to training. <p>OFI - Since the training Matrix is only utilized for tracking training, it is recommended that first two bullets be reworded or removed.</p>

DWQMS Element/Reference Element 13 – Essential Supplies & Services
Type <input type="checkbox"/> N/C <input checked="" type="checkbox"/> OFI <input type="checkbox"/> Auditor Comment
Description/Details <p>An Essential Supplies & Services Contact List for the Public Works is listed in Table. The list includes names and telephone numbers for each of the suppliers and services that could be required. The procedure also identifies that this list is reviewed at least annually and updated as required.</p> <p>OFI – The contractor utilized for the annual third party calibration of the backflow preventers as identified in element 6 is not identified on the contact list and should be added.</p>

DWQMS Element/Reference Element 16 – Sampling, Testing & Monitoring
Type <input type="checkbox"/> N/C <input checked="" type="checkbox"/> OFI <input type="checkbox"/> Auditor Comment
Description/Details <p>All sampling, monitoring and testing is conducted at a minimum in accordance with SDWA O. Reg. 170/03. All sampling, testing and monitoring results are maintained at the Public Works office and are readily assessable to all staff if needed. Results are also shared with the Owner through the section 11 and schedule 22 annual reports and also through the Management Review process.</p> <p>It also indicates that all samples are submitted to an accredited laboratory however this was not provided upon request.</p> <p>OFI – Obtain a copy of the current laboratory accreditation and keep on file.</p>

DWQMS Element/Reference Element 20 – Management Review		
Type <input type="checkbox"/> N/C <input checked="" type="checkbox"/> OFI <input type="checkbox"/> Auditor Comment		
Description/Details The Management Review must be conducted at least once every calendar year. The previous Management Review was conducted on September 17, 2018 and the most recent Management Review was conducted on September 13, 2019. OFI – It is recommended to hold the Management Review after the internal audit is fully completed so that any action items identified can be immediately reviewed and implemented as needed instead of reviewing them a year later.		

3. AUDIT CONCLUSIONS

The auditor conducted an internal audit of the Town of LaSalle's QMS focusing on key quality management processes necessary to consistently produce and distribute drinking water that meets applicable requirements.

Taking into consideration all the findings of this audit and the above noted Opportunities for Improvement (OFI), the auditor has concluded that sufficient evidence has been provided to demonstrate that a QMS that meets the intent of the DWQMS v.2.0 has been established and actively implemented at this facility.



The Corporation of the Town of LaSalle

To: Members of the Water & Wastewater Committee

Prepared by: Dale Langlois, Director of Finance / Treasurer

Department: Finance

Date of Report: November 14, 2019

Report Number: FIN-35-2019

Subject: Water Financial Plan

Recommendation

That the report of the Director of Finance / Treasurer, dated November 14, 2019 (FIN-35-2019) regarding the Town of LaSalle Water Financial Plan BE RECEIVED ; and that the Water System Financial Plan as prepared in accordance with the Safe Drinking Water Act BE APPROVED; and that a notice of availability of the Water System Financial Plan BE ADVERTISED; and that the Water System Financial Plan, the Council resolution approving the Water System Financial Plan, and the Water rate study underpinning the Water System Financial Plan, BE SUBMITTED to the Ministry of the Environment, satisfying the requirements under the Safe Drinking Water Act.

Report

Executive Summary – Water Financial Plan:

Background:

With the introduction of the Safe Drinking Water Act, 2002 and the associated Ontario Regulations the legislative framework which governs the operations and maintenance of water services in Ontario has changed dramatically. The purpose of the Safe Drinking Water Act is to protect human health through the control and regulation of drinking-water systems and drinking water testing.

As part of the Act and Regulations water system owners are required to provide a Financial Plan (Plan) to the Ministry of Municipal Affairs and Housing every five years, which:

- Accounts for the inventory of the tangible capital assets required to provide the service
- Assesses the revenue and expenditures of providing the services – and forecasts these revenues and expenditures for a minimum of a six (6) year period.
- Describes how the funding will be generated to cover the costs of the service
- Be approved by a resolution of Council

Projections and Forecasts:

The Plan has been prepared using the most accurate information available at the time of writing. The estimates are based on the current technical and financial requirements and may be subject to change. Actual results could differ from these estimates.

It is important to note that any changes in fees, rates, budgets and capital expenditures are subject to the Council approval process.

Summary of Key Assumptions

The following are the key assumptions used to develop the Plan.

- A. Tangible Capital Asset (TCA) replacement is a fundamental key to providing clean and safe drinking water to residents. The following chart (in thousands of dollars) summarizes the expected replacement schedule of the assets of the water system based on the estimated end of their useful life.

Now Due	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
507	48	27	10	35	21	6	12	6	6	-
Beyond 2028									512,921	

For the purposes of the Financial Plan the replacement date of tangible capital assets has been on the following schedule (in thousands of dollars). This schedule is based on the Town of LaSalle's 5 year capital plan. It is assumed that \$2,000,000 of capital expenditures will occur in 2020 and increase annually at a rate of 5% thereafter for inflation.

Now Due/2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
3,600	2,000	2,100	2,205	2,315	2,431	2,553	2,681	2,815	2,956

B. In determining the water sales for the forecast the following assumptions were made:

- i. The household growth rate will be consistent at 125 homes per year over the 10 years. This is consistent with the expectations of the Development and Strategic Initiatives department.
- ii. The average household utilization of water will decrease over time at an average annual rate of 1%. This is consistent with current and expected further conservation policies and historic trends for water utilization.

C. In determining the water purchases for the forecast the following assumptions were made:

- i. The average purchase price per unit from WUC is assumed to increase at a rate of 5% per year. This increase is due to three factors:
 - 1. inflationary production and distribution cost increases,
 - 2. lower overall consumption, which results in less cubic meters to allocate cost to
 - 3. increase in LaSalle's share percentage as compared to Tecumseh and Windsor as LaSalle's usage is decreasing at a rate slower than Windsor and Tecumseh's usage rates and LaSalle's growth rate is faster than Windsor and Tecumseh's growth rate.
- ii. It is assumed that over the forecast period the amount of unaccounted for water will stay consistent at 8.0% annually, which is consistent with historical trends.

D. Operating Expenditures: Labour Costs have been estimated based on the following: (1) Wages and Salary costs (which represent 75% of the total labour cost) will increase at the assumed inflationary factor of 2%, and (2) the Benefits cost (which represents 25% of the total labour cost) will increase at an annual rate of 7.5%. The inflationary factor and benefit rate increases are based on historical trends. All other operating expenditures have increased by the assumed inflationary factor of 2%.

Financial Summary

The following table summarizes the 10 year forecasted Financial Plan for Water Services for the Town of LaSalle. Detailed information can be found within the financial plan, with specific financial information on pages (5-1 to 5-6).

Forecasted Year:	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Statement of Financial Position (in thousands)										
Financial Assets	4,758	4,619	4,695	4,916	5,355	5,942	6,666	7,462	8,408	9,440
Liabilities	1,101	1,177	1,255	1,335	1,416	1,499	1,583	1,670	1,757	1,847
Net Financial Assets	3,657	3,442	3,440	3,581	3,939	4,443	5,083	5,792	6,651	7,593
Non Financial Assets	31,052	32,107	33,215	34,378	35,599	36,881	38,228	39,643	41,129	42,690
Accumulated Surplus	34,709	35,549	36,655	37,959	39,538	41,324	43,311	45,435	47,780	50,283
Statement of Financial Activity (in thousands)										
Revenues	5,627	6,019	6,494	6,911	7,413	7,858	8,305	8,700	9,189	9,626
Expenditures	5,083	5,179	5,388	5,607	5,834	6,071	6,318	6,575	6,844	7,123
Annual Water Surplus	544	840	1,106	1,304	1,579	1,787	1,987	2,125	2,345	2,503
Affect to the Average Homeowner										
Base Rate	60	60	66	66	72	72	78	78	84	84
Capital Charge	132	150	168	186	204	222	233	245	257	270
Consumption Charge	283	294	305	317	330	343	357	371	385	401
Total Charges	475	504	539	569	606	637	668	693	726	754
10 year projected increase to the Average Homeowner									58.7%	279

Rate and Fee Projections:

The following is a summary of the projected rates over the 10 year plan period and would be required in order to balance the financial position of the Town's water operations.

1. Water consumption rates are scheduled to increase annually at a rate consistent with the projected water purchase rate increase of 5%.
2. The Base Rate (Meter Rate) is assumed to increase by value of \$1.50 per quarter every other year of the plan commencing in 2021. The following schedule details the projected quarterly base rate.

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Base Rate	15.00	15.00	16.50	16.50	18.00	18.00	19.50	19.50	21.00	21.00

3. The Capital Rate (Watermain Replacement Rate) is assumed to increase by a value of \$4.50 annually from 2020 through 2024 and at a rate of 5% annually thereafter. The following schedule details the projected quarterly capital rate.

Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Capital Rate	33.00	37.50	42.00	46.50	51.00	55.50	58.28	61.19	64.25	67.46

Should you have any questions, please feel free to contact Dale Langlois.

Consultations

Consultation occurred with Lena Petros, Manager of Water and Wastewater for anticipated future capital projects, and Allen Burgess, Supervisor, Planning & Development for information on projected new residential construction.

Financial Implications

Please refer to the attached Water Financial Plan for further details.

Prepared By:



Director of Finance/Treasurer

Dale Langlois, CPA, CA

Link to Strategic Priorities

	Expanding and diversifying our assessment base
	Effectively communicating the activities and interests of the Town
Yes	Managing our human and financial resources in a responsible manner
	Promoting and marketing LaSalle
	Promote a healthy and environmentally conscious community

Communications

	Not applicable
Yes	Website
	Social Media
	News Release
Yes	Local Newspaper
	Bids & Tenders
	Notification pursuant to the Planning Act

Notifications

Name	Address	Email

LaSalle Water

-Accounting for Every Drop-

(Updated for 2020 License Submission)

Water System Financial Plan

The Corporation of the Town of LaSalle
032-101

Prepared in accordance with the Safe Drinking
Water Act and its associated regulations

November 14, 2019

The Corporation of the Town of LaSalle
5950 Malden Road, LaSalle Ontario, N9H 1S4
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www.town.lasalle.on.ca

I. Introduction & Background

The Town of LaSalle (LaSalle or Town) operates a water distribution system which services approximately 10,944 water users located primarily within the Town of LaSalle boundaries. There are a few customers, generally located along boundary lines which are serviced by other municipal water systems. The municipal water system is comprised of approximately 217.8 kilometers of watermains which vary in size.

The Town purchases its water supply from the Windsor Utilities Commissions, an agency of the City of Windsor, through an agreement which last update took effect January 1, 2018. The water is transmitted or received from the Windsor Utilities Commission via a number of boundary meters located on the northerly and easterly borders of the Town.

With the introduction of the Safe Drinking Water Act, 2002 and the associated Ontario Regulations the legislative framework which governs the operations and maintenance of water services in Ontario has changed dramatically. The purpose of the Safe Drinking Water Act is to protect human health through the control and regulation of drinking-water systems and drinking-water testing.

Building on existing policy and practice in Ontario's treatment and distribution of drinking water, the Safe Drinking Water Act requires that all municipal drinking water systems obtain an approval from the Director of the Ministry of the Environment in order to operate. Operators are required to be trained and certified to provincial standards. The act also provides legally binding standards for testing of drinking water and requires that testing be done in licensed and accredited laboratories. As part of the Act and Regulations water system owners are required to provide a Financial Plan (Plan) to the Ministry of Municipal Affairs and Housing, which:

- Accounts for the inventory of the tangible capital assets required to provide the service
- Assesses the revenue and expenditures of providing the services – and forecasts these revenues and expenditures for a minimum of a six (6) year period
- Describes how the funding will be generated to cover the costs of the service
- Be approved by a resolution of Council

Currently there is no requirement to establish a plan to deal with Wastewater Service, however the Act and Regulations encourages wastewater system owners to prepare a financial plan.

II. Towards Financially Sustainable Drinking-Water and Wastewater Systems

Guidelines for the Plan

The LaSalle Plan has been prepared using the financial planning guidelines released by the Ministry of the Environment report – Towards Financially Sustainable Drinking-Water and Wastewater systems that are outlined below.

- Principle #1: Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system(s) to which they relate.
- Principle #2: An integrated approach to planning among water, wastewater, and storm water systems is desirable given the inherent relationship among these services.
- Principle #3: Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.
- Principle #4: Life-cycle planning with mid-course corrections is preferable to planning over the short-term, or not planning at all.
- Principle #5: An asset management plan is a key input to the development of a financial plan.
- Principle #6: A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.
- Principle #7: Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.
- Principle #8: Financial plans are “living” documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.
- Principle #9: Financial plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff, and municipal council.

Format of the Plan

The Regulation requires the Plan to contain projections of prescribed categories of financial information. The required categories of information in the Regulation are consistent with the presentation of financial statements in accordance with Section PS 1200 of the CICA Public Sector Accounting Handbook.

Water System Financial Plan

The Corporation of the Town of LaSalle

In essence, the Regulation requires owners to project certain elements of their statement of financial position, statement of operations, and statement of cash flow. Each of these statements are discussed briefly below:

- The statement of financial position highlights the key figures that describe the financial position of the government at the reporting date. For example, the net debt position of the government is calculated as the difference between its liabilities and financial assets. The non-financial assets of the government are assets that are, by nature, normally for use in service provision and include purchased, constructed, contributed, developed or leased tangible capital assets, inventories of supplies, and prepaid expenses.
- The statement of operations reports the surplus or deficit from operations in the accounting period. The statement displays the cost of government services provided in the period, the revenues recognized in the period and the difference between them. It measures, in monetary terms, the extent to which a government has maintained its net assets in the period.
- The statement of cash flow reports the change in cash and cash equivalents in the accounting period, and how a municipality finances its activities and meets its cash requirements.

Projections of these three statements will help provide a snapshot of a drinking-water system's projected financial situation, as well as the resources required to run and sustain the system.

III. FINANCIAL PLAN SUMMARY

The following table summarizes the 10 year forecasted Financial Plan for Water Services for the Town of LaSalle. Detailed information can be found on the following pages (5-1 to 5-6).

Forecasted Year:	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Statement of Financial Position (in thousands)										
Financial Assets	4,758	4,619	4,695	4,916	5,355	5,942	6,666	7,462	8,408	9,440
Liabilities	1,101	1,177	1,255	1,335	1,416	1,499	1,583	1,670	1,757	1,847
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Non Financial Assets	31,052	32,107	33,215	34,378	35,599	36,881	38,228	39,643	41,129	42,690
Accumulated Surplus	34,709	35,549	36,655	37,959	39,538	41,324	43,311	45,435	47,780	50,283
Statement of Financial Activity (in thousands)										
Revenues	5,627	6,019	6,494	6,911	7,413	7,858	8,305	8,700	9,189	9,626
Expenditures	5,083	5,179	5,388	5,607	5,834	6,071	6,318	6,575	6,844	7,123
Annual Water Surplus	544	840	1,106	1,304	1,579	1,787	1,987	2,125	2,345	2,503
Affect to the Average Homeowner										
Base Rate	60	60	66	66	72	72	78	78	84	84
Capital Charge	132	150	168	186	204	222	233	245	257	270
Consumption Charge	283	294	305	317	330	343	357	371	385	401
Total Charges	475	504	539	569	606	637	668	693	726	754

It should be noted that the Plan has been prepared using the most accurate information available at the time of writing. The estimates are based on the current technical and financial requirements and may be subject to change. Actual results could differ from these estimates.

Town of LaSalle
Unaudited: Water Financial Plan
Ontario Regulation 453/07

Town of LaSalle	2016	2017	2018		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water Department Summary	Actual	Actual	Actual	Ref	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
STATEMENT OF FINANCIAL POSITION														
FINANCIAL ASSETS														
Cash and investments - Unrestricted/Operating	440,946	1,211,515	962,964	A	2,285,443	2,076,302	2,066,200	2,212,055	2,560,864	3,067,846	3,711,688	4,436,112	5,295,027	6,247,473
Cash Investments - Restricted/Capital	3,846,115	3,439,676	4,911,549	A	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Accounts Receivable (net)	501,143	917,594	964,474	B	972,363	1,042,992	1,128,354	1,203,543	1,293,858	1,373,880	1,454,404	1,525,451	1,613,470	1,692,121
TOTAL FINANCIAL ASSETS	4,788,204	5,568,785	6,838,988		4,757,806	4,619,294	4,694,554	4,915,598	5,354,721	5,941,725	6,666,092	7,461,564	8,408,497	9,439,594
LIABILITIES														
Accounts Payable and Accrued Liabilities	78	450,508	-	C	-	-	-	-	-	-	-	-	-	-
Long Term Debt	-	-	-		-	-	-	-	-	-	-	-	-	-
Post Retirement Obligations	1,125,920	939,267	1,025,838	D	1,100,838	1,177,338	1,255,368	1,334,958	1,416,141	1,498,947	1,583,409	1,669,560	1,757,435	1,847,067
TOTAL LIABILITIES	1,125,998	1,389,775	1,025,838		1,100,838	1,177,338	1,255,368	1,334,958	1,416,141	1,498,947	1,583,409	1,669,560	1,757,435	1,847,067
NET FINANCIAL ASSETS/(DEBT)	3,662,206	4,179,010	5,813,150		3,656,969	3,441,956	3,439,186	3,580,640	3,938,580	4,442,779	5,082,683	5,792,003	6,651,062	7,592,527
NON-FINANCIAL ASSETS														
Net-Tangible Capital Assets	26,274,969	27,611,739	28,352,381	E	31,052,381	32,107,381	33,215,381	34,378,381	35,599,381	36,881,381	38,228,381	39,643,381	41,129,381	42,690,381
Prepaid Expenses (net)	-	-	-		-	-	-	-	-	-	-	-	-	-
TOTAL NON-FINANCIAL ASSETS	26,274,969	27,611,739	28,352,381		31,052,381	32,107,381	33,215,381	34,378,381	35,599,381	36,881,381	38,228,381	39,643,381	41,129,381	42,690,381
ACCUMULATED SURPLUS/(DEFICIT)	29,937,175	31,790,748	34,165,531		34,709,350	35,549,338	36,654,568	37,959,021	39,537,962	41,324,160	43,311,064	45,435,385	47,780,444	50,282,908
ACCUMULATED SURPLUS/(DEFICIT) Consists of:														
Deferred Revenue, Capital Deposits & Retained Earnings	4,788,126	5,118,277	6,838,988		4,757,806	4,619,294	4,694,554	4,915,598	5,354,721	5,941,725	6,666,092	7,461,564	8,408,497	9,439,594
Net Tangible Capital Assets	26,274,969	27,611,739	28,352,381	E	31,052,381	32,107,381	33,215,381	34,378,381	35,599,381	36,881,381	38,228,381	39,643,381	41,129,381	42,690,381
Post Retirement Obligations	(1,125,920)	(939,267)	(1,025,838)		(1,100,838)	(1,177,338)	(1,255,368)	(1,334,958)	(1,416,141)	(1,498,947)	(1,583,409)	(1,669,560)	(1,757,435)	(1,847,067)
ACCUMULATED SURPLUS/(DEFICIT)	29,937,175	31,790,748	34,165,531		34,709,350	35,549,338	36,654,568	37,959,021	39,537,962	41,324,160	43,311,064	45,435,385	47,780,444	50,282,908

Town of LaSalle
Unaudited: Water Financial Plan
Ontario Regulation 453/07

Town of LaSalle	2016	2017	2018		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water Department Summary	Actual	Actual	Actual	Ref	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
STATEMENT OF FINANCIAL ACTIVITY														
WATER REVENUE														
Consumption Revenues	2,643,299	2,923,263	3,062,036	F	3,216,867	3,379,192	3,549,320	3,727,617	3,914,461	4,110,250	4,315,399	4,530,341	4,755,531	4,991,442
Base Rate Revenues	659,899	720,331	682,695	F	682,860	690,060	766,986	774,906	853,992	862,632	943,878	953,238	1,036,644	1,046,724
Watermain replacement levy revenue	1,322,884	1,507,146	1,415,469	F	1,502,292	1,725,150	1,952,328	2,183,826	2,419,644	2,659,782	2,820,743	2,991,151	3,171,548	3,362,506
Capital Grant / Other Revenue	2,378,794	1,019,723	1,425,174		-	-	-	-	-	-	-	-	-	-
Interest and Penalty Revenue	83,885	120,435	178,385		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Other Contributions			-		-	-	-	-	-	-	-	-	-	-
Gain / (Loss) on disposal of Tangible Capital Assets	(53,787)	(48,254)	(13,861)		-	-	-	-	-	-	-	-	-	-
Other Revenues	162,260	133,153	163,614		75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Water Revenue	7,197,235	6,375,797	6,913,512		5,627,019	6,019,402	6,493,634	6,911,349	7,413,097	7,857,664	8,305,020	8,699,730	9,188,723	9,625,672
WATER EXPENDITURES														
Water Purchases	1,616,651	1,420,856	1,488,910	G	1,800,000	1,757,459	1,845,941	1,938,670	2,035,844	2,137,670	2,244,365	2,356,153	2,473,270	2,595,963
Labour Costs	876,945	740,754	821,549	H	985,300	1,043,000	1,079,505	1,117,288	1,156,393	1,196,866	1,238,757	1,282,113	1,326,987	1,373,432
Administrative Expenses	16,468	-	-	I	-	-	-	-	-	-	-	-	-	-
Personnel Expenses	-	-	-	I	-	-	-	-	-	-	-	-	-	-
Facility Expenses	-	-	-	I	-	-	-	-	-	-	-	-	-	-
Vehicle/Equipment Expenses	14,178	17,304	12,346	I	20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902
System Operations/Maintenance	430,985	737,423	289,525	I	321,500	327,930	334,489	341,178	348,002	354,962	362,061	369,302	376,688	384,222
Overhead Allocation	902,900	943,200	962,000	J	981,400	1,009,125	1,037,632	1,066,945	1,097,087	1,128,079	1,159,948	1,192,716	1,226,410	1,261,056
Post Retirement Benefit Expense	54,577	(186,653)	86,571	D	75,000	76,500	78,030	79,591	81,182	82,806	84,462	86,151	87,874	89,632
Amortization of Capital Assets	705,929	849,339	877,828	E	900,000	945,000	992,000	1,042,000	1,094,000	1,149,000	1,206,000	1,266,000	1,329,000	1,395,000
Water Expenditures	4,618,632	4,522,223	4,538,729		5,083,200	5,179,414	5,388,404	5,606,896	5,834,156	6,071,466	6,318,116	6,575,410	6,843,664	7,123,208
ANNUAL WATER SURPLUS/(DEFICIT)	2,578,602	1,853,573	2,374,783		543,819	839,988	1,105,230	1,304,453	1,578,941	1,786,198	1,986,904	2,124,321	2,345,059	2,502,465

Town of LaSalle
Unaudited: Water Financial Plan
Ontario Regulation 453/07

Town of LaSalle	2016	2017	2018		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water Department Summary	Actual	Actual	Actual	Ref	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
STATEMENT OF NET CASH FLOWS														
Opening Cash Position	3,831,431	4,287,061	4,651,190		5,874,513	3,785,443	3,576,302	3,566,200	3,712,055	4,060,864	4,567,846	5,211,688	5,936,112	6,795,027
Operating Transactions														
Annual Water Surplus/(Deficit)	2,578,602	1,853,573	2,374,783		543,819	839,988	1,105,230	1,304,453	1,578,941	1,786,198	1,986,904	2,124,321	2,345,059	2,502,465
Amortization of Capital Assets	705,929	849,339	877,828		900,000	945,000	992,000	1,042,000	1,094,000	1,149,000	1,206,000	1,266,000	1,329,000	1,395,000
Loss on disposal of Capital Assets	53,787	48,254	13,861		-	-	-	-	-	-	-	-	-	-
Change in Post Retirement Benefits	54,577	(186,653)	86,571		75,000	76,500	78,030	79,591	81,182	82,806	84,462	86,151	87,874	89,632
Change in Accounts Receivable	(21,177)	(416,451)	(46,880)		(7,890)	(70,629)	(85,362)	(75,189)	(90,315)	(80,022)	(80,524)	(71,048)	(88,019)	(78,651)
Change in Accounts Payable	78	450,430	(450,508)		-	-	-	-	-	-	-	-	-	-
Change in Prepaid Expenses	-	-	-		-	-	-	-	-	-	-	-	-	-
Changes in Cash Position - Operating	3,371,796	2,598,492	2,855,655		1,510,930	1,790,859	2,089,898	2,350,855	2,663,809	2,937,982	3,196,842	3,405,424	3,673,915	3,908,446
Capital Transactions														
Acquisition of Tangible Capital Assets	(2,916,166)	(2,234,362)	(1,632,332)		(3,600,000)	(2,000,000)	(2,100,000)	(2,205,000)	(2,315,000)	(2,431,000)	(2,553,000)	(2,681,000)	(2,815,000)	(2,956,000)
Changes in Cash Position-Capital	(2,916,166)	(2,234,362)	(1,632,332)		(3,600,000)	(2,000,000)	(2,100,000)	(2,205,000)	(2,315,000)	(2,431,000)	(2,553,000)	(2,681,000)	(2,815,000)	(2,956,000)
CLOSING CASH POSITION	4,287,061	4,651,190	5,874,513		3,785,443	3,576,302	3,566,200	3,712,055	4,060,864	4,567,846	5,211,688	5,936,112	6,795,027	7,747,473
CLOSING CASH POSITION														
Cash and Investments - Unrestricted/Operating	440,946	1,211,515	962,964		2,285,443	2,076,302	2,066,200	2,212,055	2,560,864	3,067,846	3,711,688	4,436,112	5,295,027	6,247,473
Cash and Investments - Restricted/Capital	3,846,115	3,439,676	4,911,549		1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
CLOSING CASH POSITION	4,287,061	4,651,191	5,874,514		3,785,443	3,576,302	3,566,200	3,712,055	4,060,864	4,567,846	5,211,688	5,936,112	6,795,027	7,747,473

Town of LaSalle
Unaudited: Water Financial Plan
Ontario Regulation 453/07

Town of LaSalle	2016	2017	2018		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water Department Summary	Actual	Actual	Actual	Ref	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
STATEMENT OF CHANGES IN NET ASSETS/(DEBT)														
Opening Net Assets/(Debt)	3,240,054	3,662,206	4,179,010		5,813,150	3,656,969	3,441,957	3,439,187	3,580,640	3,938,581	4,442,779	5,082,683	5,792,004	6,651,063
Annual Water Surplus/(Deficit)	2,578,602	1,853,573	2,374,783		543,819	839,988	1,105,230	1,304,453	1,578,941	1,786,198	1,986,904	2,124,321	2,345,059	2,502,465
Acquisition of Tangible Capital Assets	(2,916,166)	(2,234,362)	(1,632,332)		(3,600,000)	(2,000,000)	(2,100,000)	(2,205,000)	(2,315,000)	(2,431,000)	(2,553,000)	(2,681,000)	(2,815,000)	(2,956,000)
Amortization of Tangible Capital Assets	705,929	849,339	877,828		900,000	945,000	992,000	1,042,000	1,094,000	1,149,000	1,206,000	1,266,000	1,329,000	1,395,000
(Gain) / Loss on Disposal of Tangible Capital Assets	53,787	48,254	13,861		-	-	-	-	-	-	-	-	-	-
Change in Prepaid Expenses	-	-	-		-	-	-	-	-	-	-	-	-	-
Changes in Net Debt	422,152	516,804	1,634,140		(2,156,181)	(215,012)	(2,770)	141,453	357,941	504,198	639,904	709,321	859,059	941,465
CLOSING NET ASSETS/(DEBT)	3,662,206	4,179,010	5,813,150		3,656,969	3,441,957	3,439,187	3,580,640	3,938,581	4,442,779	5,082,683	5,792,004	6,651,063	7,592,527
STATEMENT OF CHANGES IN ACCUMULATED SURPLUS/(DEFICIT)														
Opening Accumulated Surplus/(Deficit)	27,358,572	29,937,175	31,790,748		34,165,531	34,709,350	35,549,338	36,654,568	37,959,021	39,537,962	41,324,160	43,311,064	45,435,385	47,780,443
Acquisition of Tangible Capital Assets	2,916,166	2,234,362	1,632,332		3,600,000	2,000,000	2,100,000	2,205,000	2,315,000	2,431,000	2,553,000	2,681,000	2,815,000	2,956,000
Amortization of Tangible Capital Assets	(705,929)	(849,339)	(877,828)		(900,000)	(945,000)	(992,000)	(1,042,000)	(1,094,000)	(1,149,000)	(1,206,000)	(1,266,000)	(1,329,000)	(1,395,000)
Gain / (Loss) on Disposal of Tangible Capital Assets	(53,787)	(48,254)	(13,861)		-	-	-	-	-	-	-	-	-	-
Change in Reserves and Reserve Funds	476,728	330,151	1,720,711		(2,081,181)	(138,512)	75,260	221,044	439,123	587,004	724,366	795,472	946,933	1,031,097
Change in Post Retirement Benefits	(54,577)	186,653	(86,571)		(75,000)	(76,500)	(78,030)	(79,591)	(81,182)	(82,806)	(84,462)	(86,151)	(87,874)	(89,632)
CLOSING ACCUMULATED SURPLUS/(DEFICIT)	29,937,175	31,790,748	34,165,531		34,709,350	35,549,338	36,654,568	37,959,021	39,537,962	41,324,160	43,311,064	45,435,385	47,780,443	50,282,908

Town of LaSalle
Unaudited: Water Financial Plan
Ontario Regulation 453/07

Town of LaSalle	2016	2017	2018		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water Department Summary	Actual	Actual	Actual	Ref	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
STATEMENT OF TANGIBLE CAPITAL ASSETS														
Opening: Net Book Value	24,118,518	26,274,969	27,611,739		28,352,381	31,052,381	32,107,381	33,215,381	34,378,381	35,599,381	36,881,381	38,228,381	39,643,381	41,129,381
Opening: Cost	34,847,618	37,604,787	39,689,005		41,238,555	44,838,555	46,838,555	48,938,555	51,143,555	53,458,555	55,889,555	58,442,555	61,123,555	63,938,555
Acquisition of Tangible Capital Assets	2,916,166	2,234,362	1,632,332		3,600,000	2,000,000	2,100,000	2,205,000	2,315,000	2,431,000	2,553,000	2,681,000	2,815,000	2,956,000
Disposal of Tangible Capital Assets	(158,997)	(150,145)	(82,782)		-	-	-	-	-	-	-	-	-	-
Closing: Cost	37,604,787	39,689,005	41,238,555		44,838,555	46,838,555	48,938,555	51,143,555	53,458,555	55,889,555	58,442,555	61,123,555	63,938,555	66,894,555
Opening: Accumulated Amortization	10,729,100	11,329,818	12,077,266		12,886,173	13,786,173	14,731,173	15,723,173	16,765,173	17,859,173	19,008,173	20,214,173	21,480,173	22,809,173
Amortization of Tangible Capital Assets	705,929	849,339	877,828		900,000	945,000	992,000	1,042,000	1,094,000	1,149,000	1,206,000	1,266,000	1,329,000	1,395,000
Accumulated Amortization of Disposed Assets	(105,210)	(101,891)	(68,921)		-	-	-	-	-	-	-	-	-	-
Closing: Accumulated Amortization	11,329,818	12,077,266	12,886,173		13,786,173	14,731,173	15,723,173	16,765,173	17,859,173	19,008,173	20,214,173	21,480,173	22,809,173	24,204,173
Closing Net Book Value	26,274,969	27,611,739	28,352,381		31,052,381	32,107,381	33,215,381	34,378,381	35,599,381	36,881,381	38,228,381	39,643,381	41,129,381	42,690,381
CASH FLOW REQUIREMENTS:														
Water Purchases	1,616,651	1,420,856	1,488,910		1,800,000	1,757,459	1,845,941	1,938,670	2,035,844	2,137,670	2,244,365	2,356,153	2,473,270	2,595,963
Labour Costs	876,945	740,754	821,549		985,300	1,043,000	1,079,505	1,117,288	1,156,393	1,196,866	1,238,757	1,282,113	1,326,987	1,373,432
Operating Costs	461,631	754,727	301,871		1,322,900	1,357,455	1,392,929	1,429,348	1,466,737	1,505,123	1,544,532	1,584,992	1,626,532	1,669,181
Capital (TCA) requirements	2,916,166	2,234,362	1,632,332		3,600,000	2,000,000	2,100,000	2,205,000	2,315,000	2,431,000	2,553,000	2,681,000	2,815,000	2,956,000
Cash Flow Requirement	5,871,393	5,150,699	4,244,662		7,708,200	6,157,914	6,418,374	6,690,305	6,973,974	7,270,660	7,580,654	7,904,258	8,241,789	8,594,576
Forecasted Water Revenues	7,197,235	6,375,797	6,913,512		5,627,019	6,019,402	6,493,634	6,911,349	7,413,097	7,857,664	8,305,020	8,699,730	9,188,723	9,625,672
Surplus/(Deficit)	1,325,841	1,225,097	2,668,850		(2,081,181)	(138,512)	75,260	221,044	439,123	587,004	724,366	795,472	946,933	1,031,097

Town of LaSalle
Unaudited: Water Financial Plan
Ontario Regulation 453/07

Town of LaSalle	2016	2017	2018		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Water Department Summary	Actual	Actual	Actual	Ref	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
BASE OPERATIONS DATA														
Inflationary Factor (CPI-Ontario)					2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Household Growth Rate														
Household Growth Rate					120	120	120	120	120	120	120	120	120	120
Average Household Count	10,792	10,989	11,261		11,381	11,501	11,621	11,741	11,861	11,981	12,101	12,221	12,341	12,461
Water Consumption (m3) per Household	282	306	272		269	267	264	261	259	256	253	251	248	246
Water Sales (m3)	3,038,276	3,360,115	3,062,000		3,063,683	3,065,026	3,066,036	3,066,720	3,067,083	3,067,132	3,066,873	3,066,313	3,065,458	3,064,313
Average unit sale price per m3 (consumption)	0.87	0.87	1.00		1.05	1.10	1.16	1.22	1.28	1.34	1.41	1.48	1.55	1.63
Water Sales (\$)	2,643,300	2,923,300	3,062,000		3,216,867	3,379,192	3,549,320	3,727,617	3,914,461	4,110,250	4,315,399	4,530,341	4,755,531	4,991,442
Water Purchases (m3)	4,157,110	3,653,638	3,344,340		3,330,090	3,331,550	3,332,648	3,333,391	3,333,786	3,333,839	3,333,558	3,332,949	3,332,019	3,330,775
Average cost per unit purchased (\$/m3)	0.39	0.39	0.45		0.50	0.53	0.55	0.58	0.61	0.64	0.67	0.71	0.74	0.78
Water purchases (\$)	1,616,700	1,420,900	1,488,900		1,673,037	1,757,459	1,845,941	1,938,670	2,035,844	2,137,670	2,244,365	2,356,153	2,473,270	2,595,963
Water Loss	26.9%	8.0%	8.4%		8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Unaccounted water (m3)	1,118,834	293,524	282,340		266,407	266,524	266,612	266,671	266,703	266,707	266,685	266,636	266,562	266,462
Value of unaccounted water (\$)	435,115	114,151	125,698		133,843	140,597	147,675	155,094	162,868	171,014	179,549	188,492	197,862	207,677
Average base rate per household	61.15	65.55	60.62		60.00	60.00	66.00	66.00	72.00	72.00	78.00	78.00	84.00	84.00
Average capital charge per household	122.58	137.15	125.70		132.00	150.00	168.00	186.00	204.00	222.00	233.10	244.76	256.99	269.84
Average consumption revenue per household	244.93	266.02	271.91		282.65	293.82	305.42	317.49	330.03	343.06	356.62	370.70	385.34	400.57
Total average annual water billing	428.66	468.72	458.23		474.65	503.82	539.42	569.49	606.03	637.06	667.72	693.46	726.34	754.41

IV. FINANCIAL PLAN – Notes and References

- A. **Cash and Investment:** Cash and Investments are comprised of two difference accounts. The first is the Net Operating Cash Balance, which is the combination of the operating bank balance less any temporary borrowings outstanding. The second component is the Restrict Capital Balance which is typically invested and was established, by a resolution of Council, to set aside funding to address an unforeseen or scheduled water emergency which would require financial support. The minimum balance set was \$1.5 million.
- B. **Accounts Receivable:** Account Receivable balances have been estimated based as a percentage of the total revenues billed to users. The accounts receivable rate utilized, 18%, was determined as part of an analysis of the historical rate. It assumed that in the current year the previous balances are collected and the current years balances remain outstanding.
- C. **Accounts Payable & Accrued Liabilities:** The Accounts Payable & Accrued Liabilities balances have been calculated based on historical trends.
- D. **Post Retirement Obligation:** The Post Retirement Obligation represents the future cost of extend health benefits to existing current employees and retired employees. The Town obtains this value through the engagement of an actuarial valuation for the Town as a whole. The Water Operation's portion has been calculated as 4% of the entire Town portion, based on the ratio of Water employees and retirees to the total Town employees and retirees. Annual increases to the post retirement obligation have been based on historical trends.
- E. **Tangible Capital Assets:** Tangible Capital Assets (TCA) represent the capital assets of the systems as well as assets related to the delivery of services. As part of the changeover in 2009/2010 to the Public Sector Accounting Board recommendations, the Town compiled the inventory of TCA of the water system along all other assets of the Town. Previously, capital assets were expensed in the year they were purchased. The chart below summarized in total the tangible capital assets of the water system.

(In Thousands)	2016			2017			2018		
	Cost	Accum. Amort-ization	Net Book Value	Cost	Accum. Amort-ization	Net Book Value	Cost	Accum. Amort-ization	Net Book Value
Opening Balance	34,848	10,729	24,119	37,605	11,330	26,275	39,689	12,077	27,612
Net Additions	2,757	601	2,156	2,084	747	1,337	1,550	809	741
Closing Balance	37,605	11,330	26,275	39,689	12,077	27,612	41,239	12,886	28,352

As part compiling the inventory of the Town utilized a TCA system to track additions, disposals and amortization of the assets. While the TCA System does not address the replacement of singular assets the system does approximate the replacement date and approximate further replacement cost. The following chart summarizes the expected replacement schedule of the assets of the water system.

Now Due	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
507	48	27	10	35	21	6	12	6	6	-
									Beyond 2028	512,921

For the purposes of the Financial Plan the replacement of tangible capital assets has been on the following schedule. It is important to note, it is assumed that \$2,000,000 of capital expenditures will occur in 2020 and increase annually at a rate of 5% thereafter for inflation.

Now Due/2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
3,600	2,000	2,100	2,205	2,315	2,431	2,553	2,681	2,815	2,956

Annual amortization has been calculated based on past amortization expenses adjusted for additional amortization expenses resulting from projected future capital purchases.

- F. Water Sales & Revenues: Water Sales are the product of average household count of the Town, the average water consumption per household and water rates. In determining the water sales for the forecast, the following assumptions were made:
- The household growth rate will be consistent at 120 homes per year over the next 10 years. This is consistent with expectations of the Development and Strategic Initiatives department assuming that the Town is able to develop the Howard-Bouffard area of Town within a five-year timeframe.
 - The average household utilization of water would decrease over time at an average annual rate of 1%. This is consistent with current and expected further conservation policies and historic trends for water utilization.
 - The average consumption sale price per unit (cubic meter) is assumed to increase at an annual rate consistent with the bulk rate increase from the Windsor Utilities Commission (WUC). Based on historical trends, this results in an annual 5% rate increase.

It should be noted that the average unit sale price per unit is the weighted average of the 3 block rates 70% of Block 1 (0-81 cubic meters per quarter), 12% of Block 2 (81-135 cubic meters per quarter) and 18% of Block 3 (over 135 cubic meters per quarter) which are currently in place.

- iv. Fixed and Base Charges are assumed to increase at the following intervals:
 - a) Base Rate: The base rate, used to fund operating expenditures is assumed to increase by an amount of \$6 every second year (\$1.50 per quarter). This is based on the objective of decreasing the reliance on consumption related revenues over time, thus ensuring a stable funding base.
 - b) Capital Rate: The capital rate is assumed to increase at a rate of \$18 every year (\$4.50 per quarter) up to 2024 and a 5% annual increase thereafter to ensure that the appropriate funding is raised to address the capital replacement requirements of the system and any inflationary increases.
- G. Water Purchases: Water purchases are a function of the water sales and the unaccounted water lost. In determining the water purchases for the forecast the following assumptions were made:
 - i. The average purchase price per unit from WUC is assumed to increase at a rate of 5% per year. This increase is due to three factors:
 - 1) inflationary production and distribution cost increases,
 - 2) lower overall consumption, which results in less cubic meters to allocate cost to
 - 3) increase in LaSalle's share percentage as compared to Tecumseh and Windsor as LaSalle's usage is decreasing at a rate slower than Windsor and Tecumseh's usage rates and LaSalle's growth rate is faster than Windsor and Tecumseh's growth rate.
 - ii. It is assumed that over the forecast period the amount of unaccounted for water will stay consistent at 8.0% annually.
- H. Labour Costs: Labour Costs have been estimated based on the following: (1) Wages and Salary costs (which represent 75% of the total labour cost) will increase at the assumed inflationary factor, and (2) the Benefits cost (which represents the remaining 25% of the total labour cost) will increase at an annual rate of 7.5%. The inflationary factor and the benefit increase rate are based on historical trends.
- I. Operating Expenditures: Operating Expenditures have been increased by the assumed inflationary factor, which has been based on historical trends of 2%.
- J. Overhead Allocation: Overhead expenditures are 55% labour related and 45% operating expense related. The labour portion is assumed to increase 3.5% annually, based on historical trends (consists of wages and benefits) and the operating portion has increased based on the inflationary factor of 2%.

V. Submission to and Approval by the Province

As part of Ontario Regulation 453/07, the process established for approval of the plan, public circulation, and filing is provided as follows:

1. The financial plan must be approved by resolution of the municipality who owns the drinking water systems or the governing body of the owner.
2. The owner of the drinking water systems must provide notice advertising the availability of the financial plan. The plans will be made available to the public upon request and without charge. The plans must also be made available to the public on the municipality's website. The owner of the drinking water systems must provide a copy of the financial plan to the Director of Policy Branch, Ministry of Municipal Affairs and Housing.
3. The owner of the drinking water system must provide proof satisfactory to the Ministry of the Environment that the financial plans for the system satisfy the requirements under the Safe Water Drinking Act.

VII. Recommendations

This report presents the water financial plan for the Town of LaSalle in accordance with the mandatory reporting formats for water systems as detailed in Act and Regulations. Council is required to pass certain resolutions with regard to this plan and regulations and it is recommended that:

1. The Town of LaSalle Water Financial Plan dated November 14, 2019 be approved.
2. Notice of availability of the Financial Plan be advertised.
3. Submit the Financial Plan, the Council Resolution approving the Financial Plan, and the Water and Wastewater Rate Study underpinning the Financial Plan, to the Ministry of Municipal Affairs and Housing.
4. Submit the Financial Plan, the Council Resolution approving the Financial Plan, and the Water and Wastewater Rate Study underpinning the Financial Plan, to the Ministry of the Environment, satisfying the requirements under the Safe Drinking Water Act.

Submitted by:



Dale Langlois, CPA, CA
Director of Finance & Treasurer

Appendix A: Town of LaSalle
Ontario – Municipal Drinking Water License



MUNICIPAL DRINKING WATER LICENCE

Licence Number: 032-101

Issue Number: 3

Pursuant to the *Safe Drinking Water Act*, 2002, S.O. 2002, c. 32, and the regulations made thereunder and subject to the limitations thereof, this municipal drinking water licence is issued under Part V of the *Safe Drinking Water Act*, 2002, S.O. 2002, c. 32 to:

The Corporation of the Town of LaSalle

**5950 Malden Road
LaSalle, ON N9H 1S4**

For the following municipal residential drinking water system:

Town of LaSalle Distribution System

This municipal drinking water licence includes the following:

Schedule	Description
Schedule A	Drinking Water System Information
Schedule B	General Conditions
Schedule C	System-Specific Conditions
Schedule D	Conditions for Relief from Regulatory Requirements

DATED at TORONTO this 24th day of December, 2015

Signature

Aziz Ahmed, P.Eng.
Director
Part V, *Safe Drinking Water Act*, 2002

Schedule A: Drinking Water System Information

System Owner	The Corporation of the Town of LaSalle
Licence Number	032-101
Drinking Water System Name	Town of LaSalle Distribution System
Schedule A Issue Date	December 24th, 2015

The following information is applicable to the above drinking water system and forms part of this licence:

Licence

Licence Issue Date	2015-12-24
Licence Expiry Date	2020-06-23
Application for Licence Renewal Date	2019-12-23

Drinking Water Works Permit

Drinking Water System Name	Permit Number	Issue Date
Town of LaSalle Distribution System	032-201	December 24, 2015

Permit To Take Water

Water Taking Locations	Permit Number	Issue Date
Not Applicable	Not Applicable	Not Applicable

Financial Plans

The Financial Plan Number for the Financial Plan required to be developed for this drinking water system in accordance with O. Reg. 453/07 shall be:	032-301
Alternately, if one Financial Plan is developed for all drinking water systems owned by the owner, the Financial Plan Number shall be:	032-301A

Accredited Operating Authority

Drinking Water System or Operational Subsystems	Accredited Operating Authority	Operational Plan No.	Operating Authority No.
Town of LaSalle Water Distribution System	The Corporation of the Town of LaSalle	032-401	032-OA1

Schedule B: General Conditions

System Owner	The Corporation of the Town of LaSalle
Licence Number	032-101
Drinking Water System Name	Town of LaSalle Distribution System
Schedule B Issue Date	December 24th, 2015

1.0 Definitions

1.1 Words and phrases not defined in this licence and the associated drinking water works permit shall be given the same meaning as those set out in the SDWA and any regulations made in accordance with that act, unless the context requires otherwise.

1.2 In this licence and the associated drinking water works permit:

“adverse effect”, “contaminant” and “natural environment” shall have the same meanings as in the EPA;

“alteration” may include the following in respect of this drinking water system:

- (a) An addition to the system,
- (b) A modification of the system,
- (c) A replacement of part of the system, and
- (d) An extension of the system;

“compound of concern” means a contaminant that, based on generally available information, may be emitted from a component of the drinking water system to the atmosphere in a quantity that is significant either in comparison to the relevant point of impingement limit or if a point of impingement limit is not available for the compound, then based on generally available toxicological information, the compound has the potential to cause an adverse effect as defined by the EPA at a point of impingement;

“Director” means a Director appointed pursuant to section 6 of the SDWA for the purposes of Part V of the SDWA;

“drinking water works permit” means the drinking water works permit for the drinking water system, as identified in Schedule A of this licence and as amended from time to time;

“emission summary table” means the table that was prepared by a Professional Engineer in accordance with O. Reg. 419/05 and the procedure document listing the appropriate point of impingement concentrations of each compound of concern emitted from a component of the drinking water system and providing comparison to the corresponding point of impingement limit;

“EPA” means the *Environmental Protection Act*, R.S.O. 1990, c. E.19;

“financial plan” means the financial plan required by O. Reg. 453/07;

"licence" means this municipal drinking water licence for the municipal drinking water system identified in Schedule A of this licence;

"operational plan" means an operational plan developed in accordance with the Director's Directions – Minimum Requirements for Operational Plans made under the authority of subsection 15(1) of the SDWA;

"owner" means the owner of the drinking water system as identified in Schedule A of this licence;

"permit to take water" means the permit to take water that is associated with the taking of water for purposes of the operation of the drinking water system, as identified in Schedule A of this licence and as amended from time to time;

"point of impingement" means any point in the natural environment that is not on the same property as the source of the contaminant and as defined by section 2 of O. Reg. 419/05;

"point of impingement limit" means the appropriate standard from Schedule 1, 2 or 3 of O. Reg. 419/05 and if a standard is not provided for a compound of concern, the appropriate criteria listed in the Ministry of the Environment and Climate Change publication titled "Summary of Standards and Guidelines to support Ontario Regulation 419: Air Pollution – Local Air Quality (including Schedule 6 of O. Reg. 419 on Upper Risk Thresholds)", dated February 2008, as amended;

"procedure document" means the Ministry of the Environment and Climate Change procedure titled "Procedure for Preparing an Emission Summary and Dispersion Modelling Report" dated July 2005, as amended;

"Professional Engineer" means a Professional Engineer who has been licenced to practice in the Province of Ontario;

"provincial officer" means a provincial officer appointed pursuant to section 8 of the SDWA;

"publication NPC-300" means the Ministry of the Environment and Climate Change publication titled "Environmental Noise Guideline: Stationary and Transportation Sources – Approval and Planning" dated August 2013, as amended;

"SDWA" means the *Safe Drinking Water Act*, 2002, S.O. 2002, c. 32;

“sensitive populations” means any one or a combination of the following locations where the health effects of nitrogen oxides emissions from emergency generators shall be considered using the point of impingement limit instead of the Ministry of the Environment and Climate Change screening level for emergency generators:

- (a) health care units (e.g., hospitals and nursing homes),
- (b) primary/junior public schools,
- (c) day-care facilities, and
- (d) playgrounds;

“subsystem” has the same meaning as in Ontario Regulation 128/04 (Certification of Drinking Water System Operators and Water Quality Analysts);

“surface water” means water bodies (lakes, wetlands, ponds - including dug-outs), water courses (rivers, streams, water-filled drainage ditches), infiltration trenches, and areas of seasonal wetlands;

2.0 Applicability

- 2.1 In addition to any other requirements, the drinking water system identified above shall be established, altered and operated in accordance with the conditions of the drinking water works permit and this licence.

3.0 Licence Expiry

- 3.1 This licence expires on the date identified as the licence expiry date in Schedule A of this licence.

4.0 Licence Renewal

- 4.1 Any application to renew this licence shall be made on or before the date identified as the application for licence renewal date set out in Schedule A of this licence.

5.0 Compliance

- 5.1 The owner and operating authority shall ensure that any person authorized to carry out work on or to operate any aspect of the drinking water system has been informed of the SDWA, all applicable regulations made in accordance with that act, the drinking water works permit and this licence and shall take all reasonable measures to ensure any such person complies with the same.

6.0 Licence and Drinking Water Works Permit Availability

- 6.1 At least one copy of this licence and the drinking water works permit shall be stored in such a manner that they are readily viewable by all persons involved in the operation of the drinking water system.

7.0 Drinking Water Works Permit

- 7.1** A drinking water works permit identified in Schedule A of this licence is the applicable permit on the date identified as the Schedule A Issue Date.

8.0 Financial Plan

- 8.1** For every financial plan prepared in accordance with subsections 2(1) and 3(1) of O. Reg. 453/07, the owner of the drinking water system shall:
- 8.1.1 Ensure that the financial plan contains on the front page of the financial plan, the appropriate financial plan number as set out in Schedule A of this licence; and
- 8.1.2 Submit a copy of the financial plan to the Ministry of Municipal Affairs and Housing within three (3) months of receiving approval by a resolution of municipal council or the governing body of the owner.

9.0 Interpretation

- 9.1** Where there is a conflict between the provisions of this licence and any other document, the following hierarchy shall be used to determine the provision that takes precedence:
- 9.1.1 The SDWA;
- 9.1.2 A condition imposed in this licence that explicitly overrides a prescribed regulatory requirement;
- 9.1.3 A condition imposed in the drinking water works permit that explicitly overrides a prescribed regulatory requirement;
- 9.1.4 Any regulation made under the SDWA;
- 9.1.5 Any provision of this licence that does not explicitly override a prescribed regulatory requirement;
- 9.1.6 Any provision of the drinking water works permit that does not explicitly override a prescribed regulatory requirement;
- 9.1.7 Any application documents listed in this licence, or the drinking water works permit from the most recent to the earliest; and
- 9.1.8 All other documents listed in this licence, or the drinking water works permit from the most recent to the earliest.
- 9.2** If any requirement of this licence or the drinking water works permit is found to be invalid by a court of competent jurisdiction, the remaining requirements of this licence and the drinking water works permit shall continue to apply.

- 9.3** The issuance of and compliance with the conditions of this licence and the drinking water works permit does not:
- 9.3.1 Relieve any person of any obligation to comply with any provision of any applicable statute, regulation or other legal requirement, including the *Environmental Assessment Act*, R.S.O. 1990, c. E.18; and
 - 9.3.2 Limit in any way the authority of the appointed Directors and provincial officers of the Ministry of the Environment and Climate Change to require certain steps be taken or to require the owner to furnish any further information related to compliance with the conditions of this licence or the drinking water works permit.
- 9.4** For greater certainty, nothing in this licence or the drinking water works permit shall be read to provide relief from regulatory requirements in accordance with section 46 of the SDWA, except as expressly provided in the licence or the drinking water works permit.

10.0 Adverse Effects

- 10.1** Nothing in this licence or the drinking water works permit shall be read as to permit:
- 10.1.1 The discharge of a contaminant into the natural environment that causes or is likely to cause an adverse effect; or
 - 10.1.2 The discharge of any material of any kind into or in any waters or on any shore or bank thereof or into or in any place that may impair the quality of the water of any waters.
- 10.2** All reasonable steps shall be taken to minimize and ameliorate any adverse effect on the natural environment or impairment of the quality of water of any waters resulting from the operation of the drinking water system including such accelerated or additional monitoring as may be necessary to determine the nature and extent of the effect or impairment.
- 10.3** Fulfillment of one or more conditions imposed by this licence or the drinking water works permit does not eliminate the requirement to fulfill any other condition of this licence or the drinking water works permit.

11.0 Change of Owner or Operating Authority

- 11.1** This licence is not transferable without the prior written consent of the Director.
- 11.2** The owner shall notify the Director in writing at least 30 days prior to a change of any operating authority identified in Schedule A of this licence.
- 11.2.1 Where the change of operating authority is the result of an emergency situation, the owner shall notify the Director in writing of the change as soon as practicable.

12.0 Information to be Provided

- 12.1** Any information requested by a Director or a provincial officer concerning the drinking water system and its operation, including but not limited to any records required to be kept by this licence or the drinking water works permit, shall be provided upon request.

13.0 Records Retention

- 13.1** Except as otherwise required in this licence or the drinking water works permit, any records required by or created in accordance with this licence or the drinking water works permit, other than the records specifically referenced in section 12 of O. Reg. 170/03, shall be retained for at least 5 years and made available for inspection by a provincial officer, upon request.

14.0 Chemicals and Materials

- 14.1** All chemicals and materials used in the alteration or operation of the drinking water system that come into contact with water within the system shall meet all applicable standards set by both the American Water Works Association ("AWWA") and the American National Standards Institute ("ANSI") safety criteria standards NSF/60, NSF/61 and NSF 372.
- 14.1.1 In the event that the standards are updated, the owner may request authorization from the Director to use any on hand chemicals and materials that previously met the applicable standards.
- 14.1.2 The requirement for the owner to comply with NSF 372 shall come into force no later than June 25, 2017..
- 14.2** The most current chemical and material product registration documentation from a testing institution accredited by either the Standards Council of Canada or by the American National Standards Institution ("ANSI") shall be available at all times for each chemical and material used in the operation of the drinking water system that comes into contact with water within the system.
- 14.3** Conditions 14.1 and 14.2 do not apply in the case of the following:
- 14.3.1 Water pipe and pipe fittings meeting AWWA specifications made from ductile iron, cast iron, PVC, fibre and/or steel wire reinforced cement pipe or high density polyethylene (HDPE);
- 14.3.2 Articles made from stainless steel, glass, HDPE or Teflon®;
- 14.3.3 Cement mortar for watermain lining and for water contacting surfaces of concrete structures made from washed aggregates and Portland cement;
- 14.3.4 Gaskets that are made from NSF approved materials;
- 14.3.5 Food grade oils and lubricants, food grade anti-freeze, and other food grade chemicals and materials that are compatible for drinking water use; or

- 14.3.6 Any particular chemical or material where the owner has written documentation signed by the Director that indicates that the Ministry of the Environment and Climate Change is satisfied that the chemical or material is acceptable for use within the drinking water system and the chemical or material is only used as permitted by the documentation.

15.0 Drawings

- 15.1 All drawings and diagrams in the possession of the owner that show any treatment subsystem as constructed shall be retained by the owner unless the drawings and diagrams are replaced by a revised or updated version showing the subsystem as constructed subsequent to the alteration.
- 15.2 Any alteration to any treatment subsystem shall be incorporated into process flow diagrams, process and instrumentation diagrams, and record drawings and diagrams within one year of the substantial completion of the alteration.
- 15.3 Process flow diagrams and process and instrumentation diagrams for any treatment subsystem shall be kept in a place, or made available in such a manner, that they may be readily viewed by all persons responsible for all or part of the operation of the drinking water system.

16.0 Operations and Maintenance Manual

- 16.1 An up-to-date operations and maintenance manual or manuals shall be maintained and applicable parts of the manual or manuals shall be made available for reference by all persons responsible for all or part of the operation or maintenance of the drinking water system.
- 16.2 The operations and maintenance manual or manuals, shall include at a minimum:
- 16.2.1 The requirements of this licence and associated procedures;
 - 16.2.2 The requirements of the drinking water works permit for the drinking water system;
 - 16.2.3 A description of the processes used to maintain secondary disinfection within the drinking water system.
 - 16.2.4 Procedures for monitoring and recording the in-process parameters necessary for the control of any treatment subsystem and for assessing the performance of the drinking water system;
 - 16.2.5 Procedures for the operation and maintenance of monitoring equipment;
 - 16.2.6 Contingency plans and procedures for the provision of adequate equipment and material to deal with emergencies, upset conditions and equipment breakdown;
 - 16.2.7 Procedures for dealing with complaints related to the drinking water system, including the recording of the nature of the complaint and any investigation and corrective action taken in respect of the complaint;

- 16.3** Procedures necessary for the operation and maintenance of any alterations to the drinking water system shall be incorporated into the operations and maintenance manual or manuals prior to those alterations coming into operation.

Schedule C: System-Specific Conditions

System Owner	The Corporation of the Town of LaSalle
Licence Number	032-101
Drinking Water System Name	Town of LaSalle Distribution System
Schedule C Issue Date	December 24th, 2015

1.0 Additional Sampling, Testing and Monitoring

Drinking Water Health and Non-Health Related Parameters

- 1.1** For a drinking water system or drinking water subsystem identified in column 1 of Tables 1 and 2 and in addition to any other sampling, testing and monitoring that may be required, sampling, testing and monitoring shall be undertaken for a test parameter listed in column 2 at the sampling frequency listed in column 3 and at the monitoring location listed in column 4 of the same row.

Table 1: Drinking Water Health Related Parameters

Column 1 Drinking Water System or Drinking Water Subsystem Name	Column 2 Test Parameter	Column 3 Sampling Frequency	Column 4 Monitoring Location
Not Applicable	Not Applicable	Not Applicable	Not Applicable

Table 2: Drinking Water Non-Health Related Parameters

Column 1 Drinking Water System or Drinking Water Subsystem Name	Column 2 Test Parameter	Column 3 Sampling Frequency	Column 4 Monitoring Location
Not Applicable	Not Applicable	Not Applicable	Not Applicable

Environmental Discharge Parameters

- 1.2** Pursuant to Condition 10 of Schedule B of this licence, the owner may undertake the following environmental discharges associated with the maintenance and/or repair of the drinking water system:

1.2.1 The discharge of potable water from a watermain to a road or storm sewer;

1.2.2 The discharge of potable water from a water storage facility or pumping station:

1.2.2.1 To a road or storm sewer; or

1.2.2.2 To a watercourse where the discharge has been dechlorinated and if necessary, sediment and erosion control measures have been implemented.

1.2.3 The discharge of dechlorinated non-potable water from a watermain, water storage facility or pumping station to a road or storm sewer; and

1.2.4 The discharge of potable water or non-potable water from a treatment subsystem to the environment where if necessary, the discharge has been dechlorinated and sediment and erosion control measures have been implemented.

2.0 Studies Required

2.1 Not Applicable

3.0 Source Protection

3.1 Not Applicable

Schedule D: Conditions for Relief from Regulatory Requirements

System Owner	The Corporation of the Town of LaSalle
Licence Number	032-101
Drinking Water System Name	Town of LaSalle Distribution System
Schedule D Issue Date	December 24th, 2015

1.0 Lead Regulatory Relief

- 1.1** Any relief from regulatory requirements previously authorized by the Director in respect of the drinking water system under section 38 of the SDWA in relation to the sampling, testing or monitoring requirements contained in Schedule 15.1 of O. Reg. 170/03 shall remain in force until such time as Schedule 15.1 of O. Reg. 170/03 is amended after June 1, 2009.

2.0 Other Regulatory Relief

- 2.1** Not Applicable

Appendix B: Safe Drinking Water Act, 2002
Ontario Regulation 453/07
Financial Plans

Safe Drinking Water Act, 2002

ONTARIO REGULATION 453/07 FINANCIAL PLANS

Consolidation Period: From April 1, 2008 to the [e-Laws currency date](#).

Last amendment: 69/08.

Legislative History: 69/08.

This is the English version of a bilingual regulation.

Requirement to prepare financial plans

1. (1) A person who makes an application under clause 32 (1) (b) of the Act for a municipal drinking water licence shall, before making the application, prepare and approve financial plans for the system that satisfy the requirements prescribed under section 2. O. Reg. 453/07, s. 1 (1).

(2) A person who makes an application under subsection 32 (4) of the Act for the renewal of a municipal drinking water licence shall, before making the application, prepare and approve financial plans for the system that satisfy the requirements prescribed under section 3. O. Reg. 453/07, s. 1 (2).

(3) As a condition in a municipal drinking water licence that is issued in response to an application made under section 33 of the Act for a municipal drinking water licence, the Director shall include a requirement that the owner of the drinking water system, by the later of July 1, 2010 and the date that is six months after the date the first licence for the system is issued, prepare and approve financial plans for the system that satisfy the requirements prescribed under section 3. O. Reg. 453/07, s. 1 (3).

(4) The Director shall include, as a condition in a municipal drinking water licence, the requirement set out in subsection (3) in any amendments to a license made after the application, if the condition is not satisfied at the time when the amendment is made. O. Reg. 453/07, s. 1 (4).

Financial plan requirements; new systems

2. For the purposes of clause (b) of the definition of “financial plans” in subsection 30 (1) of the Act, the following requirements are prescribed for financial plans that are required by subsection 1 (1) to satisfy the requirements of this section:

1. The financial plans must be approved by a resolution that indicates that the drinking water system is financially viable and that is passed by,
 - i. the council of the municipality, if the owner of the drinking water system is a municipality, or
 - ii. the governing body of the owner, if the owner of the drinking water system has a governing body and is not a municipality.
2. The financial plans,
 - i. must include a statement that the financial impacts of the drinking water system have been considered, and
 - ii. must apply for a period of at least six years.
3. The first year to which the financial plan must apply is the year in which the drinking water system is expected to first serve the public.
4. For each year in which the financial plans apply, the financial plans must include details of the proposed or projected financial operations of the drinking water system itemized by,
 - i. total revenues, further itemized by water rates, user charges and other revenues,
 - ii. total expenses, further itemized by amortization expenses, interest expenses and other expenses,
 - iii. annual surplus or deficit, and
 - iv. accumulated surplus or deficit.
5. The owner of the drinking water system must,
 - i. make the financial plans available, on request, to members of the public who are served by the drinking water system without charge,

- ii. make the financial plans available to members of the public without charge through publication on the Internet, if the owner maintains a website on the Internet, and
 - iii. provide notice advising the public of the availability of the financial plans under subparagraphs i and ii, if applicable, in a manner that, in the opinion of the owner, will bring the notice to the attention of members of the public who are served by the drinking water system.
6. The owner of the drinking water system must give a copy of the financial plans to the Ministry of Municipal Affairs and Housing. O. Reg. 453/07, s. 2.

Financial plan requirements; licence renewal

3. (1) For the purposes of clause (b) of the definition of “financial plans” in subsection 30 (1) of the Act, the following requirements are prescribed for financial plans that are required by subsection 1 (2) or a condition that is included in a municipal drinking water licence under subsection 1 (3) to satisfy the requirements of this section:

- 1. The financial plans must be approved by a resolution that is passed by,
 - i. the council of the municipality, if the owner of the drinking water system is a municipality, or
 - ii. the governing body of the owner, if the owner of the drinking water system has a governing body and is not a municipality.
- 2. The financial plans must apply to a period of at least six years.
- 3. The first year to which the financial plans must apply must be the year determined in accordance with the following rules:
 - i. If the financial plans are required by subsection 1 (2), the first year to which the financial plans must apply must be the year in which the drinking water system’s existing municipal drinking water licence would otherwise expire.
 - ii. If the financial plans are required by a condition that was included in a municipal drinking water licence under subsection 1 (3), the first year to which the financial plans must apply must be the later of 2010 and the year in which the first licence for the system was issued.
- 4. Subject to subsection (2), for each year to which the financial plans apply, the financial plans must include the following:
 - i. Details of the proposed or projected financial position of the drinking water system itemized by,
 - A. total financial assets,
 - B. total liabilities,
 - C. net debt,
 - D. non-financial assets that are tangible capital assets, tangible capital assets under construction, inventories of supplies and prepaid expenses, and
 - E. changes in tangible capital assets that are additions, donations, write downs and disposals.
 - ii. Details of the proposed or projected financial operations of the drinking water system itemized by,
 - A. total revenues, further itemized by water rates, user charges and other revenues,
 - B. total expenses, further itemized by amortization expenses, interest expenses and other expenses,
 - C. annual surplus or deficit, and
 - D. accumulated surplus or deficit.
 - iii. Details of the drinking water system’s proposed or projected gross cash receipts and gross cash payments itemized by,
 - A. operating transactions that are cash received from revenues, cash paid for operating expenses and finance charges,
 - B. capital transactions that are proceeds on the sale of tangible capital assets and cash used to acquire capital assets,
 - C. investing transactions that are acquisitions and disposal of investments,
 - D. financing transactions that are proceeds from the issuance of debt and debt repayment,
 - E. changes in cash and cash equivalents during the year, and

F. cash and cash equivalents at the beginning and end of the year.

iv. Details of the extent to which the information described in subparagraphs i, ii and iii relates directly to the replacement of lead service pipes as defined in section 15.1- 3 of Schedule 15.1 to Ontario Regulation 170/03 (Drinking Water Systems), made under the Act.

5. The owner of the drinking water system must,

- i. make the financial plans available, on request, to members of the public who are served by the drinking water system without charge,
- ii. make the financial plans available to members of the public without charge through publication on the Internet, if the owner maintains a website on the Internet, and
- iii. provide notice advising the public of the availability of the financial plans under subparagraphs i and ii, if applicable, in a manner that, in the opinion of the owner, will bring the notice to the attention of members of the public who are served by the drinking water system.

6. The owner of the drinking water system must give a copy of the financial plans to the Ministry of Municipal Affairs and Housing. O. Reg. 453/07, s. 3 (1).

(2) Each of the following sub-subparagraphs applies only if the information referred to in the sub-subparagraph is known to the owner at the time the financial plans are prepared:

1. Sub-subparagraphs 4 i A, B and C of subsection (1).
2. Sub-subparagraphs 4 iii A, C, E and F of subsection (1). O. Reg. 453/07, s. 3 (2).

Alternative requirements for two or more drinking water systems

4. If section 3 applies to the financial plans of two or more drinking water systems that are solely owned by the same owner, the requirements prescribed by the section may, as an alternative, be satisfied by financial plans that comply with the section but treat those systems as if they were one drinking water system. O. Reg. 453/07, s. 4.

Amendment of financial plans

5. Sections 2 and 3 do not prevent financial plans from being amended. O. Reg. 453/07, s. 5.

Additional information

6. The requirements of this Regulation do not prevent a person from providing additional information in financial plans prepared for the purpose of meeting the requirements of the Act. O. Reg. 453/07, s. 6.

7. OMITTED (PROVIDES FOR COMING INTO FORCE OF PROVISIONS OF THIS REGULATION). O. Reg. 453/07, s. 7.

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