Staff Report

Report To: City Council

Report From: Sabine Robart, Senior Planner

Meeting Date: November 30, 2026

Report Code: CS-26-098

Subject: Environmental Registry of Ontario Posting 026-1075 – Consultation on Watershed Councils

Recommendations:

THAT in consideration of Staff Report CS-26-098 respecting the consultation on watershed councils through Environmental Registry of Ontario posting 026-1075, City Council directs staff to:

1. Send this report to the Province of Ontario as the City's comments on Environmental Registry of Ontario posting 026-1075; and
2. Forward this report to Paul Vickers, MPP for Bruce-Grey-Owen Sound and the Grey Sauble Conservation Authority.

Highlights:

- The City of Owen Sound will be represented by the County of Grey, as the upper tier municipality, on the Board of Directors of the Lake Huron Regional Conservation Authority which will come into existence on February 1, 2027.
- The province is currently consulting on further legislative and regulatory changes to the *Conservation Authorities Act* (CAA), *Clean Water Act*, and *Lake Simcoe Protection Act*. The Environmental Registry of Ontario (ERO) posting 026-1075 is seeking input regarding the creation of local watershed councils by regional CAs.
- Given the immense range of the Lake Huron Regional Conservation Authority (LHRCA), watershed councils will perform a key role in

identifying local priorities with respect to the authority's programs and services and to ensure that local interests are considered as part of the authority's decision-making process.

- Given the lack of lower-tier municipal representation on the Board of Directors, it will be important that the watershed councils include elected representatives from all lower-tier municipalities within the regional Conservation Authority (CA).

Vision 2050 - Strategic Plan Alignment:

Strategic Plan Priority: The recommendation contributes to core service delivery or a corporate initiative that enables service delivery for one or more strategic priorities.

Previous Report/Authority:

Report CS-25-123 – Proposed Changes to the *Conservation Authorities Act*

Grey County Committee of the Whole – November 12, 2026 (CAOR-CW-29-26 – *Conservation Authorities Act* Regulatory Amendments - County Comments)

Background:

Conservation Authorities

Conservation authorities (CAs) are local public sector organizations established by the Province and governed by the *Conservation Authorities Act* (CAA), which is administered by the Ministry of the Environment, Conservation and Parks. CAs are watershed-based; that is their boundaries follow water flow across the landscape rather than socio-political boundaries. With regulatory changes in 2023, the province changed the jurisdiction of the Cas. There are now three categories of programs that Cas carry out that serve provincial and municipal interests:

Mandatory programs (Category 1) O. Reg. 686/21 sets out the mandatory programs and services which must be delivered by CAs in Ontario:

- natural hazard management including:
  - flood and erosion control
  - drought/low water program

    - regulating impacts of development and activities in hazardous land (such as floodplains, shorelines or wetlands), natural hazards, and public safety through a permitting process (O. Reg 41/24 Prohibited Activities, Exemptions and Permits)
- management of conservation authority owned land
- drinking water source protection under the *Clean Water Act*
- surface water and groundwater monitoring programs

Municipal programs and services (Category 2)

- Advice to municipalities on natural hazard management and other matters under the *Planning Act*:
    - Through Memorandum of Agreement, GSCA provides *Planning Act* application review and technical clearance services to the City of Owen Sound
    - Contracted services to manage Grey County Forests, forest trails, and CP Rail Trail
    - Contracted services to oversee Grey County Forest Management By law
    - Drinking Water Source Protection Risk Management Services to 14 municipalities on a fee for service basis (including Owen Sound)

Other programs and services (Category 3)

- Local conservation authorities develop and deliver additional local natural resource programs and services, including:
    - Environmental education and community outreach (day camp, school education programs)
    - Land stewardship programs
    - Stakeholders, committees, "friends of" groups, partnerships to provide value in delivery of programs and services e.g. Bruce Trail connectivity into Owen Sound through GSCA properties
    - Conservation areas – recreational activities and camping

See Attachment 1 for a graphic overview of CA funding and program and services.

2025-2026 – Amalgamation, Project Executives, and Transition Committees

In 2025, the province introduced legislation to establish the Ontario Provincial Conservation Agency (OPCA). The purpose of the agency is to oversee the implementation of a regional, watershed-based consolidation of conservation authorities.

Ontario's 36 CAs are to be consolidated into nine (9) regional CAs on February 1, 2027. Owen Sound will be located within the Lake Huron Regional Conservation Authority (LHRCA) consisting of the following former CAs:

- Ausable Bayfield Conservation Authority
- Maitland Valley Conservation Authority
- Saugeen Valley Conservation Authority
- Grey Sauble Conservation Authority
- Nottawasaga Valley Conservation Authority
- Lake Simcoe Region Conservation Authority

The OPCA has appointed a Project Executive for each new Regional CA. The Project Executive will lead the transition and will become the CAO of the new CA for the first two (2) years.

- The Project Executive for the LHRCA is Don Goodyear, former CAO of the Lake Simcoe Region CA.
- Communication from Don Goodyear to the watershed municipalities of the LHRCA is provided in Attachment 2 and includes a conceptual map of the LHRCA.
- A transition committee was established for each new Regional CA to develop a transition plan. The committee is comprised of the current General Manager/CAO (Tim Lanthier) and one board member (elected representative) of each original CA and is headed by the Project Executive.
- The transition committees are working to support continuity of programs and services, while developing longer-term plans to guide organizational integration, governance, and operations.
- A webpage providing updated information on the transition is available on each local CAs website - LHRCA Transition – Grey Sauble Conservation Authority

Regional CAs & Governance

The new CAs will be governed by boards of directors appointed from the "participating" upper and single tier municipalities. The Conservation Authorities Act (CAA) defines a participating municipality as a municipality that is designated by or under the CAA as a participating municipality for a Regional CA and consequently is entitled to representation on the future Board of Directors. The LHRCA will include:

Upper Tier:

- Bruce County
- Dufferin County
- Durham Region
- **Grey County**
- Huron County
- Lambton County
- Middlesex County
- Perth County
- Simcoe County
- Wellington County
- York Region

Single Tier:

- City of Barrie
- City of Kawartha Lakes

The City of Owen Sound is a lower-tier municipality and will therefore not be a 'participating' member of the CA and not have a seat on the Board of Directors. Grey County will also participate in the Eastern Lake Erie Region Conservation Authority; however, this does not include any area within the Owen Sound geographic boundary. As described in more detail below, Owen Sound will be represented on the LHRCA Board of Directors through Grey County representatives.

The province consulted on a draft proposal outlining how many seats each single and upper tier municipality may have on the new regional CA's Board of Directors through ERO 026-0740 in Summer 2026. Under the proposed tiered allocation formula, the number of members each participating municipality appoints to a Regional CA would be based on its share of the CA's total population. Participating municipalities (upper and single tier

municipalities) are to be assigned to one of four population-based tiers, with each tier corresponding to a set number of members. See Attachment 3 for an extract of additional information provided with ERO 026-0740 for details and the anticipated breakdown for the LHRCA. The draft regulations propose that Grey County appoint two members to the Lake Huron RCA and one member to the Eastern Lake Erie RCA.

The population-based formula will result in York Region having four members on the LHRCA Board even though only 53 per cent of its area is within the CA whereas Huron County which has 99 per cent of its land area in the CA will only receive one board member. Similarly, Bruce County, which for all intents and purposes is completely located within the LHRCA, will only be allowed one board member (Northern Bruce Peninsula is not within the regional CA and is not within GSCA currently). The LHRCA board will have 21 members in total with Grey County being represented by two (2) members.

Chart 1 – Comparison of Population vs Land Area and Apportionment of Board Members – Lake Huron Regional Conservation Authority

	Total Pop.	**Total Area***	**% of Mun. within LHRCA**	**Area within LHRCA***	**% of total LHRCA area***	**% of total LHRCA Pop.**	**# of Board Mem.**
Grey County	100,905	453,078	98.7	447,187	21.9	6.4	2
Bruce County	72,071	399,874	80.2	320,698	15.7	3.7	1
Huron County	58,459	341,511	99.1	338,437	16.6	3.7	1
York Region	1,173,103	176,073	53.0	93,318	8.6	40.1	4

**Numbers are approximate based on available mapping*

Since the ERO posting, no further communication has been provided, and it is anticipated that the province will initiate Regulations in coming months to formalize the tiered allocation formula. Once the governance model has been finalized, municipalities (upper and single tier) will be informed of how many seats they are responsible for to facilitate the appointment of board

members by January 31, 2027. The current board members will continue to serve until January 31, 2027.

Starting with the 2028 budget, only single and upper tier municipalities will be invoiced for their apportionment/CA levy.

Current ERO Postings

The province is currently consulting on further legislative and Regulatory changes with comments due between November 21 and December 6, 2026. Changes are proposed to the *Conservation Authorities Act*, *Clean Water Act*, and *Lake Simcoe Protection Act*. Attachment 4 provides a list and brief description of each posting.

ERO posting 026-1075 is seeking input regarding the creation of local watershed councils by regional CAs. The watershed councils would have multiple roles including:

- fulfilling the role of Source Protection Committee (SPCs); and
- assisting regional CAs in identifying local priorities with respect to the CA's programs and services and to ensure that local interests are considered as part of the CA's decision-making process.

The LHRCA will be the authority for three SPCs including the Saugeen, Grey Sauble, Northern Bruce Peninsula Protection Region. Owen Sound is a member municipality of the Grey Sauble Source Protection Committee. The other SPCs are Ausable Maitland Source Protection Region and South Georgian Bay Lake Simcoe Source Protection Region.

Analysis and Options:

Many of the proposed changes are administrative in nature to facilitate the amalgamations, address governance and funding, and transfer responsibilities regarding source water protection to the new regional CAs and future watershed councils.

County staff have provided comments on these matters from an upper tier perspective and future 'participating' municipality through CAOR-CW-29-26 *Conservation Authorities Act* Regulatory Amendments - County Comments. City staff generally concur and support the County comments.

There are several matters that are noteworthy from a lower tier perspective:

Finance

As noted above, starting with the 2028 budget, only single and upper tier municipalities will be invoiced for their apportionment/CA levy. The CA levy will no longer be a line item in the City's budget. Rather, the CA levy will become part of the City's transfer to the County. A majority of the CA funding will continue to come from the municipal levy and consequently be based on the property tax base.

Governance

Under the current system, Owen Sound is represented by two (2) elected officials on the GSCA Board which has eleven (11) members. Lower-tier municipalities such as Owen Sound will no longer have direct representation on the Board of Directors of the Regional CAs. The decision to base the number of board members of the Regional CAs on population numbers rather than land area or a combination of land area and population has weighted representation on the board of the LHRCA to the highly urban, northern GTA municipalities. The LHRCA Board will have eleven (11) members representing York, Simcoe, Durham, and Barrie and ten (10) members representing Grey, Bruce, Dufferin, Huron, Middlesex, Wellington, Perth, Lambton, and Kawartha Lakes. As such, the majority of the board members will represent less than a third of the total land area of the regional CA.

The range and diversity of natural, economic, and social issues facing the various member municipalities of the LHRCA is significant. Essentially the only common dominator between the participating municipalities is that their watersheds flow into Lake Huron. The natural environment and economic realities differ widely from Lambton County in the south to the Bruce Peninsula in the north and to southern Georgian Bay, Lake Simcoe, and the northern GTA in the east. Even within Grey County, being limited to two (2) Board members may result in a scenario where Owen Sound has no direction representation on the LHRCA Board of Directors.

Watershed Councils

Given the immense range of the LHRCA as noted above, watershed councils will perform a key role in ensuring that local needs and priorities are identified and conveyed to the regional CA's Board of Directors. The current ERO posting notes that the local watershed councils are intended to assist

the regional CA in identifying local priorities with respect to the authority's programs and services and to ensure that local interests are considered as part of the CA's decision-making process. In addition, the watershed councils would assume the responsibilities of the Source Protection Committee. Currently, there are nine (9) Source Protection Committees across the province which have developed 38 local Source Protection Plans.

Within the LHRCA, there are currently three Source Protection Committees/regions. The chart below provides the total number of members in each Committee and the representative composition of each committee as per the Clean Water Act Regulation.

Chart 2 – Composition of Source Protection Committees in the LHRCA

Committee	Committee Members	No.
Saugeen, Grey Sauble, Northern Bruce Peninsula Source Protection Region	Municipal – 4 Agriculture – 3 Commercial/Industrial – 1 Other Interests – 4 Environmental Health Public/Environment Public/Environment	12
Ausable Maitland Valley Source Protection Region	Municipal – 4 Economic – 4 Agriculture - 2 Industry - 1 Commerce - 1 Other Interests – 4 Environment – 2 Property Owner – 1 Public-at-large – 1	12
South Georgian Bay Lake Simcoe Region	Municipal – 7 Public – 7 Economic – 7 Chippewas of Rama First Nation – 1	22

Watershed Council – Composition, Number, Procedure

The Watershed Councils would be bottom-up organizations that provide a local perspective to the Regional Board. The number of Watershed Councils per Regional CA will depend on a variety of factors including the diversity of land types, economies, and communities within the Regional CA. Given the lack of lower-tier municipal representation on the Board of Directors, it will be important that the Watershed Councils include elected representatives from all lower-tier municipalities within the Regional CA.

If the watershed councils are to take on the responsibilities of the Source Protection Committees, then representation on the council will need to conform to the Regulations of the *Clean Water Act* and include members that:

- reflect the interests of the agricultural, commercial, or industrial sectors of the source protection area; and
- reflect the environmental, health and other interests of the general public.

Watershed planning will benefit from the mixture of expertise and perspectives provided by the makeup of the Source Protection Committees. Additional representatives from environmental/naturalist groups, 'friends' of the CA, recreational (hiking, hunting, fishing, etc.) organizations would enrich the contribution of the Watershed Council to the Regional Board.

Representation from First Nation communities in whose traditional territories the Regional CA is located would be valuable to inform the work of the Regional CA as well. As noted in the County staff report, this would be an avenue through which traditional ecological knowledge (TEK) could be incorporated into RCA practices and applied on a local basis through Watershed Councils.

The existing Source Protection Committees and CAs are likely a practical starting point for the number of Watershed Councils as well as the composition. City staff recommend that at least three Watershed Councils be established for the LHRCA in accordance with the current Source Water Protection Committees. The three existing Source Protection Committees are grouped/located in a way that makes sense from a geographic, environmental, and economic perceptive:

- Ausable Maitland covers the intensively farmed areas and central Lake Huron shoreline developments of Huron, Perth, Middlesex, etc.

- Saugeen Grey Sauble covers the northern Bruce and Grey County area characterized by increasing karst geology with less overburden, diverse rural development, and shoreline communities.
- South Georgian Bay Lake Simoce covers the areas of Simoce, Dufferin, York characterized by increasing urban development and sensitive natural environments.

The Source Protection Committees have an in-depth understanding of their local communities and with the addition of elected representatives from the lower-tier municipalities and other stakeholders could form the initial Watershed Councils. These Committees have existing process procedures in place and are often supported by the existing CA staff.

City staff recommend that each RCA should establish a formal appointment process defining how representatives are identified and selected for its Watershed Councils. As noted previously, representation from the elected lower-tier municipal councils will be essential. City staff recommend that governance of the watershed council should be subject to procedures like those of Source Protection Committees and municipal boards. Watershed Councils should have scope to guide local RCA activities while making recommendations to, collaborating with, and remaining accountable to the RCA board.

Watershed Council – Functions and Activities

Previous City staff reports on the CA amalgamation have noted concerns with significant loss of representation, reduced prioritization of local issues and priorities, and community focused service delivery. The creation of Watershed Councils could somewhat alleviate those concerns and City staff concur with the County that:

- Watershed Councils could champion local plans, advise the RCA board, and seek resources for local initiatives.
- Watershed Councils could operate similarly to standing committees in a municipal context, with each council responsible for oversight of a specific area and providing a tangible connection to the larger RCA board.
- Watershed Councils would have the most direct contact with communities and support local staff teams in delivering services.
- Watershed Councils would advocate for local priorities to the RCA board, seeking support and resources to deliver on those priorities.

- Watershed Councils could be the appropriate body for the municipal-specific watershed planning as required by the PPS

City staff recommend that the province provide additional opportunities to engage regarding watershed councils over the coming months and years as the amalgamation process unfolds and is refined.

Resource Alignment:

Financial Resources

Overall financial implications are unknown at this time.

The City will receive its final CA levy invoice in 2027. From 2028 onward, the levy will be included in the City's transfer to Grey County.

The cost of operating the Ontario Provincial Conservation Agency (OPCA) is intended to be funded by the regional CAs over time. Grey County as the participating municipality will be addressing the levy request from the OPCA.

Human Resources

Changes to the structure and operations of the CA will impact a number of City departments and necessitate staff education and training as the new regional CA develops its procedure and policies. New relationships will need to be established with the staff at the various levels of the new CA.

Time and Scheduling

Amalgamation Date is February 1, 2027.

Implementation timeline for the watershed councils is unknown at this time.

Technology and Infrastructure

N/A.

Climate and Environmental Impacts:

There are no anticipated climate or environmental impacts.

Communication and Engagement:

It is recommended that this report and its attachments be provided to the Province of Ontario as the City's response to the Environmental Registry of Ontario posting 026-1075, and that the report be forwarded to Paul Vickers, MPP for Bruce-Grey-Owen Sound and the Grey Sauble Conservation Authority.

Report Developed in Consultation With:

Staff regularly consult a range of professional sources to inform their analysis and recommendations. Links to resources are included throughout this report and in the attached schedules.

Attachments:

1. Conservation Authorities – Funding Sources and Programs and Services
2. Lake Huron Regional Conservation Authority – Conservation Authority Consolidation Information (Don Goodyear – Project Executive)
3. Appointment of Members by Participating Municipalities to Regional Conservation Authorities under a Proposed Tiered Allocation Formula (ERO 026-0740)
4. Summary of Current ERO Postings related to *Conservation Authorities Act*, *Clean Water Act*, and *Lake Simcoe Protection Act* Changes Fall 2026

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