



The Regional Municipality of Durham

COUNCIL INFORMATION PACKAGE

April 17, 2020

Information Reports

2020-INFO-32 Commissioner of Planning and Economic Development – re: Monitoring of Land Division Committee Decisions of the February 10, 2020 Meeting

2020-INFO-33 Commissioner of Finance – re: Economic Update – Updated Risks and Uncertainty as of April 15th, 2020

Early Release Reports

There are no Early Release Reports

Staff Correspondence

1. Memorandum from Gioseph Anello, Director (Acting), Waste Management Services and Laura McDowell, Director, Environmental Promotion and Protection - re: Durham/York Energy from Waste Project, Revised Third Party Audit Operations Plan, Environmental Compliance Approval Condition Memorandum

Durham Municipalities Correspondence

There are no Durham Municipalities Correspondence

Other Municipalities Correspondence/Resolutions

There are no Other Municipalities Correspondence/Resolutions

Miscellaneous Correspondence

There are no Miscellaneous Correspondence

Advisory Committee Minutes

There are no Advisory Committee Minutes

Members of Council – Please advise the Regional Clerk at clerks@durham.ca, if you wish to pull an item from this CIP and include on the next regular agenda of the appropriate Standing Committee. Items will be added to the agenda if the Regional Clerk is advised by Wednesday noon the week prior to the meeting, otherwise the item will be included on the agenda for the next regularly scheduled meeting of the applicable Committee.

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The Regional Municipality of Durham Information Report

From: Commissioner of Planning and Economic Development
Report: #2020-INFO-32
Date: April 17, 2020

Subject:

Monitoring of Land Division Committee Decisions of the February 10, 2020

Recommendation:

Receive for information

Report:

1. Purpose

1.1 This report summarizes the decisions made by the Regional Land Division Committee at its meeting of February 10, 2020 (see Attachment 1). The approved applications conform to the Durham Regional Official Plan. No appeals are recommended. A copy of this report will be forwarded to the Land Division Committee for its information.

2. Attachments

Attachment #1: Monitoring Chart for the February 10, 2020 Meeting

Respectfully submitted,

Original signed by

Brian Bridgeman, MCIP, RPP
Commissioner of Planning and
Economic Development



Monitoring of Land Division Committee Decisions for the Meeting Date of Monday, February 10, 2020

Appeal Deadline: Tuesday, March 10, 2020

LD File Number	Owner	Location	Nature of Application	Regional Official Plan	LDC Decision
LD 024/2019	J. de Jong, Timothy A. Reid-de Jong, Victoria	Part lot 32, Conc. 6 Twp. of Uxbridge	Consent to sever a vacant 568 m ² residential parcel of land, retaining a 934 m ² residential parcel of land with an existing dwelling to remain.	Conforms	Approved unanimously
LD 036/2019	Nekkers, John Nekkers, Petronella	Part lot 33, Conc. 3 Municipality of Clarington	Consent to sever a vacant 1,128.4 m ² residential parcel of land, retaining a 1,128.5 m ² residential parcel of land with an existing dwelling to remain.	Conforms	Approved unanimously
LD 136/2019	Bruno, Tony	Part lot 32, Conc. 6 Twp. of Uxbridge	Consent to sever a vacant 1,304.9 m ² residential parcel of land, retaining a 1,014 m ² residential parcel of land with an existing dwelling to remain.	Conforms	Approved unanimously
LD 014/2020	Carr, Ryan	Part lot 12, Conc. 2 Municipality of Clarington	Consent to sever a 498.4 m ² residential parcel of land, retraining a 502.4 m ² residential parcel of land with an existing dwelling to be demolished.	Conforms	Approved unanimously



The Regional Municipality of Durham Information Report

From: Commissioner of Finance
Report: #2020-INFO-33
Date: April 15, 2020

Subject:

Economic Update – Updated Risks and Uncertainty as of April 15th, 2020

Recommendation:

Receive for information.

Report:

1. Purpose

1.1 The Regional Finance Department monitors economic conditions on an ongoing basis and prepares periodic summary reports to Regional Council. The economy is undergoing a time of significant uncertainty with economic conditions and policies changing on a daily basis. The following summarizes the changes that have occurred over the period of April 9 – April 15, 2020.

2. Federal Government

2.1 On April 8th, the federal government announced revisions to the Canada Emergency Wage Subsidy program. In order to allow more businesses to obtain eligibility, the government is reducing the revenue reduction requirement to 15 per cent, for the period March 15 – April 11. The subsequent periods of April 12 – June 6 will continue to require proof of a 30 per cent revenue reduction.

2.2 The Bill enabling the Canada Emergency Wage Subsidy received royal assent on Saturday April 11th.

2.3 In response to the growing concern around youth employment resulting from COVID-19, the federal government announced a series of temporary changes to the Canada Summer Jobs program. The changes include allowing employment of part-time staff, extending the end date of employment to February 28th, 2021, and allowing employers that hire summer students to apply for a wage subsidy of up to 100 per cent of the provincial hourly minimum wage.

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- 2.4 On April 14, the federal government announced an additional \$20 million for the Canadian Food Inspection Agency in response to COVID-19 to ensure a safe food supply chain. The government also announced support for employers bringing agricultural workers into the country. The government will allocate \$50 million towards providing employers with \$1,500 per worker to help cover the cost of wages while their temporary workers are in quarantine or to provide space for the mandatory 14-day isolation period.
 - 2.5 The federal government has also announced additional funding to help the northern territories deal with the impacts of COVID-19. The funding includes \$72.6 million to the government of Yukon, Northwest Territories, and Nunavut to help support social services and response measures, as well as \$17.3 million to support northern air carriers to ensure these northern regions receive the needed food, medical supplies, and other necessary essential goods.
 - 2.6 In order to help businesses in the northern territories, the government will provide \$15 million in non-repayable support to assist businesses with operating costs. In order to support families in the northern territories, the government is providing an additional \$25 million to Nutrition North Canada to subsidize the cost of nutritious meals and personal hygiene products.

3. Ontario Government

- 3.1 On April 14, the province announced that it would be redeploying resources to support long-term care homes, which included reaffirming its \$243 million commitment included in the COVID-19 response package. The support will enable increased hiring in the homes to ensure staff are only working at one facility.
- 3.2 On April 14th, the provincial government passed legislation to extend the provincial emergency declaration to May 12th. This extension means all non-essential workplaces will remain closed until at least May 12th.
- 3.3 On April 14th, the legislature also passed the Coronavirus (COVID-19) Support and Protection Act to amend the Education Act, Planning Act, Development Charges Act, Police Services Act and the Ministry of Training, Colleges and Universities Act.
- 3.4 The amendments to the Planning Act allow municipalities to suspend certain planning decision timelines during a declared state of emergency. According to the province, these changes will temporarily pause the need for municipalities and planning boards to make planning decisions within specified timelines without the risk of appeal. If municipalities choose to process planning applications, they may still do so by holding virtual/electronic public meetings and making decisions on planning matters during the COVID-19 outbreak.
- 3.5 The amendments to the Development Charges Act allow municipalities with an expiring development charge by-law to use their existing by-law during the current emergency and for six months following the end of the emergency declaration, so

they can continue to charge fees on new construction.

- 3.6 On April 12th, the provincial government announced it had received over 14,000 submissions to the Ontario Together web portal which appeals to manufacturers, entrepreneurs and innovators to provide essential supplies and equipment to support front line workers. According to the government, over 7,500 emergency supply submissions have led to approximately \$90 million in purchases of much needed gloves, masks, face shields, and hand sanitizer.
- 3.7 Durham College has responded to the provincial government request by partnering with Ontario PPE manufacturer InkSmith to produce frames for face shields. The components are being produced through the use of 3D printers by a group consisting of faculty, students, and alumni of the college's mechanical engineering program.
- 3.8 In partnership with Ontario Power Generation and General Motors, Ontario Tech University is assisting in the production of face shields as faculty members from Engineering and Applied Sciences, Health Sciences, and the Automotive Centre of Excellence (ACE) are partnering to prototype new face mask designs that can be produced locally.
- 3.9 Trent University Durham is also assisting to mitigate the impacts of COVID-19 by donating commercial freezers to assist the Back Door Mission in Oshawa with its increased load of food donations. The Back Door Mission is a non-profit organization that works to relieve poverty in the community.
- 3.10 On April 11th, the provincial government announced measures to protect parents by preventing childcare centres from charging parents while the centres are closed during the emergency declaration. The provincial order also ensures that childcare spaces will be protected for all children currently enrolled.
- 3.11 Although the provincial government has extended the mandatory shut down of all non-essential workplaces, the government has begun planning for the economic recovery. On April 9th, the government launched a new Ontario Jobs and Recovery Committee which will focus on getting businesses up and running by developing a plan to stimulate economic growth and job-creation.
- 3.12 According to the provincial government, the Ontario Jobs and Recovery Committee will be consulting with a wide variety of people, including business associations, chambers of commerce, municipal leaders, corporate leaders, small business owners, and entrepreneurs, to assess the impact of COVID-19 on the provincial economy and develop an action plan to move forward.

4. Labour Market

- 4.1 On April 9th, Statistics Canada released Labour Force Survey data for March 2020. This is the first major Statistics Canada data release that captures the impacts of COVID-19 on the economy as the reference period for the survey was

March 15th – 21st.

- 4.2 According to the Labour Force Survey, the number of people employed across Canada declined by 1.011 million, or 5.3 per cent, from February 2020. This lowered Canada's employment rate to 58.5 per cent, which is the lowest rate since 1997.
- 4.3 The most significant declines in employment were felt in service sector industries that involve public facing activities or limited ability to work from home. These industries included accommodation and food services (-23.9 per cent), information, culture, and recreation (-13.3 per cent), educational services (-9.1 per cent), and wholesale and retail trade (-7.2 per cent).
- 4.4 The unemployment rate in March rose to 7.8 per cent, up from 5.6 per cent in February, representing the largest monthly increase since comparable data became available in 1976. The total number of unemployed persons increased by 36.4 per cent, of which the majority is comprised of temporary layoffs associated with COVID-19. The labour force participation rate also declined from 65.5 per cent in February to 63.5 per cent in March.
- 4.5 The unemployment rate for the service sector nearly doubled from 3.1 per cent in February to 6.1 per cent in March. The unemployment rate for the goods producing industry increased slightly from 4.8 per cent to 5.1 per cent. The accommodation and food service industry saw the highest increase in unemployment as the industry's unemployment rate increased from 5.5 per cent to 16.3 per cent.
- 4.6 The Labour Force Survey also showed a large decrease in the number of hours worked in March 2020. The total hours worked across all industries declined by 15.1 per cent in March, which is the largest decline since the data series began in 1976. The accommodation and food service industry led the decline with a 41.1 per cent decline in hours worked, followed by information, culture, and recreation industry with a 30.6 per cent decline.
- 4.7 The number of employed persons in Ontario also declined by 5.3 per cent, lowering the employment rate from 61.6 per cent to 58.2 per cent. The unemployment rate increased from 5.5 per cent to 7.6 per cent while the labour force participation rate decreased from 65.1 per cent to 63 per cent.
- 4.8 The three-month moving average unemployment rate for the Oshawa Census Metropolitan Area (CMA) increased from 7.0 per cent in February to 7.8 per cent in March. The three-month moving average employment rate declined slightly from 62.3 per cent to 62 per cent while the three-month moving average labour force participation rate increased from 66.9 per cent to 67.3 per cent.
- 4.9 After the data release of the March 2020 Labour Force Survey, Statistics Canada released early estimates of monthly GDP for the month of March. Statistics Canada is estimating a monthly GDP decline of 9 per cent for March 2020, which

would be the largest monthly GDP decline since the data series began in 1961. Statistics Canada is also estimating that quarterly GDP for the first quarter of 2020 will decline by 2.6 per cent.

5. Monetary Policy

- 5.1 The Bank of Canada held its regularly scheduled interest rate announcement on April 15th where it was confirmed that the key overnight interest rate will remain at 0.25 per cent. The Bank of Canada reiterated its previous position that a 0.25 per cent overnight rate would be the effective lower bound.
- 5.2 The Bank also announced two new bond purchase programs. The Bank will launch a new Provincial Bond Purchase Program of up to \$50 billion, to supplement its Provincial Money Market Purchase Program. The Bank will also launch a Corporate Bond Purchase Program, in which the Bank will acquire up to a total of \$10 billion in investment grade corporate bonds in the secondary market. Both of these programs will be put in place in the coming weeks.
- 5.3 On April 15th, the Bank of Canada released the April 2020 Monetary Policy Report which includes projections on economic growth. The Bank acknowledges that much uncertainty remains with respect to the length of COVID-19 measures, however, across many scenarios, they estimate a first quarter economic contraction of 1 – 3 per cent and a second quarter contraction of 15 – 30 per cent compared to the fourth quarter 2019. The Bank is also estimating close to 0 per cent inflation over the second quarter of 2020.

6. Global Economy

- 6.1 The United States saw another large portion of the population applying for unemployment insurance over the week of April 4th. Although the number of claims declined by 261,000 from the previous week, the number of first-time jobless claims remained near record territory at 6.066 million. This number indicates that United States has lost approximately 10 per cent of its workforce over the past three weeks.
- 6.2 The U.S Federal Reserve also announced another \$2.3 trillion funding package to provide financing to businesses and state and local governments. The business financing will be in the form of \$1.0 - \$25 million loans to businesses with up to 10,000 employees and less than \$2.5 billion in 2019 revenue. The Federal Reserve will also establish a Municipal Liquidity Facility that will offer up to \$500 billion in lending to states and municipalities.
- 6.3 A deal to cut oil production was reached on April 12th by the member countries of OPEC+ (Organization of the Petroleum Exporting Countries plus its allied nations). The countries agreed to cut global production by 9.7 million barrels per day beginning on May 1st, making this is the single largest output reduction on record. The production cut is necessary due to the lack of available storage capacity and to stabilize falling prices.

- 6.4 In addition to the production cuts by OPEC+, further reductions in production were agreed upon by the United States, Canada, and Brazil. These three countries agreed to cut total production by 3.7 million barrels per day.
- 6.5 According to the International Monetary Fund (IMF) World Economic Outlook, the global economy is heading towards its worst recession since the Great Depression. The IMF is projecting global economic growth to decline by 3.0 per cent in 2020, far worse than the 0.1 per cent decline experienced during the 2009 recession. The new forecast represents a more than 6 percentage point adjustment from its January 2020 forecast which estimated economic growth of 3.3 per cent in 2020.

7. Conclusions

- 7.1 The economy is experiencing increasing volatility with uncertainty around the spread of COVID-19. Economic conditions are changing on a daily basis as policy makers continue to navigate this uncharted territory.
- 7.2 The Regional Finance Department will continue to monitor economic conditions and provide timely updates as required.

Respectfully submitted,

Original Signed by Mary Simpson for Nancy Taylor

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance and Treasurer

If you require this information in an accessible format, please contact The Regional Municipality of Durham at 1-800-372-1102 ext. 3560.



April 14, 2020

Celeste Dugas, Manager, York Durham District Office
Ministry of the Environment, Conservation and Parks
230 Westney Road South, Floor 5
Ajax, Ontario L1S 7J5

Dear Ms. Dugas:

RE: Durham/York Energy from Waste Project
Revised Third Party Audit Operations Plan
Environmental Compliance Approval Condition 15(2)(3)
MECP File #: EA-08-02

In accordance with Condition 15(2)(3) of the Durham York Energy Centre (DYEC) Environmental Compliance Approval (ECA), The Regional Municipality of Durham and The Regional Municipality of York (Regions) respectfully submit a revised Independent Third Party Audit Operations Plan. The revisions to the plan included address the following:

- Updating language to indicate the facility is now an operational facility.
- Change to Ministry to Ministry of Environment, Conservation and Parks (MECP).
- Removal of language pertaining to first receipt of waste.
- Addition of language to notify MECP of new auditing firm within two months of an upcoming audit.
- Addition of language in the event of an emergency situation and rescheduling of the audit to be completed within six months of the resolution of the emergency.

There were no revisions to the audit scope, method or role of the auditors and those aspects remain as previously approved in the original operations audit plan.

We trust that this meets the MECP's expectation. If you require additional information, please contact the undersigned.

Sincerely,

Original signed by:

Gioseph Anello, M.Eng., P.Eng., PMP
Director (Acting), Waste Management
Services
The Regional Municipality of Durham
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Original signed by:

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- c. L. Trevisan, Director, Central Region, MECP
- P. Dunn, Senior Environmental Officer, York Durham District Office, MECP
- J. Butchart, Issues Project Coordinator (Acting), York Durham District Office, MECP
- P. Martin, Supervisor, Air, Pesticides and Environmental Planning, MECP
- T. Bell, Environmental Resource Planner and EA Coordinator, Air, Pesticides and Environmental Planning, MECP
- G. Battarino, Special Project Officer, Project Coordination, Environmental Assessment Services, MECP
- A. Huxter, Environmental Specialist, Covanta
Energy from Waste Advisory Committee (EFWAC)
- C. Raynor, Regional Clerk, The Regional Municipality of York
- R. Walton, Regional Clerk, The Regional Municipality of Durham

Enclosure

DURHAM YORK ENERGY CENTRE



April 7, 2020

Operations Phase Audit Plan
Revision 1

OPERATIONS PHASE AUDIT PLAN REVISION 1

INTRODUCTION

Condition 16 of the Notice of Approval to Proceed with the Undertaking for the Durham and York Residual Waste Study (Ministry of the Environment EAAB File Number EA-08-02) requires the proponents to retain the services of a qualified independent professional engineer to conduct an audit of the undertaking in accordance with an audit plan to be submitted to the Regional Director. Through consultation with the Ministry of Environment, Conservation and Parks (MECP), it was agreed that audits of the undertaking would be divided into three phases: the Construction Phase, the Acceptance Testing Phase, and the Operations Phase. This understanding was formalized in the Construction Phase Audit Plan, which was approved by the MECP on December 8, 2011. The Construction Phase Audit Plan committed the proponents to submitting separate audit plans for future phases of the project.

This Operations Phase Audit Plan describes the requirements for annual audits to be performed by a qualified, independent, professional engineer throughout the lifetime of the facility. As previously approved by the MECP, the first operations phase audit report was submitted to the MECP on April 29, 2016.

BACKGROUND

The Durham York Energy Centre (DYEC) is an energy-from-waste (EFW) facility located in the Municipality of Clarington, Ontario. Owned by The Regional Municipality of Durham and The Regional Municipality of York (Regions), the facility processes up to 140,000 tonnes of non-hazardous, municipal solid waste per year. Heat generated during the combustion of waste is used to generate steam and electricity. Recyclable metals are also recovered from the ash. The DYEC is designed, built, and operated by Covanta Durham York Renewable Energy Limited Partnership (DBO Contractor) in accordance with all applicable regulations using state-of-the-art air pollution control technology. The undertaking was approved under the Environmental Assessment Act by the Minister of the Environment and the Lieutenant Governor in Council on November 3, 2010. An Environmental Compliance Approval (ECA) for waste, air and noise, and storm water was approved June 28, 2011.

Commercial operations commenced in January 2016. The first operations phase audit report was submitted to the MECP on April 29, 2016.

ROLE OF THE INDEPENDENT AUDITOR

The role of the Independent Auditor is to perform an annual facility inspection and complete a review of relevant documentation pertaining to facility operations to confirm that all activities comply with legislative requirements and conditions of approvals and permits including the commitments made in the Environmental Assessment (EA) report.

In addition to the annual independent audit, the DBO Contractor is required to conduct and document daily inspections of the facility. The Owners will also conduct regular inspections of facility operations and will maintain an on-site presence during operations. The Independent Auditor will be selected in accordance with the definition provided in the Notice of Approval of the EA.

“Qualified, Independent, Professional Engineer” means a person who holds a license, limited license or temporary license under the Professional Engineers Act who is not an employee of the Regional Municipality of Durham, the Regional Municipality of York, the operator of the undertaking, or the ministry, who has not been involved in the design of the undertaking but who is knowledgeable about the Environmental Protection Act, Regulation 347 and Ontario Regulation 149/05, ministry guidelines affecting thermal treatment facilities, any other ministry approval issued for the undertaking as well as being experienced at assessing compliance with environmental legislation and requirements of certificates of approval issued under the Environmental Protection Act.

As previously approved by the MECP, the Owners provided the name and employer of the first operations phase auditor at least two months prior to initial receipt of waste. Where there is a change in auditing firms, the Owners will submit the name and employer of any operations auditors two months in advance of the annual audit.

AUDIT SCOPE

The audit scope will include the following:

- 1) Confirmation that the operations at the Site are undertaken in accordance with the requirements of the EA Approval, ECA, and regulatory requirements.
- 2) A review of the monitoring and testing results required by the ECA;

- 3) A review of any complaints received about the operation of the DYEC;
- 4) A review of recommendations for improving the operation of the DYEC received from the Advisory Committee;
- 5) A review of all operations used in connection with the undertaking; and
- 6) A detailed review of all records required to be kept by the EA Approval or under any other MECP approvals for the undertaking.
- 7) Recommendations for any improvements to ensure that DYEC operations are compliant and protective of human health and safety and the environment;
- 8) Observations made during the detailed walkthrough of the entire site;

TIMING OF THE AUDIT

Operations phase audits are completed annually. The independent audits will be scheduled to be completed within one month following the Regions' submission of their annual operations report to the MECP as required by Condition 15 of the Environmental Compliance Approval. The independent operations audit must therefore be completed prior to April 30th of each year.

In the event of an emergency situation such that the auditors are prevented from undertaking the annual audit, the audit will be deferred and completed within six (6) months of the emergency situation being resolved.

The audit report will be submitted to the MECP Regional Director within 10 business days of the date that the audit is completed. The audit date will be subject to change to accommodate the completion of the annual report.

AUDIT METHODOLOGY

The audit will include a detailed inspection of the entire site by the Independent Auditor to view the facility operations and the environmental controls and mitigation measures in place. The Independent Auditor will compare the operations and monitoring results with the appropriate ministry approvals contained in the EA and ECA. The Independent Auditor will identify any discrepancies or deviations from what has been approved by the MECP. The audits will also include a comprehensive review of monitoring records.

AUDIT REPORTS

The Independent Auditor will submit to the MECP Regional Director a signed, written report summarizing the results of the audit. The audit report will be submitted within 10 business days following completion of the audit. The audit reports shall include the following.

- A summary of the site visit, the records reviewed, and any interviews with staff from the Regions, the Owners' Consultant, or the DBO Contractor.
- An assessment of compliance with all applicable approvals, permits, and regulations
- A review of the data from the monitoring and testing plans
- A review of recommendations from the previous year's independent audit report
- Recommendations
- Conclusions