DA TORONTO

REPORT FOR ACTION

Proposed 2020 Canada-Ontario Agreement Respecting Great Lakes Water Quality and Ecosystem Health

Date: August 27, 2019To: Infrastructure and Environment CommitteeFrom: General Manager, Toronto WaterWards: All

SUMMARY

This report, as requested by City Council on July 18, 2019, reports back on the Proposed 2020 Canada-Ontario Agreement Respecting Great Lakes Water Quality and Ecosystem Health (draft new COA) and its potential impacts to City policy, programs and costs in relation to water quality, storm water management and ecosystem health of Toronto's waterfront and Lake Ontario.

The COA is a federal-provincial agreement to restore and protect the Great Lakes basin ecosystem. The agreement sets out how the governments of Canada and Ontario will cooperate and coordinate efforts to restore, protect and conserve the Great Lakes. The draft new COA was posted for public comment on the Ontario Environmental Registry and Government of Canada COA consultation website until September 4, 2019.

As directed by City Council, the City Manager requested an extension of the comment deadlines to October 7, 2019 from the Ontario Minister of Environment, Conservation and Parks (MECP) and Minister of Environment and Climate Change Canada (ECCC). At the time of writing this report, decisions on the deadline extension were not available. This report is being provided to Council based on the September 4 deadlines being applicable. Should extensions be granted, the City will submit comments to MECP and ECCC by October 7, 2019.

City staff prepared two submissions with the same comments and recommendations. The submission to the MECP is in Attachment 1 and to ECCC in Attachment 2. The City's comments focus on delisting Toronto as a polluted Area of Concern in the Great Lakes Basin in Annex 5 of the draft new COA. Consistent with direction from City Council, staff comments propose amendments to this Annex committing the Provincial and Federal governments to fund the acceleration of the Don River and Central Waterfront Project, the City's most significant water pollution control initiative, aimed at delisting Toronto as an Area of Concern, and ultimately improving the ecosystem health of the city's waterfront and Lake Ontario. Additional comments are provided in regards to City interests including improving wastewater and stormwater infrastructure, reducing harmful pollutants, protecting source drinking water, and climate change and resilience. Opportunities for the federal and provincial governments to collaborate and support City initiatives that align with COA objectives are also provided in the City's comments.

RECOMMENDATIONS

The General Manager, Toronto Water recommends that:

1. City Council receive this report for information.

FINANCIAL IMPACT

There is no financial impact to the City resulting from receipt of this report.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on July 16, 17 and 18, 2019, City Council adopted with amendments IE6.7 - Don River and Central Waterfront Accelerated Plan and directed the City Manager, in consultation with the Chief Financial Officer and Treasurer, and the General Manager, Toronto Water to formally submit comments on the proposed 2020 COA through the Ontario Environmental Registry. City Council supported the inclusion of a recommendation in the City's submission committing the federal and provincial governments to support the acceleration of the DRCW by co-funding the Project's implementation with the City.

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2019.IE6.7

At its meeting on July 16, 17 and 18, 2019, City Council adopted MM9.15 which requested the City Manager in consultation with the Director, Environment and Energy and the General Manager, Toronto Water to report back to Infrastructure and Environment Committee regarding the draft 2020 COA and impacts to City policy, costs and programs. City Council also directed the City Manager to request the Minister of MECP to extend the September 4, 2019 deadline for comment by the City on the draft 2020 COA.

http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.MM9.15

COMMENTS

This comments section provides:

1. Background on the Canada-Ontario Agreement Respecting Great Lakes and Ecosystem Health (COA);

2. Key priorities in the draft new COA; and,

3. Summary of City comments and recommendations on the draft new COA including comments on Annex 5: Areas of Concern.

Background on the Canada-Ontario Agreement Respecting Great Lakes Water Quality and Ecosystem Health

The Canada-Ontario Agreement Respecting Great Lakes Water Quality and Ecosystem Health (COA) is an agreement between the governments of Canada and Ontario with the purpose to restore, protect and conserve Great Lakes water quality and ecosystem health in order to assist in achieving the vision of a healthy, prosperous and sustainable region for present and future generations.

The COA is a key agreement to help Canada meet its obligations under the Canada-United States Great Lakes Water Quality Agreement (GLWQA). It sets out how Canada and Ontario will cooperate and coordinate their efforts to restore, protect and conserve the Great Lakes, and is structured by annexes that set out key results and commitments by both orders of government.

Key Priorities in the Draft New COA

The draft new COA has been renegotiated by the governments of Canada and Ontario to renew the 2014 COA which expires in December 2019. The draft new COA is the 9th Agreement since the first COA was signed in 1971. Over time, the COA has changed to incorporate new priorities that address threats to the Great Lakes Basin.

The draft new COA includes 13 annexes under the following five priority areas:

- **Protecting Waters** focuses on understanding and reducing excessive nutrients, reducing and eliminating releases of harmful pollutants, improving wastewater and stormwater management, and protecting the Great Lakes from discharges from vessels;
- Improving Coastal Areas focuses on restoring, protecting and conserving coastal areas of the Great Lakes, delisting Areas of Concern (AOCs), updating and implementing Lakewide Action and Management Plans (LAMPs) for the four Canadian Great Lakes;
- **Protecting Habitat and Species** focuses on restoring, protecting and conserving natural habitats and biodiversity of the Great Lakes; including actions to address threats from invasive species;
- Enhancing Understanding and Adaptation focuses on enhancing understanding of climate changes and groundwater to advance adaptation and inform Great Lakes management decisions and priorities for action; and,
- Engaging Communities From Awareness to Action focuses on creating opportunities for communities to engage in efforts that improve water quality and ecosystem health.

Summary of City Comments on Draft New COA

The draft new COA was posted on the Ontario Environmental Registry and Government of Canada COA consultation website for public comment. The public comment period for both consultation processes closed on September 4, 2019.

The City's submissions to the MECP (Attachment 1) and ECCC (Attachment 2) were prepared by Toronto Water in consultation with Strategic and Corporate Policy, Engineering and Construction Services, Corporate Finance, and Environment and Energy Division (EED). Transportation Services and Solid Waste Services were also consulted by EED in the preparation of the submissions. The two submissions contain the same comments and recommendations.

As requested by City Council, the City Manager made a request to the Ontario Minister of Environment, Conservation and Parks (MECP) for an extension to the Environmental Registry deadline of September 4 to October 7, 2019. The same request was sent to the Minister of Environment and Climate Change Canada (ECCC) for an extension of the Canada COA comment period deadline. At the time of writing this report, decisions on the deadline extension were not available. This report is being provided to Council based on the September 4 deadlines being applicable. Should extensions be granted, the City will submit the comments by October 7, 2019.

Key Comments and Recommendations

City staff reviewed the draft new COA to identify impacts on City policy, costs and programs as they relate to water quality, storm water management, ecosystem health, parkland and watercourse management.

The City's comments focus on the following annexes of the draft new COA:

- Delisting the Toronto and Region Area of Concern (AOC) and the Don River and Central Waterfront Project (Annex 5)
- Improving Wastewater and Stormwater Management (Annex 3)
- Nutrient management for Lake Ontario (Annex 1)
- Near shore water quality and source water protection (Annex 6)
- Reducing harmful pollutants including plastics (Annex 2)
- Climate Change and Resilience (Annex 10)

In summary, staff support the following key changes to the COA:

- Wastewater and stormwater management elevated priority for improving wastewater and stormwater management as a separate annex (Annex 3) in the draft new COA, which includes a new priority on reducing the impacts of road salt;
- Harmful Pollutants Reduction new focus on reducing plastics pollution including microplastics with an emphasis on plastics reduction initiatives;
- Nutrients Management new focus on assessing and managing Lake Ontario from a nutrients perspective including the development of a Canadian Nutrients Management Strategy for Lake Ontario;

- Lake Wide Management stronger commitments to coordinate Great Lakes science activities to inform actions to protect source drinking water and improve near shore ecosystem health;
- **Climate Change and Resilience** stronger focus on understanding climate change impacts, risks and vulnerabilities and supporting community adaptation; and,
- Science and Innovation stronger emphasis on science and innovation (e.g. lake water quality monitoring and assessments) with the elimination of Annexes 10 and 11 in the 2014 COA, which have been incorporated into the individual annexes in the draft new COA.

Based on the high-level nature and text of the draft new COA and respecting that the City is not a party to the agreement, cost implications to the City were not identified in detail. However, potential cost implications and the need to consult with municipalities are highlighted in the City's comments concerning:

- Developing a Canadian Nutrients Strategy and management actions for Lake Ontario (Annex 1);
- Consideration of plastics pollution in wastewater and stormwater policies (Annex 2);
- Updating Ontario's wastewater policies and develop a new stormwater management policy including policies specific to treatment requirements, sewage overflows and bypasses to reduce nutrient loadings (Annex 3); and,
- Improving monitoring and reporting of sewage overflows and bypasses (Annex 3).

Staff comments and recommendations to strengthen the draft new COA in its entirety include:

- Results and commitments should be written in actionable language that leads to implementation by communicating clear actions and measurable outcomes, e.g., target completion years;
- Identification of additional opportunities to collaborate with municipalities, particularly in Annex 5: Areas of Concern;
- Inclusion of commitments for funding or cost-sharing arrangements with municipal partners to implement wastewater and stormwater infrastructure projects that will significantly contribute to achieving the results of the agreement; and,
- Prioritization of actions to complete long-standing goals and commitments, in particular, the elimination of combined sewer overflows and the delisting of AOCs including the Toronto and Region AOC.

Delisting the Toronto and Region AOC and Accelerating the Don River & Central Waterfront Project (Annex 5)

The COA commits the governments of Canada and Ontario to clean-up efforts to delist Toronto as a polluted Area of Concern (AOC) in the Great Lakes Basin. This is also an obligation by the federal government under the Canada-US Great Lakes Water Quality Agreement.

The City is constructing the Don River and Central Waterfront Project (DRCW), the largest CSO control project of its kind in Canada designed to intercept and treat most of the remaining combined sewer overflows (CSOs) in the city. Once fully implemented,

the DRCW is expected to ultimately lead to the delisting of Toronto as an Area of Concern.

The City is funding the implementation of the \$2.5 billion DRCW project over the next 20 years without federal and provincial financial assistance. Toronto Water's approved 2019-2028 Capital Budget and Plan allocates \$1.022 billion for the DRCW. A plan to accelerate the completion of the DRCW to 2030, a full eight years ahead of the current schedule, has been developed. However, this will require an estimated additional \$1.051 billion, over current planned funding within the current 10 year capital plan and \$181.8 million beyond the 2019-2028 Toronto Water Capital Plan.

Given the above-noted Provincial and Federal governments' commitments, and consistent with the recent City Council direction, staff comments propose amendments to Annex 5 of the draft new COA committing the Provincial and Federal governments to fund the acceleration of the DRCW, ultimately improving the ecosystem health of Toronto's waterfront and Lake Ontario.

CONTACT

Michael D'Andrea, Executive Director and Chief Engineer, Engineering and Construction Services, Telephone 416-392-8256, Email <u>Michael.DAndrea@toronto.ca</u>

Robert Hatton, Corporate Finance, Director, Strategic & Intergovernmental Initiatives, Telephone 416-392-9149, Email <u>Robert.Hatton@toronto.ca</u>

Eleanor McAteer, Director, Water Infrastructure Management, Toronto Water, Telephone 416-397-4631, Email <u>Eleanor.McAteer@toronto.ca</u>

Frank Quarisa, Director, Wastewater Management, Toronto Water, Telephone 416-392-8230, Email <u>Frank.Quarisa@toronto.ca</u>

Sandra Rodriguez, Director, Corporate Intergovernmental & Agency Relations, Telephone 416-392-3832, Email <u>Sandra.Rodriguez@toronto.ca</u>

Jim Baxter, Director, Environment and Energy, Telephone 416-338-1295, Email Jim.Baxter@toronto.ca

SIGNATURE

Lou Di Gironimo General Manager, Toronto Water 1. City of Toronto Submission - Proposed New Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health (ERO #019-0198)

2. City of Toronto Submission - Proposed New Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health - Environment and Climate Change Canada