

MEMORANDUM OF UNDERSTANDING (“MOU”)

THIS AGREEMENT dated this 1st day of January, 2024 (“Effective Date”).

BETWEEN:

THE REGIONAL MUNICIPALITY OF DURHAM
(Hereinafter, “Participating Municipality”)

AND:

KAWARTHA REGION CONSERVATION AUTHORITY
(Hereinafter, “Kawartha Conservation”)

WHEREAS Kawartha Conservation 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 Kawartha Conservation, and is designated as a participating municipality under the Act;

AND WHEREAS in carrying out its mandate under the Act, Kawartha Conservation is required to provide mandatory programs and services (Category 1) set out under *Ontario Regulation 686/21*;

AND WHEREAS in carrying out its mandate under the Act, Kawartha Conservation 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, Kawartha Conservation provides non-mandatory programs and services (Category 3) that Kawartha Conservation implements to manage and conserve the watershed;

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 Act;

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 provided at the request of or on behalf of its municipal partners municipalities are delivered under a memorandum of understanding or such other agreement, such as a procurement 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 of understanding or individual procurement agreements;

AND WHEREAS the Act requires such memorandums of understanding or other agreements to be reviewed at regular intervals and to be made available to the public, subject to certain exemptions;

AND WHEREAS this MOU sets out the principles, terms and conditions governing the delivery of Category 2 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 under the Act, Category 3 programs and services implemented by Kawartha Conservation may be provided in accordance with the Act, within the budget and apportionment process, or otherwise requested outside of the budget and apportionment process;

AND WHEREAS under the Act and the Minister's Fee Classes Policy, Kawartha Conservation may establish fees to be charged for the program or service where appropriate.

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 MOU shall commence on the Effective Date and shall continue for four (4) years (the "Initial Term"). Thereafter this MOU 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 MOU shall be reviewed by the Parties on an annual basis as part of the budget and apportionment process.
3. Kawartha Conservation agrees to provide the Participating Municipality with the programs and services outlined in the Inventory of Programs and Services

(Categories 1, 2, and 3) attached hereto as Schedule A, which shall identify the apportionment and assigned budget amount for each program and service.

4. When preparing its annual budget, Kawartha Conservation 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.
5. Kawartha Conservation and the Participating Municipality shall identify and agree upon Category 1, applicable Category 2, and Category 3 program and services through the annual budget process.
6. Where requested Category 2 services are included in the budget process and apportionment, Kawartha Conservation shall apportion the operating expenses and capital costs, in their entirety, to the Participating Municipality that requested the programs and services.
7. Where Category 2 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. 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 Kawartha Conservation and the Participating Municipality.
9. 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.

10. Where Category 2 and/or 3 programs and services funded by the Participating Municipality involve user fees, such user fees shall only be imposed in accordance with Kawartha Conservation'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 Kawartha Conservation and the Participating Municipality.
11. Revenues generated through fees and charges and other revenue streams, shall be used to offset the apportioned value required to be paid by the Participating Municipality for the program and/or service in accordance with the Act.
12. The programs and services outlined in the Inventory of Program and Services shall be paid quarterly in the calendar year, as per the following schedule:
 - 1st quarter – the later of: 30 days post budget approval, or April 1;
 - 2nd quarter – June 1;
 - 3rd quarter – September 1; and,
 - 4th quarter – December 1;

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

13. Kawartha Conservation shall submit a variance report by July 1st each year that includes a summary of deferred revenue for all programs and services included in the apportionment, and the Parties will review unspent funding to determine opportunities to reallocate funding to other priority program and service areas on mutual agreement.
14. Kawartha Conservation and the Participating Municipality shall negotiate in good faith in an attempt to settle any dispute between the Parties in a timely manner. If a dispute cannot be resolved, the Parties agree that the dispute shall be referred to senior management of the Parties (the Parties' respective Chief Administrative Officers or their designate), who shall meet to attempt to resolve the dispute. If no resolution is obtained, the matter shall be referred to the Participating Municipality's Council and Kawartha Conservation's Board of Directors.
15. Amendments to the schedules of this MOU may be made, in writing by mutual agreement, periodically to ensure alignment with existing agreements and the annual budget process.
16. The Participating Municipality and Kawartha Conservation 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.

17. This MOU shall be made available to the public in accordance with the Act and any applicable regulations.
18. This MOU 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.

IN WITNESS WHEREOF, the parties have entered into this MOU as of the Effective Date.

**KAWARTHA REGION CONSERVATION
AUTHORITY**

Per: 
Name: Mark Majchrowski
Title: Chief Administrative Officer

THE REGIONAL MUNICIPALITY OF DURHAM

Per: 
Name: Elaine Baxter-Trahair
Title: Chief Administrative Officer

Schedule A - Kawartha Conservation Programs and Services

Programs and Services	Category	Apportionment Method	2024 Draft Durham Apportionment
Provincial Water Quality and Quantity Monitoring	1	MCVA	\$ 18,626
Core Watershed Based Resource Strategy	1	MCVA	12,526
Flood Forecasting and Warning and Low Water Response	1	MCVA	22,293
Natural Hazard Planning Services	1	MCVA	36,180
Section 28 Permit Administration and Compliance	1	MCVA	37,215
Drinking Water Source Protection	1	MCVA	-
Conservation Area Management	1	MCVA	98,901
Durham East Cross Forest	1	Durham Benefit	105,750
Digitization of Corporate Records	1	MCVA	5,446
Tree Planting and Forestry Services*	2	Durham and City of Kawartha Lakes Benefit	6,000
Lake Management Plan Implementation	2	Durham Benefit	140,100
Durham Watershed Planning	2	Durham Benefit	30,500
Core Watershed Based Resource Strategy	3	MCVA	4,647
Local Environmental Monitoring	3	MCVA	17,224
Environmental Monitoring Strategy	3	MCVA	9,077
Fleetwood Creek Natural Area	3	N/A	-
Conservation Education and Community Outreach	3	MCVA	15,884
Habitat Restoration	3	N/A	-
Corporate Services	General Operating	MCVA	297,253
Information Services	General Operating	MCVA	77,606

*There is also \$9,000 of funding provided for this program through the MOU for Conservation Authorities Supporting Climate Action through Nature Based Solutions by the Region of Durham.

**The budget apportionment figures in this schedule are provided in draft form as the 2024 Budget process is in progress as of January 9th, 2024.