

**Memorandum of Understanding** (“Memorandum”)

This agreement dated this 1<sup>st</sup> day of January, 2024 (the “Effective Date”).

**Between:**

**The Regional Municipality of Durham**  
(Hereinafter, “Participating Municipality”)

and

**Lake Simcoe Region Conservation Authority**  
(Hereinafter, “Conservation Authority”)

**Whereas** the Conservation Authority is a conservation authority established under the *Conservation Authorities Act* (“Act”) providing programs and services that further the conservation, restoration, development and management of natural resources in its watershed;

**And Whereas** the Participating Municipality is a municipality, located wholly or partly within the area under the jurisdiction of the Conservation Authority, and is designated as a participating municipality under the Act;

**And Whereas** in carrying out its mandate under the Act, the Conservation Authority is required to provide mandatory programs and services (Category 1) set out under the Act and Ontario Regulation 686/21, as amended or superseded;

**And Whereas** in carrying out its mandate under the Act, the Conservation Authority is required to provide mandatory programs and services (Category 1) related to the Lake Simcoe Protection Plan under the *Lake Simcoe Protection Act, 2008*;

**And Whereas** in carrying out its mandate under the Act, the Conservation Authority also provides non-mandatory programs and services (Category 2) at the request of or on behalf of its municipal partners within its jurisdiction;

**And Whereas** in carrying out its mandate under the Act, the Conservation Authority provides non-mandatory programs and services (Category 3) that the Conservation Authority implements to manage and conserve the watershed and provide outdoor based education;

**And Whereas** under the Act, Category 1 programs and services are to be funded through the annual budget and apportionment process in accordance with the applicable regulations;

**And Whereas** under the applicable regulations, Category 1 operating expenses and capital costs may be included in the apportionment and provided without an agreement;

**And Whereas** under the Act, Category 2 programs and services requested by the participating municipalities may be provided under a memorandum of understanding or such other agreement in respect of the programs and services, such as a procurement or other agreement;

**And Whereas** under the applicable regulations, Category 2 operating expenses and capital costs may be included in the apportionment under a memorandum of understanding or other agreement, and the operating expenses and capital costs shall be apportioned, in their entirety, to the participating municipality that requested the programs and services;

**And Whereas** under the Act, Category 2 programs and services may be provided at the request of participating municipalities, outside of the annual budget and apportionment process, through a memorandum or other agreements;

**And Whereas** under the Act, Category 3 programs and services implemented by the Conservation Authority may be provided in accordance with the Act, within the budget and apportionment process, or otherwise requested outside of the budget and apportionment process, through a cost apportioning agreement in accordance with the Act and applicable regulations;

**And Whereas** this Memorandum sets out the principles, terms and conditions governing the delivery of Category 2 and 3 programs and services funded by the Participating Municipality through the budget and apportionment, or otherwise requested outside of the budget and apportionment process;

**And Whereas** the Act requires such Memorandum or other agreements to be reviewed at regular intervals and to be made available to the public, subject to certain exemptions including an exemption for procurement agreements.

**Now Therefore**, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration the sufficiency of which is hereby acknowledged by the parties, the parties hereto agree as follows:

1. This Memorandum shall commence on the Effective Date and shall continue for four (4) years (the "Initial Term"). Thereafter this Memorandum shall continue for additional four (4) year periods (each a "Renewal Term") on the same terms and conditions unless either party provides written notice of termination to the other party at least sixty (60) days prior to the expiry of the Initial Term or Renewal Term, as the case may be.
2. This Memorandum shall be reviewed by the parties on an annual basis as part of the budget and apportionment process.
3. When preparing its annual budget, the Conservation Authority shall follow the prescribed budgetary process in accordance with the requirements of the applicable regulations, including preparation of a draft budget, consultations with participating municipalities, rules for voting to approve the apportionment, and preparation of the final budget in alignment with the budgetary procedures of the participating municipalities.
4. Upon request by the Participating Municipality, the Conservation Authority shall submit a variance report by July 1<sup>st</sup> every year that includes a summary of deferred revenue for all programs and services included in the apportionment, and the Conservation Authority and the Participating Municipality will review unspent funding to determine opportunities to reallocate funding to other priority program and service areas on mutual agreement.

5. The Conservation Authority shall identify Category 1 programs and services in the annual budget. The Conservation Authority shall comply with the prescribed and approved methods of apportionment for Category 1 services.
6. The Conservation Authority and the Participating Municipality will identify and agree on requested Category 2 and 3 programs and services to be included in the annual budget and apportionment. Where requested Category 2 services are included in the annual budget and apportionment, the Conservation Authority shall, in accordance with the applicable regulations, apportion the operating expenses and capital costs, in their entirety, to the Participating Municipality. Where requested Category 3 services are included in the annual budget and apportionment, the Conservation Authority shall, in accordance with the applicable regulations, apportion the operating expenses and capital costs, to the Participating Municipalities.
7. Where Category 2 and 3 services are requested, all efforts will be made to include these in the annual budget. The Parties agree that funding requests for a program or service made outside the annual budget process will follow the Participating Municipality's approved policies and procedures, including but not limited to the Participating Municipality's Budget Management Policy and Procurement By-law, as amended.
8. Where after the Effective Date, the Conservation Authority identifies a new Category 3 program or service to be proposed for inclusion in the next annual budget, the Conservation Authority shall notify the Participating Municipality of the program or service and shall review the program or service with all participating municipalities to which a corresponding cost apportioning agreement would be proposed in accordance with the Act.
9. Schedule "A" to this Memorandum outlines the program and services inventory, apportionment method and assigned budget for each program and service (Category 1, 2, and 3).
10. Category 1 programs and services shall be provided in accordance with any standards and requirements that may be prescribed under subsection 21.1(3) of the Act. Category 2 programs and services provided shall be in accordance with any standards and requirements, and any terms and conditions, that may be prescribed under subsection 21.1.1(4) of the Act. Category 3 programs and services provided shall be in accordance with any standards and requirements, and any terms and conditions, that may be prescribed under subsection 21.1.2(3) of the Act.
11. Where Category 2 programs and services funded by the Participating Municipality involve user fees, such user fees shall only be imposed in accordance with the Conservation Authority's fee policy and fee schedules adopted in accordance with the provisions of the Act, or otherwise in accordance with provisions set out in an agreement between the Conservation Authority and the Participating Municipality.
12. The programs and services outlined in the Inventory of Programs and Services shall be paid quarterly, as per the following schedule:
  - a. 1st quarter – the later of 30 days post budget approval or April 1;
  - b. 2nd quarter – June 1;
  - c. 3rd quarter – September 1; and

d. 4th quarter – December 1;

If the above dates fall on a weekend or holiday, the payment shall be provided on the next following business day.

13. Funding for special projects (i.e., not part of mandatory/levy programs) shall be approved by the Participating Municipality's Council through the annual budget process and billed upon project completion and accountability of project costs, or other such terms as agreed to between the Conservation Authority and the Participating Municipality.
14. The Participating Municipality and the Conservation Authority will continue to work together to identify opportunities for further collaboration to the benefit of both parties and ensure efficiency, transparency and accountability in the use of public sector resources.
15. This Memorandum shall be made available to the public in accordance with the Act and any applicable regulations.
16. This Memorandum may be executed in counterparts and when each party has executed a counterpart, each of such counterparts shall be deemed to be an original and all of such counterparts, when taken together, shall constitute one and the same agreement. The parties may sign this Memorandum by means of electronic signature and deliver this Memorandum by electronic transmission.

**In Witness Whereof**, the parties have entered into this Memorandum as of the Effective Date.

**Lake Simcoe Region Conservation Authority**

Digitally signed by  
Rob Baldwin  
Date: 2024.01.31  
14:26:27 -05'00'

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

Name: Rob Baldwin

Title: Chief Administrative Officer

**The Regional Municipality of Durham**

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

Name: Elaine Baxter-Trahair

Title: Chief Administrative Officer

## SCHEDULE “A”

### MANDATORY (CATEGORY 1) AND MUNICIPALLY REQUESTED (CATEGORY 2) AND CONSERVATION AUTHORITY REQUESTED (CATEGORY 3) (Specific to Region of Durham)

Program	O. Reg. 686/21 Section	Mandatory (Category 1)	Mandatory (Category 1 LSPP)	Municipal Request/Non-mandatory (Category 2)**	LSRCA Requested (Category 3)**	Apportionment Method*
<b>Corporate Services</b>						
Corporate Communications		\$37,734				MCVA
Facility Management		\$33,831				MCVA
Financial Management		\$48,324				MCVA
Governance	S. 15	\$18,684	\$15,645			MCVA/LSPP
Human Resource Management		\$29,109				MCVA
Information Management		\$47,770				MCVA
<b>Ecological Management</b>						
Ecosystem Science and Monitoring	S. 1, S. 3(2), S. 12	\$4,947	\$31,084			MCVA/LSPP
Restoration and Regeneration	S. 15		\$32,417	\$17,007		LSPP/Benefit Based
<b>Education &amp; Engagement</b>						
Community Programming					\$4,306	Using MCVA
School Programming					\$16,059	Using MCVA
<b>Greenspace Services</b>						
Greenspace Management	S. 9(1)	\$36,915				MCVA
Securement	S. 9, S. 10, S. 11	\$7,029				MCVA
<b>Planning &amp; Development</b>						
Development Planning	S. 1, S. 7, S. 8	\$3,769		MOU terms		MCVA/Benefit Based
Permitting and Enforcement	S. 7(2)	\$25,902				MCVA
<b>Water Risk Management</b>						
Flood Management and Warning	S. 1, S. 2(2)	\$23,893				MCVA
Water Management/Restoration	S. 15		\$16,106	\$6,376		LSPP/Benefit Based
Water Science and Monitoring	S. 1, S. 3(2), S. 12, S. 15	\$10,875	\$0			MCVA/LSPP

<b>Watershed Studies &amp; Strategies</b>						
Climate Change	S. 1(3), S. 15	\$3,555	\$10,473			MCVA/LSPP
Research and Innovation	S. 15		\$16,371			LSPP
Watershed Planning	S. 12(4), S. 15	\$2,251	\$19,894			MCVA/LSPP

\*Items that have more than one apportionment method require split apportionment based on Lake Simcoe Protection Plan requirements

\*\*Non-mandatory services are undertaken at the sole discretion of the conservation authority and participating municipality

**Apportionment definitions:**

**Benefit Based**– Participating municipalities fund the program, where funding received is used entirely for projects or services within the participating municipality’s jurisdiction.

**LSPP** – Lake Simcoe Protection Plan-based projects or services within the participating municipality’s jurisdiction based on LSPA apportionment calculated in accordance with the *Conservation Authorities Act* and provided to LSRCA by the Province of Ontario.

**MCVA** – Modified Current Value Assessment as defined in O. Reg. 402/22