



Electronic General Committee Meeting

Revised Agenda

Meeting No. 18
November 30, 2020, 9:30 AM
Live streamed

Note: Members of the General Committee will be participating in the meeting remotely.

Due to COVID-19, our facilities are closed to the public.
Access is not permitted to the Markham Civic Centre and Council Chamber.

Members of the public may submit written deputations by email
to clerkspublic@markham.ca

Members of the public who wish to make virtual deputations must register by completing an online [***Request to Speak Form***](#) or e-mail clerkspublic@markham.ca providing full name, contact information and item they wish to speak to. Alternatively, you may connect via telephone by contacting the Clerk's office at 905-479-7760 on the day of the meeting.

General Committee meetings are video and audio streamed on the City's website at:

<https://pub-markham.escribemeetings.com/>



Electronic General Committee Meeting

Revised Agenda

Revised Items are Italicized.

Meeting Number: 18
November 30, 2020, 9:30 AM - 1:00 PM
Live streamed

Please bring this General Committee Agenda to the Council meeting on December 9, 2020.

Pages

1. CALL TO ORDER
2. DISCLOSURE OF PECUNIARY INTEREST
3. DEPUTATIONS
4. COMMUNICATIONS
5. PETITIONS
6. PRESENTATIONS - FINANCE & ADMINISTRATIVE ISSUES

- 6.1. AUDITOR GENERAL - UPDATE (7.0)

6

Note: Geoff Rodrigues, Partner, National Internal Audit Leader, MNP LLP, will be in attendance to provide presentation on this matter.

1. The Auditor General Update Presentation be received; and,
2. HRIS Implementation Audit – Follow Up Report be received; and,
3. The Development Charges Audit - Follow Up Report be received; and further,
4. That staff be authorized and directed to do all things necessary to give effect to this resolution.

- 6.2. *AUDITOR GENERAL – INFORMATION AND RECORDS MANAGEMENT AUDIT (7.0)*

30

Note: Geoff Rodrigues, Partner, National Internal Audit Leader, MNP LLP, will be in attendance to provide presentation on this matter.

1. The Information and Records Management Audit Presentation be received; and,
2. The Information and Records Management Audit Report be received; and further,
3. That staff be authorized and directed to do all things necessary to give effect to this resolution.

6.3. 2021 STORMWATER FEE UPDATE (7.0)

J. Lustig, ext. 4715

Note: Staff will speak to this matter.

7. CONSENT - COMMUNITY SERVICES ISSUES

7.1. UPDATED BLUE BOX TRANSITION TIMING AND UPDATE (5.1)

73

P. Fu, ext. 3010 and C. Marsales, ext. 3560

Note: At the November 16, 2020 General Committee meeting, the Committee suggested that there be an additional examination of the draft regulations and comments to the Ministry through the Waste Diversion Committee which occurred on November 25, 2020. As a result, attached are updated documents for your consideration.

1. That the presentation entitled “New Provincial Blue Box Regulation and Preferred Program Transition Date” be received; and,
2. That the City of Markham submit the attached document entitled “City of Markham Comments – ERO (Environmental Registry Ontario) Number 019-2579” and Council Resolution to the Minister of the Environment, Conservation and Parks and Ontario’s Environmental Registry as the City of Markham’s official comments on the draft Blue Box Regulation; and,
3. That the City of Markham requests that the Minister of the Environment, Conservation and Parks include Markham as an Eligible Community on the final Transition Schedule and be assigned the transition date of January 1st, 2023; and,
4. That if an earlier transition date is not provided, the City of Markham requests the right to negotiate directly with the Producers for a date earlier than the one indicated on the final Transition Schedule; and,
5. That the City of Markham requests that the eligible sources, as indicated by the Draft Blue Box Regulation, be expanded to include recycling depots in communities with curbside Blue Box collection,

municipal facilities including public-facing community facilities, all public spaces, Blue Boxes located at Canada Post super mailboxes, and small retail businesses within Business Improvement Areas; and,

6. That the City of Markham requests that the obligations for collection after the transition period (2026+) be equal to or exceed the service standards applicable in transitioning communities on August 15, 2019, specifically, increase Blue Box collection from every other week to weekly collection; and,
7. That, if provided with the ability to select the service delivery option, the City of Markham reserves the right to select the service delivery option determined to be the most financially and operationally beneficial for its residents and report back to Council on the preferred service delivery option; and,
8. That Staff be directed to update Council following the release of the final Regulation and Transition Schedule by the Ministry of the Environment, Conservation and Parks; and,
9. That the City Clerk be directed to forward a copy of this resolution and Comment Letter to the Association of Municipalities of Ontario, York Region and Local Municipalities and the Ontario Ministry of the Environment, Conservation and Parks; and further,
10. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

8. REGULAR REPORTS - ENVIRONMENT & SUSTAINABILITY ISSUES

8.1. MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE (MEAC) MINUTES – FEBRUARY 20, 2020 (16.34)

114

Note: Committee has the option to endorse, amend, refer to staff or receive for information the following recommendation from the February 20, 2020 Markham Environmental Advisory Committee meeting:

"That the Markham Environmental Advisory Committee (MEAC) refer the Climate Emergency Declaration as amended to Markham Council for consideration and to staff for analysis and discussion."

1. That the minutes of the Markham Environmental Advisory Committee (MEAC) meetings held February 20, 2020 be received for information purposes.

9. MOTIONS

10. NOTICES OF MOTION

11. NEW/OTHER BUSINESS

*As per Section 2 of the Council Procedural By-Law, "New/Other Business would generally apply to an item that is to be added to the **Agenda** due to an urgent statutory time requirement, or an emergency, or time sensitivity".*

12. ANNOUNCEMENTS

13. CONFIDENTIAL ITEMS

That, in accordance with Section 239 (2) of the Municipal Act, General Committee resolve into a confidential session to discuss the following matters:

13.1. FINANCE & ADMINISTRATIVE ISSUES

13.1.1. INFORMATION EXPLICITLY SUPPLIED IN CONFIDENCE TO THE MUNICIPALITY OR LOCAL BOARD BY CANADA, A PROVINCE OR TERRITORY OR A CROWN AGENCY OF ANY OF THEM; CYBER SECURITY (7.0) [SECTION 239 (2)(h)]

13.1.2. *INFORMATION EXPLICITLY SUPPLIED IN CONFIDENCE TO THE MUNICIPALITY OR LOCAL BOARD BY CANADA, A PROVINCE OR TERRITORY OR A CROWN AGENCY OF ANY OF THEM; INFORMATION MANAGEMENT AUDIT RESULTS (7.0) [SECTION 239 (2) (h)]*

Note: This item has been moved to the open session.

13.1.3. *LABOUR RELATIONS OR EMPLOYEE NEGOTIATIONS; PERSONNEL MATTER (11.0) [SECTION 239 (2) (d)]*

14. ADJOURNMENT

Information Page

General Committee Members: All Members of Council

General Committee

Chair: Regional Councillor Jack Heath

Vice Chair: Councillor Khalid Usman

Finance & Administrative Issues

Chair: Regional Councillor Jack Heath

Vice Chair: Councillor Khalid Usman

Community Services Issues

Chair: Councillor Karen Rea

Vice Chair: Councillor Isa Lee

Environment & Sustainability Issues

Chair: Regional Councillor Joe Li

Vice Chair: Councillor Reid McAlpine

Land, Building & Parks Construction Issues

Chair: Councillor Keith Irish

Vice Chair: Councillor Andrew Keyes

General Committee meetings are audio and video streamed live at the City of Markham's website.

Alternate formats are available upon request.

Consent Items: All matters listed under the consent agenda are considered to be routine and are recommended for approval by the department. They may be enacted on one motion, or any item may be discussed if a member so requests.

Note: The times listed on this agenda are approximate and may vary; Council may, at its discretion, alter the order of the agenda items.

**Note: As per the Council Procedural By-Law, Section 7.1 (h)
General Committee will take a 10 minute recess after
two hours have passed since the last break.**



City of Markham

Auditor General Update

November 30, 2020



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Agenda

1. Status Update
2. HRIS Implementation Follow Up
3. Development Charges Follow Up
4. New Audit Term & Audit Plan Update

Status Update

- Continuation of Auditor General Services during COVID-19 environment through virtual means
- Completion of the following audits:
 - ✓ Information Management
 - ✓ Cyber Security – Follow Up Audit
 - ✓ HRIS Implementation – Follow Up Audit
 - ✓ Development Charges – Follow Up Audit
- Excluding 2 additional follow up audits that are planned to be completed in 2021, the Auditor General's four-year audit plan has been completed

Status of Four-Year Audit Plan

- > The existing four year audit plan included completion of the following audits and corresponding follow up audits, as follows:

Audit Name	Completion Date	Follow Up Completed
Property Tax & Water Billing	Property Tax – October 2016 Water Billing – February 2017	Property Tax – October 2017 Water Billing – June 2018
Cash Handling	April 2017	November 2018
Vendor Management	October 2017	March 2019
Cyber Security	March 2018	November 2020
HRIS Implementation	June 2018	November 2020
Development Charges	September 2018	November 2020
Payroll	November 2018	N/A – no recommendations
Asset Management	October 2019	Planned for 2021
Information Management	November 2020	Planned for 2021

HRIS Implementation – Follow Up Audit

On June 18, 2018, the Human Resource Information System (“HRIS”) Implementation Audit Report was issued, evaluating the effectiveness of the City’s key change management controls and system implementation and data migration activities relating to the HRIS.

As reported, the City performed reasonable procedures to implement the new HRIS system (Workforce Now), including efficient and effective internal controls and project management activities.

The results of the audit identified two medium priority observations and one low priority observation with corresponding recommendations.

The follow-up audit was completed August 2020.

1. Implementation of Complementary User Entity Controls ("CUEC")

✓ Remediation Status – Complete

MEDIUM

The one CUEC related to conducting periodic reviews of assigned City employee access to Workforce Now to validate access permissions, has been implemented by the City.

2. Role Based Access Controls ("RBAC")

✓ Remediation Status - Complete

MEDIUM

The City's Information Technology Services and Finance departments perform a review of roles and access rights to Workforce Now on a quarterly basis. In addition to the review, all Directors and Managers of the respective departments must approve of their subordinates' user access rights.

3. Review of ADP Service Organization Controls ("SOC 1") Report

✓ Remediation Status - Complete

LOW

The City's Information Technology Services and Finance departments perform a review and approve the annual ADP SOC 1 report shortly after receipt. The report is reviewed to ensure the adequacy and effectiveness of control activities. Any identified gaps or deficiencies are subject to rectification in a timely manner.

HRIS Implementation – Follow Up Audit

Development Charges – Follow Up Audit

On September 4, 2018 , the Development Charges Audit Report was issued, evaluating the City's development charges processes and controls.

As reported, the City had sufficient and effective processes and controls in place over the issuance, collection, and remittance of development charges.

The results of the audit identified one medium priority observation and one low priority observation with corresponding recommendations.

The follow-up audit was completed May 2020.

1. Consistency in the Development Charge Reserve Borrowing Interest Rate

MEDIUM

✓ Remediation Status – Complete

In May 2019, the City's Development Charge Borrowing Policy and the Investment Interest Allocation Policy were updated to reflect the same guidance - that all internal lending to the Development Charges Reserve will be at the Prime Rate for borrowing deemed to be less than 5 years in duration, and at the York Region debenture rate when borrowing is deemed to be over five years in duration.

2. Presentation of Development Charge Borrowing Balance

✓ Remediation Status - Complete

LOW

While the City has not incurred internal borrowing with regards to development charges since August 1, 2018, Management is committed to itemizing each internal borrowing transaction separately on its reports to Council related to Development Charge Reserves when such occurrences do take place in the future.

Development Charges – Follow Up Audit

New Audit Term and Audit Plan Update

- Auditor General term has been renewed for five years from 2020 to 2024
- Have been developing the new Five-Year Audit Plan, considering:
 - ✓ Existing, new and emerging trends
 - ✓ Value for money
 - ✓ Upcoming initiatives
 - ✓ Innovation and leading practices
- Audit Plan will be presented to Executive Leadership and General Committee at upcoming meetings

Recommendations

The Auditor General recommends that:

- The Auditor General Update Presentation be received.

Acknowledgement

MNP extends our appreciation to the staff and Commissioners of the City for their co-operation and assistance through our audits and thanks the General Committee of Council for their continued trust and support of the Auditor General role.





City of Markham


Human Resource Information System ("HRIS") Implementation Audit – Follow up

November 30, 2020

PREPARED BY :

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Partner, National Internal Audit Leader

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 Geoff.Rodrigues@mnp.ca





November 30, 2020

Mayor and Members of Council,

Pursuant to MNP LLP's appointment to provide Auditor General Services, I am pleased to present the Human Resource Information System ("HRIS") Implementation Audit Follow-Up Report ("Follow-Up Report") of the Auditor General for the City of Markham ("City"). This Follow-Up Report provides a status update on management's remediation of the observations and recommendations made in the HRIS Implementation Audit issued on June 18, 2018.

As reported in the June 18, 2018 audit report, the City performed reasonable procedures to implement the new HRIS system, Workforce Now, including efficient and effective internal controls and project management activities.

The results of the audit identified two medium priority observations and one low priority observation which included opportunities for improvement with respect to implementing complementary user entity controls to support Workforce Now; defining access roles and appropriately segregating incompatible duties; and reviewing and assessing the ADP service organization control report.

As part of the Auditor General's audit plan, we conducted follow-up procedures to determine the status and evaluation of the effectiveness of management's activities to remediate the three observations identified in the June 18, 2018 audit report. This Follow-Up Report also provides any additional recommendations, if necessary.

This Follow-Up Report was discussed with the City's management, who have reviewed and provided their responses within, as applicable.

This Follow-Up Report will be posted on the City's website and made available to the public after tabling to Council.

Sincerely,

A handwritten signature in black ink, appearing to read 'Geoff Rodrigues'.

Geoff Rodrigues, CPA, CA, CIA, CRMA, ORMP

Auditor General, City of Markham

REMEDIATION STATUS

#	Observations & Recommendations (from June 18, 2018 Audit Report)	Initial Rating	Remediation Overview and Further Auditor General Recommendations	Status
1	<p><u>Implementation of Complementary User Entity Controls ("CUEC")</u></p> <p>Workforce Now was designed under the assumption that certain key controls would be implemented by the City, in addition to the controls maintained by the service provider (ADP).</p> <p>It was noted that one CUEC identified in the ADP Service Organization Control ("SOC 1") report has not been implemented. As such, there is a risk that CUECs that are required for a complete and fulsome system of controls are not sufficiently implemented and operating effectively at the City, thereby not supporting the service organizations system of controls. The City has not implemented the following CUEC that relates to the logical access of Workforce Now:</p> <ul style="list-style-type: none"> Periodic review of assigned clients' (i.e. City) employees' access to the in-scope applications for appropriateness, including assigned roles to promote segregation of duties. <p><u>Recommendation</u></p> <p>The following CUEC should be implemented:</p> <ul style="list-style-type: none"> Periodic reviews of assigned City employee access to Workforce Now to validate that: <ul style="list-style-type: none"> access permissions granted to users continue to be appropriate; and, dormant accounts are identified, and access is removed on a timely basis. 	M	<p>The City has implemented the CUEC relating to conducting periodic reviews of assigned City employee access to Workforce Now to validate that access permissions granted to users continue to be appropriate and identifying dormant accounts and removing access on a timely basis.</p> <p>Specifically, the City has developed a Responsible, Accountable, Supporting, Consulted and Informed ("RASCI") matrix that sets out responsibilities for the review of user roles in Workforce Now, including adding and updating user roles, and performing user role audits.</p> <p>In addition, a Subject Matter Expert ("SME") Committee, comprised of Management from Human Resources and Finance departments, meet on a monthly basis to review user role requests that are "non-routine" in nature to ensure that users are assigned to the correct group and appropriate separation of duties.</p> <p>The review of user groups and appropriateness of their access permissions are conducted by the SME Committee on an annual basis.</p>	Complete

#	Observations & Recommendations (from June 18, 2018 Audit Report)	Initial Rating	Remediation Overview and Further Auditor General Recommendations	Status
	Management Timeline: Q4 2018		Further Auditor General Recommendations None.	
2	<p><u>Role Based Access Controls ("RBAC")</u></p> <p>A RBAC approach is implemented to restrict access to authorized users in Workforce Now. Users are assigned access rights through predefined roles that are configured in the application.</p> <p>The project team worked with ADP and representatives from the business lines to define the different roles and document them in profiles that identify the access rights for each role (i.e. accessible functionalities in the application for each type of role).</p> <p>However, we noted the following:</p> <ul style="list-style-type: none"> • Evidence was not retained to support that the roles were reviewed and signed off for segregation of duties conflicts prior to the system going live; • Evidence was not retained to support that access assigned to users was reviewed and approved before going live, or after going live; and, • The Library Practitioner role (which has been assigned to two individuals) has access to edit both HR and payroll modules. Mitigating controls to address the segregation of duties conflicts have not been identified and implemented. <p><u>Recommendation</u></p> <p>A review of all roles in Workforce Now should be performed to identify segregation of duty conflicts. Where segregation of duty conflicts exists in</p>	M	<p>The City's Information Technology Services and Finance departments perform a review of user access to Workforce Now on a quarterly basis.</p> <p>In addition to this review, all departmental Directors and Managers approve of their subordinates' user access rights to Workforce Now and review roles for appropriate segregation of duties. Evidence of this review is documented through signatures on Workforce Now user status reports and is retained by the Finance department.</p> <p>The Library Practitioner role was changed to provide read-only access, to one of the two individuals who originally had access, to mitigate segregation of duties conflicts.</p> <p><u>Further Auditor General Recommendations</u></p> <p>None.</p>	Complete

#	Observations & Recommendations (from June 18, 2018 Audit Report)	Initial Rating	Remediation Overview and Further Auditor General Recommendations	Status
	<p>the roles, an assessment of the risk should be completed and documented with monitoring controls implemented that address the conflict.</p> <p>The Manager, Financial Reporting and Payroll should review the access rights for all current Workforce Now user profiles and sign-off to approve the access rights provisioned.</p> <p>Management Timeline: Q4 2018</p>			
3	<p><u>Review of ADP Service Organization Controls ("SOC 1") Report</u></p> <p>The Workforce Now application is hosted and managed by the vendor, ADP. The vendor issues a SOC 1 Type 2 report addressing the design and operating effectiveness of the controls managed by ADP.</p> <p>Although the latest SOC 1 Type 2 audit report was obtained and reviewed at a high level by the Internal Project Lead, we noted that accountability over formally reviewing the report to assess the adequacy and effectiveness of the control activities at the service organization has not been formally assigned.</p> <p>This is expected to be assigned in the Responsibility Matrix, however this matrix has yet to be finalized.</p> <p><u>Recommendation</u></p> <p>Responsibility for reviewing and evaluating the ADP SOC report should be formally assigned to an individual with an adequate understanding of the HRIS and system of internal controls.</p> <p>The SOC 1 audit report should be reviewed to:</p> <ul style="list-style-type: none"> Assess the adequacy of the scope of the control objectives and control activities outlined in the report; Evaluate the impact of any service organization control gaps or 	L	<p>The City's Information Technology Services and Finance departments have been assigned responsibility for performing a review of and approving the annual ADP SOC 1 report.</p> <p>The 2018 and 2019 ADP SOC 1 reports were reviewed by the departments to ensure the adequacy and effectiveness of control activities, with identified gaps and deficiencies rectified in a timely manner.</p> <p><u>Further Auditor General Recommendations</u></p> <p>None.</p>	Complete

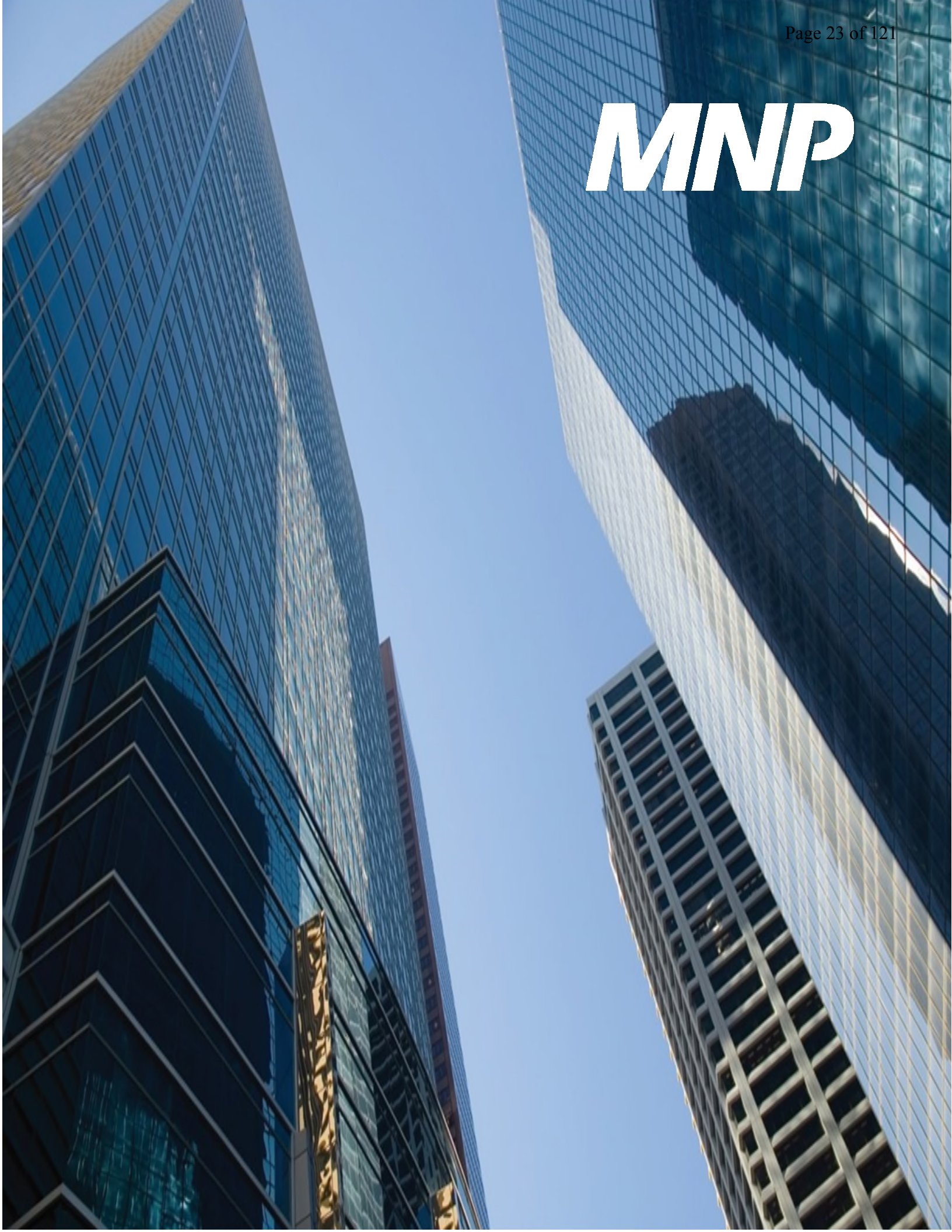
#	Observations & Recommendations (from June 18, 2018 Audit Report)	Initial Rating	Remediation Overview and Further Auditor General Recommendations	Status
	<p>deficiencies noted and their impact to the City's control environment; and,</p> <ul style="list-style-type: none"> Identify compensating controls within the City's processes to address the gaps or deficiencies noted. <p>Management Timeline: Q2 2019</p>			

RECOMMENDATION

The Auditor General recommends that:

1. HRIS Implementation Audit – Follow Up Report be received.

MNP





City of Markham


Development Charges Audit – Follow up

November 30, 2020

PREPARED BY :

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November 30, 2020

Mayor and Members of Council,

Pursuant to MNP LLP's appointment to provide Auditor General Services, I am pleased to present the Development Charges Audit Follow-Up Report ("Follow-Up Report") of the Auditor General for the City of Markham ("City"). This Follow-Up Report provides a status update on management's remediation of the observations and recommendations made in the Development Charges Audit issued on September 4, 2018.

As reported in the September 4, 2018 audit report, the City had sufficient and effective processes and controls in place over the issuance, collection, and remittance of development charges. Noted areas of strength include having documented and defined processes, multiple levels of documentation review, and reconciliation of development charge collections and remittances.

The results of the audit identified one medium priority observation and one low priority observation which included opportunities for improvement with respect to consistency between the City's Development Charge Borrowing Policy and Investment Interest Allocation Policy and the presentation of development charge borrowing balances to Council.

As part of the Auditor General's audit plan, we conducted follow-up procedures to determine the status and evaluation of the effectiveness of management's activities to remediate the two observations identified in the September 4, 2018 audit report. This Follow-Up Report also provides any additional recommendations, if necessary.

This Follow-Up Report was discussed with the City's management, who have reviewed and provided their responses within, as applicable.

This Follow-Up Report will be posted on the City's website and made available to the public after tabling to Council.

Sincerely,

A handwritten signature in black ink, appearing to read 'Geoff Rodrigues', written over a light blue horizontal line.

Geoff Rodrigues, CPA, CA, CIA, CRMA, ORMP

Auditor General, City of Markham

REMEDIATION STATUS

#	Observations & Recommendations (from September 4, 2018 Audit Report)	Initial Rating	Remediation Overview and Further Auditor General Recommendations	Status
1	<p><u>Development Charge Reserve Borrowing Interest Rate</u></p> <p>The City has two policies which address reserves and interest rates:</p> <ul style="list-style-type: none"> • Development Charge Borrowing Policy; and, • Investment Interest Allocation Policy. <p>The Development Charge Borrowing Policy, 2015, states:</p> <p><i>"Internal Borrowing Interest Rate - The internal borrowing rate will be based on the York Region debenture rate for a similar term as the internal borrowing is estimated to be required."</i></p> <p>The Investment Interest Allocation Policy, 2015 states:</p> <p><i>"Interest Bearing Reserves and Reserve Funds - Interest is calculated and allocated monthly. The amount of interest is determined by applying the average money market rate earned by the City in a given month to the previous month's ending reserve balance. Any reserves or reserve funds with negative balances will be charged at a rate of prime."</i></p> <p>As detailed in the 2018 First Quarter Investment Performance Review, an interest rate of 3.45% was applied to the approved \$20M internal borrowing to the Development Charge Reserves from the General Portfolio. The interest rate of 3.45% is the prime rate at the time of borrowing (February 22, 2018), which is appropriate given that some components of the Development Charge Reserve were in a negative balance at the time of borrowing. However, the prime rate differs from the York Region debenture rate, which is the interest rate listed in the Development Charge Borrowing Policy.</p>	M	<p>The City's Development Charge Borrowing Policy and the Investment Interest Allocation Policy have been updated to reflect the same guidance - that all internal lending to the Development Charges Reserve will be at the Prime Rate for borrowing deemed to be less than 5 years in duration, and at the York Region debenture rate when borrowing is deemed to be over five years in duration.</p> <p>Both policies were updated in May 2019.</p> <p><u>Further Auditor General Recommendations</u></p> <p>None.</p>	Complete

#	Observations & Recommendations (from September 4, 2018 Audit Report)	Initial Rating	Remediation Overview and Further Auditor General Recommendations	Status
	<p><u>Recommendation</u></p> <p>The City should update the Development Charge Borrowing Policy to ensure consistency with the Investment Interest Allocation Policy and reflect current practice.</p> <p><i>Management Timeline: Q1 2019</i></p>			
2	<p><u>Presentation of Development Charge Borrowing Balance</u></p> <p>On a quarterly basis, City staff present the balance of internal borrowing between the Development Charge Reserves and the General Portfolio to General Committee of Council, as required by the Development Charge Borrowing Policy.</p> <p>Upon review of the 2018 First Quarter Investment Performance Review – Exhibit 3: Investment Terms, presented to General Committee, \$20M borrowed on February 22, 2018 is combined with \$20M borrowed on January 6, 2016 to show a single balance of \$40M with one borrowing term and one transaction date. Individual internal borrowing transactions for the Development Charge Reserves are not itemized, but rather summed into a single balance.</p> <p><u>Recommendation</u></p> <p>The City should include a footnote that clarifies that the single balance representing Development Charge Reserves lending is comprised of multiple transactions, when applicable, for full transparency and details of the City's internal borrowing to Council.</p> <p><i>Management Timeline: Q4 2018</i></p>	L	<p>While the City has not incurred internal borrowing with regards to development charges since August 1, 2018, Management is committed to itemizing each internal borrowing transaction separately on its reports to Council related to Development Charge Reserves when such occurrences do take place in the future.</p> <p><u>Further Auditor General Recommendations</u></p> <p>None.</p>	Complete

RECOMMENDATION

The Auditor General recommends that:

- 1.The Development Charges Audit - Follow Up Report be received.

MNP



City of Markham

Report of the Auditor General Information and Records Management Audit

November 30, 2020



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Background

The Legislative Services & Communications Department sets the direction for information and records management and City departments are responsible for maintaining records under their custody.

The City has made progress in advancing its information and records management program over the past few years, undertaking initiatives to advance its information and records management program, including;

- Council approval of the City's Record Classification and Retention By-Law 2017-151 in December 2017 which was updated to adopt international best practice frameworks;
- Development of a Corporate Records & Information Management Policy to complement By-Law 2017-151;
- Data cleansing activities to remove redundant, outdated and trivial information from the Markham Museum;
- Establishment of the Leveraging Technology Steering Committee to provide strategic enterprise leadership for the oversight of key information technology and digital objectives, initiatives, and activities; and,
- Council approval to hire one additional resource to support in developing a long-term information and records management strategy, procedures, and training material.

As Auditor General of the City, MNP included an audit within the four-year Audit Plan to assess the policies, processes, and controls of the City's information and records management program, and to provide recommendations for continuous improvement.

Audit Objective

The objectives of the audit were to:

- Evaluate the policies, processes, and controls in place over records and information management;
- Assess compliance of departments with the City's records and information management policies and applicable by-laws; and,
- Provide recommendations for improving the efficiency and effectiveness of records and information management processes, ensuring they align with the City's operating environment.

Scope

The scope of the audit was on records and information management activities, covering the period from September 1, 2018 to August 31, 2019. Specifically, the scope of the audit focused on the following:

- Review of the design effectiveness of the City's records and information management policies, processes, and governance structures against best practice frameworks (i.e. ISO-15489, COBIT, DAMA , and TOGAF).
- Review of the City's record retention/destruction policies, and verify through a sample, that records are retained, destroyed, or stored as required.
- Assess compliance with the City's Corporate Records and Information Management Policy, and Classification and Retention By-law 2017-151 through sampling records from four sample departments, which included:
 - Legislative Services & Communications;
 - Environmental Services;
 - Building Standards; and,
 - Human Resources.
- Review the City's FOI request handling and tracking against MFIPPA requirements.

Audit Approach

1. Project Planning

- Define objectives and scope.
- Confirm project duration and schedule.
- Assign team members and develop team structure.
- Describe deliverables.
- Create Audit Planning Memo and distribute to stakeholders.



2. Project Execution

- Obtain existing policies, process descriptions and relevant documentation.
- Conduct interviews / discussions.
- Understand current state.
- Evaluate current state.



3. Project Reporting

- Identify improvement opportunities.
- Prepare draft report with observations and recommendations.
- Validate and present recommendations.
- Issue final report.

Audit Observations - Strengths

Records Management Software for Physical Records

The City utilizes Infolinx, a records management software, to track and manage the complete lifecycle of physical records and is administered by the Legislative Services & Communications Department. Infolinx is configured to ensure that selections (i.e. records series names, accountability, total retention period, disposition, and security classifications) made in the software are mapped to the requirements of the Record Classification and Retention By-Law 2017-151.

Formalized Data Readiness Assessments

The Information Technology Services Department has a formalized process for performing data readiness assessments for the Open Data program that focuses on data availability, data ownership, risk, corporate alignment, publication value, and technical considerations. In addition, data privacy assessments are performed on information sets before they are released to the public. This formalized process creates a strong foundation for data readiness assessments to be eventually applied to all data sets across the City.

Conclusion

Observation Rating Scale

Rating	Rating Description
Low (L)	The observation is not critical but should be addressed in the longer term to improve internal controls or process efficiency (i.e. 6 to 12 months).
Medium (M)	The observation should be addressed in the short to intermediate term to improve internal controls or process efficiency (i.e. 3 to 6 months).
High (H)	The observation should be given immediate attention due to the existence of a potentially significant internal control weakness or operational improvement opportunity (i.e. 0 to 3 months).

Overall 4 **Medium** and 1 **Low** priority observations were identified.

1. Information and Records Management Strategy and Program

MEDIUM

Detailed Observation:

An information and records management strategy is a key artifact for a municipality's governance of records, generally outlining the necessary leadership, accountability and responsibility. It provides a long-term and enterprise-wide approach to managing a municipality's records across all operational environments.

More specifically, an information and records management strategy identifies and explains:

- the importance of information and records management to the municipality's operations (i.e. 'business enabling' capability to be delivered through records management);
- the responsibilities for information and records management;
- how the strategy aligns with applicable laws, standards, business plans and strategic requirements of the municipality; and,
- how the strategy applies to all records in various formats and locations.

The City does not currently have an information and records management strategy, or a dedicated information and records management program. Driven by the strategy, an information and records management program entails the mobilization of resources and organization of processes to systematically control records throughout their lifecycle.

It is our understanding that the City has stalled in the development its information and records management program due to the following reasons:

- Low data management maturity within the City's electronic and physical information sets (e.g. abundance of duplicate and outdated records, limited metadata to support search & retrieval of unstructured data); and,
- Perceived resource capacity constraints in helping to advance the information and records management program.

In absence of an overarching strategy, mature information sets and dedicated roles, the City is not well-positioned to develop its information and records management program. For instance, the City will not be able to target and prioritize information and records management improvements across defined milestones and transitional states.

As a result, the City is at risk of inefficient utilization of resources, as well as non-compliance to the legislative requirements of the By-Law.

1. Information and Records Management Strategy and Program

MEDIUM

Recommendation:

An information and records management strategy and program should be developed and implemented, and endorsed and promoted by the Executive Leadership Team, for successful adoption across the organization.

In developing the strategy, the City should begin with identifying the ideal information and records management environment (i.e. records assets, legislative compliance, data management, and privacy and security), documenting the directions taken so far, and identifying resources and technologies available to implement information and records management objectives.

In order to be effective, the City's information and records management strategy should be aligned with other City strategies, objectives, risk management programs, and information technology initiatives.

To develop and implement an information and records management program, the City should consider including the following:

- Governance Structure – Outlining leadership, organizational structures, and formal monitoring and reporting requirements.
- Risk Management - Understanding and prioritizing key risks of mismanaging different sets of records and evaluating their impacts.
- Policies and Procedures – Outlining the roles and responsibilities of City staff, steps for records classification, and secure & compliant processes for retention and destruction of records.
- Training & Awareness - Providing the methods and cadence for role-specific records management training.
- Roadmap – Implementing the program in a prioritized sequence, considering the dependencies and impacts of other municipal IT and data projects/initiatives.
- Continuous Improvement – Strategies for ongoing enhancement of processes and capabilities (e.g. goals and performance targets).

The City can leverage its existing Policy and records retention schedule (which contains some of the above elements) to develop a program that contains all key elements. For example, the existing Policy defines a clear governance structure (refer to Observation #2 below), which should be included in the City's program.

1. Information and Records Management Strategy and Program

MEDIUM

Management Response:

Management supports the Auditor General's recommendation to establish an information and records management strategy and program for the City in the future. The City is in the process of implementing several significant IT systems, including; replacement of the program registration system, replacement of the CRM system, new E-Ticketing and scheduling systems, and a new Enterprise Asset Management system. These projects will each require significant staff resources to implement and each will have some form of information management components contained within. As such, management believes it prudent to wait until these systems have been implemented prior to embarking on the creation of an Information and Records Management Program to govern all of Markham's information assets. As such, the City will build the information management model by taking a "bottom up" approach as each system comes on-line.

Following implementation of the new systems and related information management components, the City will enhance its current information and records management practices by developing a program that will include:

- An information management strategy
- A data governance model
- Policies and procedures
- Targeted priorities and dates to address the gaps identified in this audit report
- Identification of budget and resources required

This will provide a more sustainable approach to enhance the City's information and records management posture based on the level of risk tolerance deemed appropriate by the City.

The Information and Records Management Program will be developed for senior management decision-making once the significant projects noted above have been implemented.

Timeline to Implement:

Q4 2022 - In the interim, the City will take steps to enhance its current information and records management practices through policy development and staff training.

Timeline to Implement:

Q1 2021 - Note: This timing may be delayed by the ongoing COVID-19 Pandemic.

2. Information and Records Management Oversight and Monitoring

MEDIUM

Detailed Observation:

The City's Policy defines the governance structure and responsibilities associated with managing records in a transparent and accountable manner. As per the Policy:

The Legislative Services & Communications Department has responsibility for:

"Preparing and issuing management and quality control reports on the status of the Records & Information Management (RIM) Program and ensuring compliance with same throughout the City."

City departments are required to have Records Coordinators responsible for:

"Departmental implementation and maintenance of RIM policies and procedures and supporting department staff and participating in quality control compliance audits as required under the RIM Program Manager."

During our audit, we found that the Legislative Services & Communication Department do not have a formally designated RIM Program Manager and do not create management/quality control reports on the status of the RIM program, and consequently compliance with the program is not being reported to the ELT.

As well, it was noted that adherence to the Policy is not being monitored by the department Records Coordinators. Some Records Coordinators were not familiar with the contents of the Policy and were not aware that they had been formally designated as a Records Coordinator. Without regular monitoring and oversight, departments may not be complying with the Policy and related procedures.

2. Information and Records Management Oversight and Monitoring

MEDIUM

Recommendation:

The City should reinforce the importance of the Policy by communicating the Policy to all departments and staff. A Records & Information Management ("RIM") Program Manager should be formally assigned within the Legislative Services & Communications Department. A Records Coordinator should be formally assigned within each department, with training provided and regular monitoring activities to assess the compliance with the Policy and related procedural manuals. Information and records management compliance topics should be regular agenda items (i.e. at least annually) in ELT meetings to ensure information and records management compliance is reviewed and discussed.

2. Information and Records Management Oversight and Monitoring

MEDIUM

Management Response:

Management supports the Auditor General's recommendation.

Communications will be sent to Directors and Performance Managers outlining City records management requirements. Records Coordinators will be designated in each Department to oversee the records management function and ensure compliance with the Records Classification and Retention By-law. Additional work relative to this recommendation will be determined once the Information Management Program has been developed.

Timeline to Implement:

Q1 2021 - Designation of Records Coordinators

Q2 2021 - Training of Records Coordinators to begin

3. Compliance with Records Classification and Retention By-Law 2017-151

MEDIUM

Detailed Observation:

The City's Classification and Retention By-Law 2017-151 is the official policy for records management at the City and provides staff with the authority to manage records in accordance with relevant policies and legislation.

The City utilizes Infolinx, a records management software, to track and manage the complete lifecycle of physical records. During our audit of the four in-scope departments, we found that the sample records tested within Infolinx complied with By-Law 2017-151 requirements (i.e. total retention periods, disposition, and security classification).

However, for the four in-scope departments, mechanisms were not in place to ensure that records in the network shared drives, applications, and databases used to manage business activities are monitored against the By-Law. As such, departments may not be following the By-Law, which can compromise the City's compliance with legislative requirements. The records retention structure and classification requirements of the By-Law should apply to all records, both electronic and physical.

Recommendation:

To augment the City's information and records management strategy and program (as described in Observation #1), a file and document management framework should ensure that official electronic records in the network shared drive, applications, and databases are separated from transitory records and that only official records are retained. The City should also explore opportunities to procure a records management system that can serve as a long-term records management software for both physical and electronic records.

3. Compliance with Records Classification and Retention By-Law 2017-151

MEDIUM

Management Response:

Management supports the Auditor General's recommendation.

Staff will undertake additional steps to ensure compliance with the City's current Records Classification and Retention By-Law. Staff will implement the tools and related processes identified in the Information and Records Management Program to further monitor compliance in both physical and electronic records.

Timeline to Implement:

Additional work related to this recommendation will be determined once the Information and Records Management Program has been developed.

4. Information and Records Management Training

MEDIUM

Detailed Observation:

Although information and records management training material is available on the City intranet, we noted that Management staff within the four in-scope departments were not familiar with the Policy or the By-Law. Some departments noted that legislation and regulations specific to their business activities dictate different records management and retention practices, which they follow, rather than the By-Law.

Staff who are not aware of the Policy and the By-Law are less likely to comply with policies and procedures which compromises the City's overall compliance with legislative requirements.

Recommendation:

Once the City has developed the information and records management program which includes a training aspect (as described in Observation #1 above), information and records management training should be provided to all employees, including periodic refresher training (e.g. annually) and when updates are made to policies and procedures.

Records Coordinators should also receive additional and more comprehensive training as they should be both the information and records management champions of their respective departments and the point of contact for department staff regarding compliance with policies and procedures.

4. Information and Records Management Training

MEDIUM

Management Response

Management supports the Auditor General's recommendation.

Once Records Coordinators are identified by Department Directors, training sessions will be scheduled.

Legislative Services staff will create a basic training package and make it available to all City staff.

Additional training will be determined as part of the Information and Records Management Program.

Timeline to implement:

Q2 2021 - A training package will be made available to all City staff

5. Freedom of Information (“FOI”) Request Process

LOW

Detailed Observation:

Observations were noted for the two following areas:

1) Legislative Timelines

Under the MFIPPA, the public has the right of access to information under the control of a municipality. Specifically, when a member of the public files a formal request for record, the City must ensure that:

“...the head of the institution to which the request is made, shall, within thirty days after the request is received, and give written notice to the person who made the request as to whether or not access to the record or a part of it will be given.”

During our audit, in two out of 15 sample FOI requests tested, the City did not provide the requestor with a decision letter, outlining the final consideration of the request, within 30 days of receiving the application for access to records.

If the City is not in adherence to the timelines set out in MFIPPA, then it compromises the City’s compliance with legislative requirements.

2) FOI Request Tracking & Review Process

FOI requests are handled by the Legislative Services & Communications Department. Data is inputted into Nordat, an electronic FOI request tracking system. The system is not currently configured to provide staff with notification/reminders of key legislative deadlines, which has resulted in staff tracking the status of FOI requests manually in a Microsoft Excel spreadsheet.

Without effective mechanisms in place to track the status of FOI requests, there is a risk that with increasing volumes of requests due to increased public scrutiny and transparency, the City will be challenged to meet legislative requirements.

In addition, with the exception of complex and high-profile FOI requests, there is no requirement for records to be reviewed and approved by the Manager of Privacy & Access before being provided to the requestor. Without secondary review and approval, there is a risk that irrelevant, incomplete or incorrect information is provided to the requestor.

5. Freedom of Information (“FOI”) Request Process

LOW

Recommendation:

Understanding that FOI Request volumes have increased year over year, the following considerations have been provided to improve efficiencies within the FOI request process.

Legislative Timelines

For continuous improvement, exploration of tools outside of Nordat, such as Microsoft Outlook calendar notifications or other system software, should be considered, to assist City staff in tracking and notifying when key legislative deadlines are approaching.

FOI Request Tracking & Review Process

For routine type FOI requests, the Legislative Services & Communication Department should ensure that a review is performed, and approval is obtained, of all records gathered before they are released to the requestor. The review should assess the completeness of the records and ensure that records are indexed in an organized manner. This would allow for continuous improvement of the effectiveness and efficiency of the FOI request handling process.

5. Freedom of Information (“FOI”) Request Process

LOW

Management Responses:

Management supports the Auditor General’s recommendation.

The Nordat system does not have the ability to send out emails or provide notifications about requests and memos that are due by a specific date. However, Legislative Services staff have set up reminder notifications within Outlook as part of the FOI procedure for inputting requests.

Staff will also review the City’s routine disclosure practices and revise the City’s Routine Disclosure Policy accordingly.

Timeline to implement:

The Outlook reminders have been implemented.

Q3 2021 - The review of routine disclosure practices and associated amendments to the Routine Disclosure Policy will be completed.

Overall Recommendation

The Auditor General recommends that:

1. The Information and Records Management Audit Presentation be received.

Acknowledgement

MNP extends our appreciation to the staff and management of the City for their co-operation and assistance throughout the engagement.





City of Markham

Information and Records Management Audit

November 30, 2020

PREPARED BY :

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MNP.ca



November 30, 2020

Mayor and Members of Council,

Pursuant to MNP LLP's ("MNP") appointment to provide Auditor General Services, I am pleased to present the Information and Records Management audit report ("report") of the Auditor General for the City of Markham ("City"). To ensure the results of our audit are balanced, we have provided in this report a summary of identified strengths, as well as observations and recommendations for improvement.

The audit work was substantially completed on February 1, 2020. The report was discussed with the City's Management, who have reviewed the report and provided their responses within. This report is provided to you for information and approval of the City's proposed action plans.

Based on the results of our audit, the City has some processes and controls in place for records and information management and is working towards becoming fully compliant with the related policies and By-Law 2017-151 ("By-Law). There are areas of good practices which include having records management software to track physical records and having a robust methodology to determine the readiness of datasets to be publicly available online.

Opportunities for improvement were also identified. These include the development of an information management strategy and program, implementing continuous monitoring and oversight of information and records management, maintaining compliance with the City's Record Classification and Retention By-law, conducting information and records management training, and enhancing the Freedom of Information ("FOI") request process.

The report will be posted on the City's website and made available to the public after tabling to Council.

Sincerely,

A handwritten signature in black ink, appearing to read 'Geoff Rodrigues'.

Geoff Rodrigues, CPA, CA, CIA, CRMA, ORMP
Auditor General, City of Markham

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EXECUTIVE SUMMARY

The City has made significant progress in advancing its information and records management program over the past two years. The Legislative Services & Communications Department sets the direction for information and records management and City departments are responsible for maintaining records under their custody. The City's Record Classification and Retention By-Law 2017-151 was approved by Council in December 2017 and was updated to adopt international best practice frameworks.

The City has also undertaken initiatives to advance its information and records management program, including;

- Developing a Corporate Records & Information Management Policy to complement By-Law 2017-151;
- Data cleansing activities to remove redundant, outdated and trivial information from the Markham Museum;
- Establishing the Leveraging Technology Steering Committee to provide strategic enterprise leadership for the oversight of key information technology and digital objectives, initiatives, and activities; and,
- Council approval to hire one additional resource to support in developing a long-term information and records management strategy, procedures, and training material.

The Municipal Act, 2001 states that the Council of a Municipality shall retain and preserve its records in a secure and accessible manner and establish retention periods during which the records must be kept by the Municipality. As such, going forward the City must ensure that it is in full compliance with By-Law 2017-151.

As Auditor General for the City, MNP conducted an audit to evaluate the policies, processes, and controls in place over records and information management, assess compliance of departments with the City's information and records management policies and By-Law 2017-151; and provide recommendations for improving the efficiency and effectiveness of records and information management processes, ensuring they align with the City's operating environment. The scope of the audit focused on the following:

- Design effectiveness of the City's information and records management policies, processes, and governance structures;
- Record retention/destruction policies;
- Compliance with the City's records and information management related policies; and,
- FOI request handling and tracking against Municipal Freedom of Information and Protection of Privacy Act ("MFIPPA") requirements.

There were some noted areas of strength, which include:

- A records management software is utilized to track and manage the lifecycle of physical records.
- A formalized data readiness assessment methodology is utilized to support the Open Data Program.

The audit also identified opportunities to strengthen processes and internal controls in the following areas:

- The City does not have a long-term strategy and program to support its information and records management activities and initiatives.
- There is little information and records management monitoring and oversight following the existing governance structure within the Corporate Records and Information Management Policy.
- The City is not fully compliant with the Classification and Retention By-Law 2017-151, as mechanisms are not in place to ensure that electronic records in network shared drives, applications, and databases used to manage business activities are being monitored against By-Law 2017-151.
- City department staff are not familiar with the requirements outlined in the Corporate Records and Information Management Policy and By-Law and have received minimal training.
- The FOI request tracking and review process is inefficient.

Based on the audit, the City does not have sufficient processes and controls in place over information and records management activities.

BACKGROUND

Information management relates to the organization and control over the structure, processing and delivery of information. It involves managing information through its entire lifecycle, including the collection and management of information from one or more sources, the distribution of that information to one or more audiences, and ultimately disposition through archiving or deletion.

Records management is the systemic control of the creation, receipt, use, maintenance, retention, and disposition of documents, data or other recorded information. While often referred to interchangeably as document management, records management and document management are quite different.

Document management is the development and daily management of in-progress documents. While documents are being developed and worked on (i.e. controlled by the respective document author(s)), the document can be managed inside a document management software/system for the day-to-day capture, storage, modification and sharing of electronic files within an organization. At the City, documents are managed inside various systems, depending on the nature of business.

Records management starts once the document is considered final, and it is "declared" as a "document of record". At this time, transitory records, which are of temporary/insignificant value and which are needed to prepare the final version of records, would be destroyed. A copy of the final document ("record") would be placed into a records management software/system. At the City, this would be the Infolinx system for physical records only, as there is no software/system for electronic records. The required metadata¹ would be added to the record at this time, to ensure it is properly classified and managed. This metadata typically indicates the type of record, length of retention period, and any applicable business rules. The record would be made immutable (i.e. read-only) by the records management system/software and the original version of

¹ Metadata is a set of data that describes and gives information about other data (i.e. content, context and structure of records).

the document remains in the document management software/system, available for the author(s) to create a new version if needed (which would also be declared a record and follow the same process as above).

In 2008, an external consulting firm performed an assessment of the City's information management system, which resulted in an information management strategy report, citing major findings regarding areas including business process documentation, data integration and sharing, and lack of inventory of information assets. To assist in the implementation of recommendations contained in the 2008 report, the City issued two procurements - one for an external consultant in 2011 and one for a corporate electronic agenda management system in 2013 – however, both procurements were subsequently cancelled due to the City's lack of readiness to implement recommendations and the City's reconsidered technology strategy approach.

More recently in 2017, the Legislative Services & Communications Department undertook an initiative to assess the City's records and information management practices. This included identifying redundant, outdated, and trivial information in electronic drives, updating records management processes and policies, and exploring opportunities to hire more dedicated records management staff. As well, the City refreshed By-Law 2017-151: The City of Markham's Classification and Retention By-Law, which was approved by City Council on December 2, 2017.

By-Law 2017-151 is the City's official guidance for records management, providing staff with the authority to manage records in accordance with relevant policies, legislation and regulations. By-Law 2017-151 is supplemented by the Corporate Records and Information Management Policy ("Policy"). The City has adopted International Organization of Standards ("ISO") 15489, which provides a functionally based classification structure and hierarchical framework for the organization and description of records.

In addition, the City receives over 100 requests annually for information under the MFIPPA. As a result, the City must be able to effectively retrieve records in a timely manner to satisfy external information requests and maintain compliance to the Act.

OBJECTIVE

The objectives of the audit were to:

- Evaluate the policies, processes, and controls in place over records and information management;
- Assess compliance of departments with the City's records and information management policies and applicable by-laws; and,
- Provide recommendations for improving the efficiency and effectiveness of records and information management processes, ensuring they align with the City's operating environment.

SCOPE

The scope of the audit was on records and information management activities, covering the period from September 1, 2018 to August 31, 2019. Specifically, the scope of the audit focused on the following:

- Review of the design effectiveness of the City's records and information management policies, processes, and governance structures against best practice frameworks (i.e. ISO-15489², COBIT³, DAMA⁴, and TOGAF⁵).
- Review of the City's record retention/destruction policies, and verify through a sample, that records are retained, destroyed, or stored as required.
- Assess compliance with the City's Corporate Records and Information Management Policy, and Classification and Retention By-law 2017-151 through sampling records from four sample departments, which included:
 - Legislative Services & Communications;
 - Environmental Services;
 - Building Standards; and,
 - Human Resources.
- Review the City's FOI request handling and tracking against MFIPPA requirements.

RISKS

The following inherent⁶ risks were considered during the audit, which given the scope of the audit are typical risks to be considered:

- Records and information management strategies and governance structure are not adequate.
- Aspects of records and information management processes are not sufficiently scalable to the size of the organization.
- Records are not retained or are destroyed according to retention schedules.

² ISO-15489 Information and Documentation - Records Management is an international standard for the management of business records, specifically records management. This standard provides an outline for comprehensive assessment of full and partial records management programs. It was developed by The International Organization for Standardization ("ISO").

³ Control Objectives for Information and Related Technologies ("COBIT") is a good-practice framework created by the Information Systems Audit and Control Association ("ISACA") for information technology ("IT") management and IT governance.

⁴ The Data Management Association ("DAMA") is a non-profit and vendor-independent association of business and technical professionals that is dedicated to the advancement of data resource management ("DRM") and information resource management ("IRM").

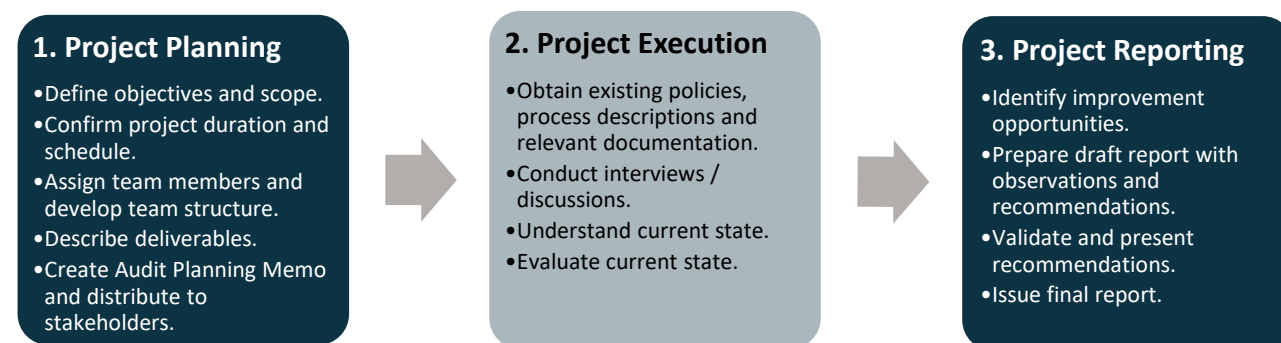
⁵ The Open Group Architecture Framework ("TOGAF") is a framework for enterprise architecture that provides an approach for designing, planning, implementing, and governing an enterprise information technology architecture.

⁶ The risk derived from the environment without the mitigating effects of internal controls; Institute of Internal Auditors.

- Records and information management processes do not comply with relevant by-laws and policies.
- Responses to requests for records under MFIPPA, from external stakeholders, or internal requests may be unreasonably delayed or incomplete due to records management systems, practices or processes.
- Employees may not receive training relating to records and information management or know where to access record schedules.
- Records and information management processes may not ensure the accuracy, integrity, confidentiality, reliability, and accessibility of data (unauthorized use or access, accidental disclosure, modification, or loss of data).

APPROACH

Based on MNP methodology, the high-level work plan for the audit included the following:



AUDIT TEAM

The audit was carried out by the following MNP team:

Geoff Rodrigues, Auditor General	Provided expertise in audit methodology, directed the MNP team in all stages of the audit, and ensured that firm and professional quality assurance standards were maintained.
Veronica Bila, Audit Delivery Partner	Oversaw all aspects of the engagement and reviewed audit results.
Hash Qureshi, Subject Matter Expert	Provided expert knowledge on information and records management during the audit process including planning, execution and reporting.
Michael Melville, Subject Matter Expert	
Chris Wu, Manager	Planned, managed and carried out audit procedures, involving the above resources as needed.
Osman Qureshi, Auditor	Carried out audit procedures.

STRENGTHS

In conducting the audit, MNP noted the following strengths with respect to the City's processes and controls in place over information and records management activities:

Records Management Software for Physical Records	The City utilizes Infolinx, a records management software, to track and manage the complete lifecycle of physical records and is administered by the Legislative Services & Communications Department. Infolinx is configured to ensure that selections (i.e. records series names, accountability, total retention period, disposition, and security classifications) made in the software are mapped to the requirements of the Record Classification and Retention By-Law 2017-151.
Formalized Data Readiness Assessments	The Information Technology Services Department has a formalized process for performing data readiness assessments for the Open Data program that focuses on data availability, data ownership, risk, corporate alignment, publication value, and technical considerations. In addition, data privacy assessments are performed on information sets before they are released to the public. This formalized process creates a strong foundation for data readiness assessments to be eventually applied to all data sets across the City.

SUMMARY OF OBSERVATIONS

To enable the City to set priorities in their action plans, we have reported our observations in one of three categories, "Low", "Medium" or "High" based on our assessment of the priority (i.e. significance, complexity, and resources required) of each observation.

Rating	Rating Description
Low (L)	The observation is not critical but should be addressed in the longer term to improve internal controls or process efficiency (i.e. 6 to 12 months).
Medium (M)	The observation should be addressed in the short to intermediate term to improve internal controls or process efficiency (i.e. 3 to 6 months).
High (H)	The observation should be given immediate attention due to the existence of a potentially significant internal control weakness or operational improvement opportunity (i.e. 0 to 3 months).

The table below provides a summary of our observations and recommendations, based on the rating scale outlined above. Detailed observations and recommendations can be found in **Appendix A**.

REF.	SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS	RATING
1	<p>Information and Records Management Strategy and Program</p> <p>The City does not currently have an information and records management strategy and program. Without an information and records management strategy, the City will not have a defined path towards developing an information and records management program that ensures compliance with the By-Law.</p> <p>The City should develop and implement an information and records management strategy and program. The strategy and program must be endorsed and promoted by the Executive Leadership Team ("ELT") in order for it to successfully be adopted across the organization. The City can leverage its existing Policy and records retention schedule to develop a program that covers the governance structure, risk management processes, policies & procedures, training & awareness, roadmap and continuous improvement.</p>	M
2	<p>Information and Records Management Oversight and Monitoring</p> <p>There is little oversight of the departments within the scope of this audit on following the existing governance structure within the Corporate Records and Information Management Policy. Without regular monitoring and oversight, departments may not be complying to the Policy and related procedures.</p> <p>The City should reinforce the importance of the Policy by communicating the Policy to all departments and staff. A Records & Information Management ("RIM") Program Manager should be formally assigned within the Legislative Services & Communications Department. A Records Coordinator should be formally assigned within each department, with training provided and regular monitoring activities to assess the compliance with the Policy and related procedural manuals.</p> <p>Information and records management compliance topics should be regular agenda items (i.e. at least annually) in ELT meetings to ensure information and records management compliance is reviewed and discussed.</p>	M
3	<p>Compliance with Records Classification and Retention By-Law 2017-151</p> <p>The City utilizes Infolinx, a records management software, to track and manage the complete lifecycle of physical records. During our audit of the four in-scope departments, we found that the sample records tested within Infolinx all complied with the By-Law requirements. However, mechanisms were not in place to ensure that electronic records in the network shared drives, applications, and databases used to manage business activities are being monitored against the By-Law.</p>	M

REF.	SUMMARY OF OBSERVATIONS AND RECOMMENDATIONS	RATING
	<p>The requirements of the By-Law should apply to all records, both electronic and physical. Departments that do not meet the requirements compromise the City's compliance to legislative requirements.</p> <p>To augment the City's information and records management strategy and program (as described in Observation #1), a file and document management framework should ensure that official electronic records in the network shared drive, applications, and databases are separated from transitory records and that only official records are retained. The City should also explore opportunities to procure a records management system that can serve as a long-term records management software for both physical and electronic records.</p>	
4	<p>Information and Records Management Training</p> <p>Although information and records management training material is available on the City intranet, it was noted that some staff within the four in-scope departments were not familiar with the Corporate Records & Information Management Policy or the Records Classification and Retention By-Law 2017-151.</p> <p>Staff who are not aware of the Policy and the By-Law are less likely to comply with policies and procedures, which compromises the City's compliance to legislative requirements.</p> <p>Once the City has developed the information and records management program (as described in Observation #1), records management training should be provided to all employees. Records coordinators should receive additional and more comprehensive training as they should be the information and records management champions of their respective departments.</p>	M
5	<p>Freedom of Information ("FOI") Request Process</p> <p>The FOI request tracking system is not currently configured to provide staff with notifications/reminders of key legislative deadlines. Consequently, audit testing revealed that a sample of two out of 15 FOI requests did not meet legislative timelines. Without effective mechanisms in place to track the status of FOI requests, there is a risk that with the increasing volume of requests due to new legislation, the City will be challenged to meet legislative timing requirements.</p> <p>In addition, except for complex or high-profile requests, there is no review of FOI request documents for completeness and approval by Management before they are released to the requestor. Without secondary review and approval from Management, there is a risk that irrelevant, incomplete or incorrect information is provided to the requestor.</p> <p>The City should explore tools to automate the tracking of FOI requests in a single repository. As well, a review and approval of all records gathered for FOI requests should be performed before they are released to the requestor.</p>	L

RECOMMENDATIONS

The Auditor General recommends that:

1. The Information and Records Management Audit Report be received; and,
2. That staff be authorized and directed to do all things necessary to give effect to this resolution.

ACKNOWLEDGEMENTS

We would like to express our appreciation for the cooperation and efforts made by City staff whose contributions assisted in ensuring a successful engagement. City staff provided the Auditor General with unrestricted access to all activities, records, systems, and staff necessary to conduct this audit freely and objectively.

APPENDIX A: DETAILED OBSERVATIONS AND RECOMMENDATIONS

#	Observation	Rating	Recommendation	Management Response
1	<p>Information and Records Management Strategy and Program</p> <p>An information and records management strategy is a key artifact for a municipality's governance of records, generally outlining the necessary leadership, accountability and responsibility. It provides a long-term and enterprise-wide approach to managing a municipality's records across all operational environments.</p> <p>More specifically, an information and records management strategy identifies and explains:</p> <ul style="list-style-type: none"> the importance of information and records management to the municipality's operations (i.e. 'business enabling' capability to be delivered through records management); the responsibilities for information and records management; how the strategy aligns with applicable laws, standards, business plans and strategic requirements of the municipality; and, 	M	<p>An information and records management strategy and program should be developed and implemented, and endorsed and promoted by the ELT, for successful adoption across the organization.</p> <p>In developing the strategy, the City should begin with identifying the ideal information and records management environment (i.e. records assets, legislative compliance, data management, and privacy and security), documenting the directions taken so far, and identifying resources and technologies available to implement information and records management objectives.</p> <p>In order to be effective, the City's information and records management strategy should be aligned with other City strategies, objectives, risk management programs, and information technology initiatives.</p> <p>To develop and implement an information and records management</p>	<p>Management supports the Auditor General's recommendation to establish an information and records management strategy and program for the City in the future.</p> <p>The City is in the process of implementing several significant IT systems, including; replacement of the program registration system, replacement of the CRM system, new E-Ticketing and scheduling systems, and a new Enterprise Asset Management system.</p> <p>These projects will each require significant staff resources to implement and each will have some form of information management components contained within.</p> <p>As such, management believes it prudent to wait until these systems have been implemented prior to embarking on the creation of an Information and Records Management Program to govern all of Markham's information assets. As such, the City will build the information management model by taking a "bottom up" approach as each system comes on-line.</p> <p>Following implementation of the new systems and related information management</p>

#	Observation	Rating	Recommendation	Management Response
	<ul style="list-style-type: none"> how the strategy applies to all records in various formats and locations. <p>The City does not currently have an information and records management strategy, or a dedicated information and records management program. Driven by the strategy, an information and records management program entails the mobilization of resources and organization of processes to systematically control records throughout their lifecycle.</p> <p>It is our understanding that the City has stalled in the development its information and records management program due to the following reasons:</p> <ul style="list-style-type: none"> Low data management maturity within the City's electronic and physical information sets (e.g. abundance of duplicate and outdated records, limited metadata to support search & retrieval of unstructured data); and, Perceived resource capacity constraints in helping to advance the information and records management program. <p>In absence of an overarching strategy, mature information sets and dedicated roles, the City is not well-positioned to develop its information and records management program. For instance, the City will not be able to target and prioritize information</p>		<p>program, the City should consider including the following:</p> <ul style="list-style-type: none"> Governance Structure – Outlining leadership, organizational structures, and formal monitoring and reporting requirements. Risk Management - Understanding and prioritizing key risks of mismanaging different sets of records and evaluating their impacts. Policies and Procedures – Outlining the roles and responsibilities of City staff, steps for records classification, and secure & compliant processes for retention and destruction of records. Training & Awareness - Providing the methods and cadence for role-specific records management training. Roadmap – Implementing the program in a prioritized sequence, considering the dependencies and 	<p>components, the City will enhance its current information and records management practices by developing a program that will include:</p> <ul style="list-style-type: none"> An information management strategy A data governance model Policies and procedures Targeted priorities and dates to address the gaps identified in this audit report Identification of budget and resources required <p>This will provide a more sustainable approach to enhance the City's information and records management posture based on the level of risk tolerance deemed appropriate by the City.</p> <p>The Information and Records Management Program will be developed for senior management decision-making once the significant projects noted above have been implemented.</p> <p><u>Timeline to Implement:</u></p> <p>Q4 2022</p> <p>In the interim, the City will take steps to enhance its current information and records</p>

#	Observation	Rating	Recommendation	Management Response
	<p>and records management improvements across defined milestones and transitional states.</p> <p>As a result, the City is at risk of inefficient utilization of resources, as well as non-compliance to the legislative requirements of the By-Law.</p>		<p>impacts of other municipal IT and data projects/initiatives.</p> <ul style="list-style-type: none"> Continuous Improvement – Strategies for ongoing enhancement of processes and capabilities (e.g. goals and performance targets). <p>The City can leverage its existing Policy and records retention schedule (which contains some of the above elements) to develop a program that contains all key elements. For example, the existing Policy defines a clear governance structure (refer to Observation #2 below), which should be included in the City's program.</p>	<p>management practices through policy development and staff training.</p> <p><u>Timeline to Implement:</u></p> <p>Q1 2021</p> <p>Note: This timing may be delayed by the ongoing COVID-19 Pandemic.</p>
2	<p>Information and Records Management Oversight and Monitoring</p> <p>The City's Policy defines the governance structure and responsibilities associated with managing records in a transparent and accountable manner.</p> <p>As per the Policy:</p> <p>The Legislative Services & Communications Department has responsibility for:</p>	M	<p>The importance of the Policy should be reinforced by communicating it to all departments and staff. A RIM Program Manager should be formally assigned to the Legislative Services & Communication Department, and regular monitoring activities should take place to assess compliance with the Policy and related procedural manuals.</p>	<p>Management supports the Auditor General's recommendation.</p> <p>Communications will be sent to Directors and Performance Managers outlining City records management requirements. Records Coordinators will be designated in each Department to oversee the records management function and ensure compliance with the Records Classification and Retention By-law.</p>

#	Observation	Rating	Recommendation	Management Response
	<p><i>"Preparing and issuing management and quality control reports on the status of the Records & Information Management (RIM) Program and ensuring compliance with same throughout the City."</i></p> <p>City departments are required to have Records Coordinators responsible for:</p> <p><i>"Departmental implementation and maintenance of RIM policies and procedures and supporting department staff and participating in quality control compliance audits as required under the RIM Program Manager."</i></p> <p>During our audit, we found that the Legislative Services & Communication Department do not have a formally designated RIM Program Manager and do not create management/quality control reports on the status of the RIM program, and consequently compliance with the program is not being reported to the ELT.</p> <p>As well, it was noted that adherence to the Policy is not being monitored by the department Records Coordinators. Some Records Coordinators were not familiar with the contents of the Policy and were not aware that they had been formally designated as a Records Coordinator.</p> <p>Without regular monitoring and oversight, departments may not be complying with the Policy and related procedures.</p>		<p>A Records Coordinator should be formally assigned within each department, with training provided to help them understand their roles and responsibilities.</p> <p>Information and records management compliance reporting should be scheduled agenda items (i.e. at least annually) in ELT meetings to ensure information and records management compliance is reviewed and discussed at least once a year.</p> <p>Furthermore, the Records Coordinators should work with Management to schedule and document all planned information and records management activities at the beginning of each fiscal year. Activities should include:</p> <ul style="list-style-type: none"> • Assist in preparation of periodic department level records compliance audits (i.e. at least annually); • Periodic file clean-up and reviews of both physical records within the business areas and electronic records in the network shared drive; • Planned record transfers to offsite storage; 	<p>Additional work relative to this recommendation will be determined once the Information Management Program has been developed.</p> <p><u>Timeline to Implement:</u></p> <p>Q1 2021 - Designation of Records Coordinators</p> <p>Q2 2021 - Training of Records Coordinators to begin</p>

#	Observation	Rating	Recommendation	Management Response
			<ul style="list-style-type: none"> Review of file naming conventions for electronic records; Review of access to physical storage spaces and work with the IT department to ensure restricted access to the network shared drive; and, Training and awareness sessions. 	
3	<p>Compliance with the City's Records Classification and Retention By-Law 2017-151</p> <p>The City's Classification and Retention By-Law 2017-151 is the official policy for records management at the City and provides staff with the authority to manage records in accordance with relevant policies and legislation.</p> <p>The City utilizes Infolinx, a records management software, to track and manage the complete lifecycle of physical records. During our audit of the four in-scope departments, we found that the sample records tested within Infolinx complied with By-Law 2017-151 requirements (i.e. total retention periods, disposition, and security classification).</p> <p>However, for the four in-scope departments, mechanisms were not in place to ensure that records in the network shared drives, applications, and databases used to manage business activities are monitored against the By-Law. As such, departments</p>	M	<p>To augment the City's information and records management strategy and program (as described in Observation #1), a file and document management framework should ensure that official electronic records in the network shared drive, applications, and databases are separated from transitory records and that only official records are retained.</p> <p>The City should also explore opportunities to procure a records management system that can serve as a long-term records management software for both physical and electronic records.</p>	<p>Management supports the Auditor General's recommendation.</p> <p>Staff will undertake additional steps to ensure compliance with the City's current Records Classification and Retention By-Law. Staff will implement the tools and related processes identified in the Information and Records Management Program to further monitor compliance in both physical and electronic records.</p> <p><u>Timeline to Implement:</u></p> <p>Additional work related to this recommendation will be determined once the Information and Records Management Program has been developed.</p>

#	Observation	Rating	Recommendation	Management Response
	<p>may not be following the By-Law, which can compromise the City's compliance with legislative requirements.</p> <p>The records retention structure and classification requirements of the By-Law should apply to all records, both electronic and physical.</p>			
4	<p>Information and Records Management Training</p> <p>Although information and records management training material is available on the City intranet, we noted that Management staff within the four in-scope departments were not familiar with the Policy or the By-Law. Some departments noted that legislation and regulations specific to their business activities dictate different records management and retention practices, which they follow, rather than the By-Law.</p> <p>Staff who are not aware of the Policy and the By-Law are less likely to comply with policies and procedures which compromises the City's overall compliance with legislative requirements.</p>	M	<p>Once the City has developed the information and records management program which includes a training aspect (as described in Observation #1 above), information and records management training should be provided to all employees, including periodic refresher training (e.g. annually) and when updates are made to policies and procedures.</p> <p>Records Coordinators should also receive additional and more comprehensive training as they should be both the information and records management champions of their respective departments and the point of contact for department staff regarding compliance with policies and procedures.</p>	<p>Management supports the Auditor General's recommendation.</p> <p>Once Records Coordinators are identified by Department Directors, training sessions will be scheduled.</p> <p>Legislative Services staff will create a basic training package and make it available to all City staff.</p> <p>Additional training will be determined as part of the Information and Records Management Program.</p> <p><u>Timeline to implement:</u></p> <p>Q2 2021 - A training package will be made available to all City staff.</p>

#	Observation	Rating	Recommendation	Management Response
5	<p>Freedom of Information (FOI) Request Process</p> <p>Observations were noted for the two following areas:</p> <p>1) <u>Legislative Timelines</u></p> <p>Under the MFIPPA, the public has the right of access to information under the control of a municipality. Specifically, when a member of the public files a formal request for record, the City must ensure that:</p> <p><i>"...the head of the institution to which the request is made, shall, within thirty days after the request is received, and give written notice to the person who made the request as to whether or not access to the record or a part of it will be given."</i></p> <p>During our audit, in two out of 15 sample FOI requests tested, the City did not provide the requestor with a decision letter, outlining the final consideration of the request, within 30 days of receiving the application for access to records.</p> <p>If the City is not in adherence to the timelines set out in MFIPPA, then it compromises the City's compliance with legislative requirements.</p> <p>2) <u>FOI Request Tracking & Review Process</u></p> <p>FOI requests are handled by the Legislative Services & Communications Department. Data is inputted into Nordat, an electronic FOI request tracking system. The system is not currently configured to</p>	L	<p>Understanding that FOI Request volumes have increased year over year, the following considerations have been provided to improve efficiencies within the FOI request process.</p> <p><u>Legislative Timelines</u></p> <p>For continuous improvement, exploration of tools outside of Nordat, such as Microsoft Outlook calendar notifications or other system software, should be considered, to assist City staff in tracking and notifying when key legislative deadlines are approaching.</p> <p><u>FOI Request Tracking & Review Process</u></p> <p>For routine type FOI requests, the Legislative Services & Communication Department should ensure that a review is performed, and approval is obtained, of all records gathered before they are released to the requestor. The review should assess the completeness of the records and ensure that records are indexed in an organized manner. This would allow for continuous improvement of the effectiveness and efficiency of the FOI request handling process.</p>	<p>Management supports the Auditor General's recommendation.</p> <p>The Nordat system does not have the ability to send out emails or provide notifications about requests and memos that are due by a specific date. However, Legislative Services staff have set up reminder notifications within Outlook as part of the FOI procedure for inputting requests.</p> <p>Staff will also review the City's routine disclosure practices and revise the City's Routine Disclosure Policy accordingly.</p> <p><u>Timeline to implement:</u></p> <p>The Outlook reminders have been implemented.</p> <p>Q3 2021 - The review of routine disclosure practices and associated amendments to the Routine Disclosure Policy will be completed.</p>

#	Observation	Rating	Recommendation	Management Response
	<p>provide staff with notification/reminders of key legislative deadlines, which has resulted in staff tracking the status of FOI requests manually in a Microsoft Excel spreadsheet.</p> <p>Without effective mechanisms in place to track the status of FOI requests, there is a risk that with increasing volumes of requests due to increased public scrutiny and transparency, the City will be challenged to meet legislative requirements.</p> <p>In addition, with the exception of complex and high-profile FOI requests, there is no requirement for records to be reviewed and approved by the Manager of Privacy & Access before being provided to the requestor. Without secondary review and approval, there is a risk that irrelevant, incomplete or incorrect information is provided to the requestor.</p>			

MNP





Report to: General Committee

Meeting Date: November 30, 2020

SUBJECT: New Provincial Blue Box Regulation and Preferred Program Transition Date

PREPARED BY: Claudia Marsales, Senior Manager, Waste & Environmental Management, Ext. 3560

RECOMMENDATION:

1. THAT the presentation entitled “New Provincial Blue Box Regulation and Preferred Program Transition Date” be received;
2. THAT the City of Markham submit the attached document entitled “City of Markham Comments – ERO (Environmental Registry Ontario) Number 019-2579” and Council Resolution to the Minister of the Environment, Conservation and Parks and Ontario’s Environmental Registry as the City of Markham’s official comments on the draft Blue Box Regulation;
3. THAT the City of Markham requests that the Minister of the Environment, Conservation and Parks include Markham as an Eligible Community on the final Transition Schedule and be assigned the transition date of January 1st, 2023;
4. THAT if an earlier transition date is not provided, the City of Markham requests the right to negotiate directly with the Producers for a date earlier than the one indicated on the final Transition Schedule;
5. THAT the City of Markham requests that the eligible sources, as indicated by the Draft Blue Box Regulation, be expanded to include recycling depots in communities with curbside Blue Box collection, municipal facilities including public-facing community facilities, all public spaces, Blue Boxes located at Canada Post super mailboxes, and small retail businesses within Business Improvement Areas;
6. THAT the City of Markham requests that the obligations for collection after the transition period (2026+) be equal to or exceed the service standards applicable in transitioning communities on August 15, 2019, specifically, increase Blue Box collection from every other week to weekly collection;
7. THAT, if provided with the ability to select the service delivery option, the City of Markham reserves the right to select the service delivery option determined to be the most financially and operationally beneficial for its residents and report back to Council on the preferred service delivery option;
8. THAT Staff be directed to update Council following the release of the final Regulation and Transition Schedule by the Ministry of the Environment, Conservation and Parks;

9. THAT the City Clerk be directed to forward a copy of this resolution and Comment Letter to the Association of Municipalities of Ontario, York Region and Local Municipalities and the Ontario Ministry of the Environment, Conservation and Parks; and
10. THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

RECOMMENDED BY:

Claudia Marsales
Senior Manager,
Waste & Environmental Management

Phoebe Fu
Director,
Environmental Services

ATTACHMENTS:

New Provincial Blue Box Regulations and Preferred Program Transition Date -
Presentation to GC on November 30 2020

City of Markham Comments - ERO (Environmental Registry Ontario) Number 019-2579
(Attachment 1)



New Provincial Blue Box Regulation and Preferred Program Transition Date

**General Committee
November 30, 2020**



Purpose

- **To provide an overview of the new Provincial Draft Blue Box Regulation**
- **Obtain Council's endorsement of comments regarding the Province's draft Blue Box Regulation**
- **Recommend a preferred Blue Box Program transition year for Markham**

Agenda

1. Draft Regulation – Timeline, Overview & Summary
2. Transition - Timing Options & Impact
3. Recommendations

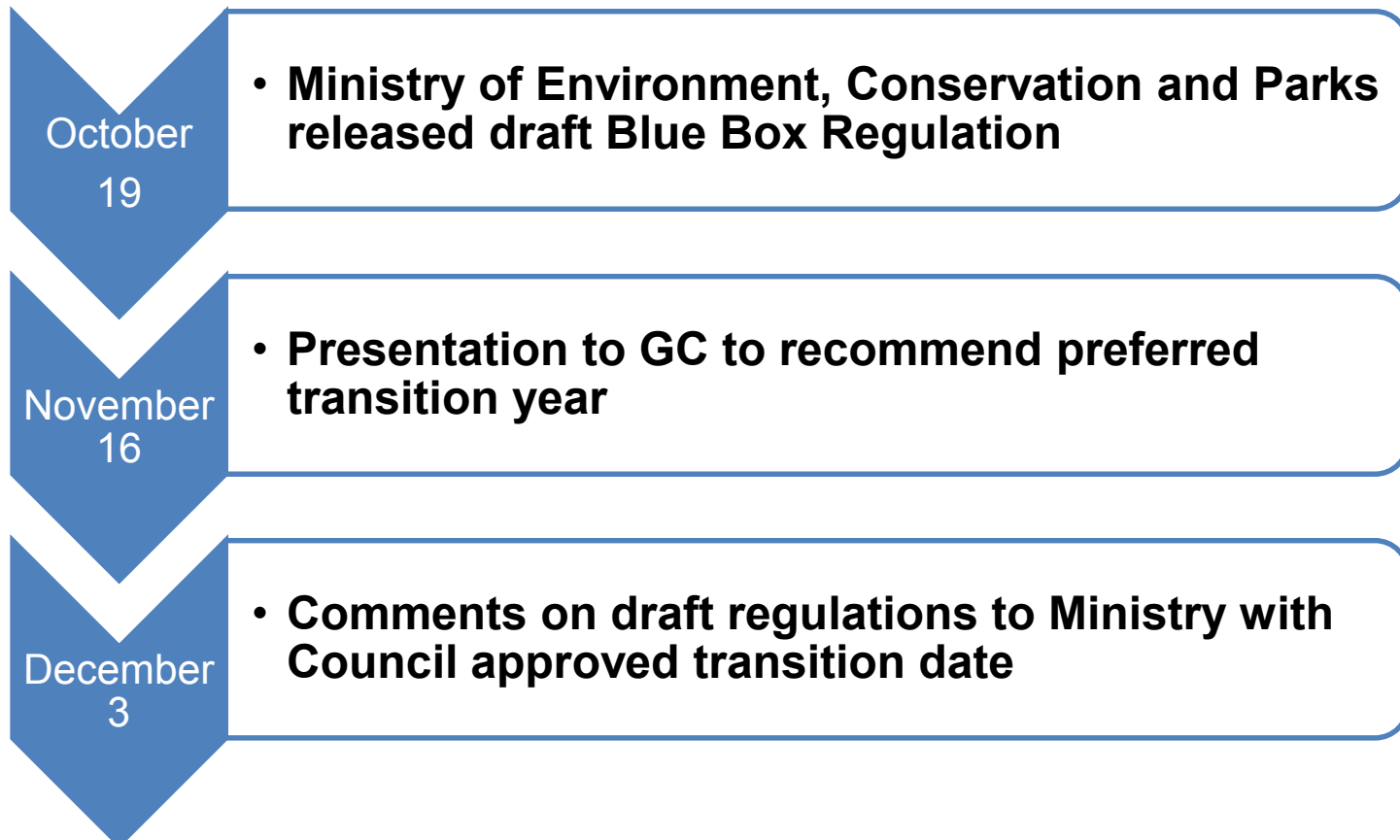


1. Draft Regulation Timeline, Overview & Summary



1A. Draft Regulation - Timeline

***The Resource Recovery and Circular Economy Act, 2016 (RRCEA)* shifts Blue Box recycling programs away from municipalities, making “Producers” of products and packaging fully responsible for the waste they create**





1B. Draft Regulation - Overview

The Regulation is outcome based:

- Makes Producers financially responsible for their products and packaging
- Requires Producers to report on Blue Box materials diverted each year and to meet set diversion targets
- Expands and standardizes the scope of Blue Box materials across the province
- Provide Blue Box services to a variety of eligible sources
- Requires province-wide education and promotion

Key Principle is to shift cost of recycling from municipal property taxpayers to Producers so Producers are able control costs through their influences over:

- The type of products and packaging sold into the market place
- The materials used to make products and packaging
- How products and packaging are recycled at end-of-life

The Draft Regulation does not prescribe how the Producers should deliver the Blue Box Program post transition (2026+)



1C. Who are the Players?

Ministry of the Environment, Conservation & Parks

- Create outcome based regulation for Producers to establish a new Blue Box system for Ontario
- Minister said “In the case of the Blue Box program [this] will provide up to \$135-million per year, in relief for municipalities and ultimately the taxpayer.”

Resource Productivity and Recovery Authority (RPRA)

- Identified as the “Authority”
- Third-party regulator mandated by Ministry to enforce the regulation including registration, reporting, diversion targets, and compliance functions
- Formerly Waste Diversion Ontario (or WDO)

Stewardship Ontario

- Represents product Producers
- Will determine how services will be delivered
- Can retain “PRO”s (Producer Responsibility Organization) to provide collection services
- Can act separately to establish separate recycling programs (i.e. LCBO, Beer Store)

The Draft Regulation allows the Producers to design the Blue Box program to meet the prescribed service obligations and diversion targets



1D. Who are the “Producers”?

If your product is in the Blue Box, you are a “Producer”

The regulation defines Producers as:

- Brand Holder in Canada
- If Brand Holder not in Canada - Importer who supplies in Ontario
- If Importer not in Canada - Retailer who supplies in Ontario (including online shopping)





1E. What's in the Transitioned Blue Box?

Markham's Blue Box	Proposed Ontario Blue Box
<p>a. Plastics #1-#7</p> <ul style="list-style-type: none">• <u>EXCLUDES</u> styrofoam, black plastic, single-use plastic straws/cutlery, plastic bags, plastic film, candy/chip wrappers, stand up or zipper lock pouches, single-use cold drink cups and coffee cups <p>b. Paper</p> <ul style="list-style-type: none">• <u>EXCLUDES</u> coffee cups/lids <p>c. Glass</p> <ul style="list-style-type: none">• <u>INCLUDES</u> LCBO/Beer Store containers and packaging <p>d. Metal/aluminium</p> <p>e. Beverage containers (i.e. juice boxes)</p> <p>f. Packaging-like product (incl. aluminum foil, wrapping paper, paper bags, cardboard boxes)</p>	<p>a. Plastics #1-#7</p> <ul style="list-style-type: none">• <u>INCLUDES</u> styrofoam, black plastic, single-use plastic straws/cutlery, plastic bags, plastic film, candy/chip wrappers, stand up or zipper lock pouches, single-use cold drink cups and coffee cups <p>b. Paper</p> <ul style="list-style-type: none">a. <u>INCLUDES</u> coffee cups and lids <p>c. Glass</p> <ul style="list-style-type: none">a. <u>EXCLUDES</u> LCBO/Beer Store containers and packaging <p>d. Metal/aluminium</p> <p>e. Beverage containers (i.e. juice boxes)</p> <p>f. Packaging-like product (incl. aluminum foil, wrapping paper, paper bags, cardboard boxes)</p>

Transitioned Blue Box recycles more materials
Blue Box must be transitioned to expanded list by 2026



1F. What are the Collection Containers?

- The Regulation defines “Blue Box receptacle” as a container, bin, cart, bag or other receptacle that holds Blue Box material from which Blue Box material is collected

Item	Markham (Current)	During Transition (2023-2026)	Post Transition (2026+)	Comment to Ministry?
Blue Box receptacle	Blue Bins	Collects from any Municipal receptacle	Container, bin, cart, bag	✓
Every Resident has Blue Box	✓	✓	✓	✗
1 replacement a year within one week	✗	✗	✓	✓

During transition, Producers are required to collect materials in the Blue Box receptacle currently used by the municipality (i.e. box, blue bag, cart)



1G. Who will be Serviced? (Eligible Sources)

Item	Markham (Current)	During Transition (2023-2025)	Post Transition (2026+)	Comment to Ministry?
Permanent / seasonal dwellings	✓	✓	✓	✗
Multi-residential buildings	✓	✓	✓	✗
Public and private schools	✓	✓	✓	✗
Long-term care homes and retirement homes	✗	✓	✓	✗
Specific public spaces (certain municipal parks/playgrounds)	✓ Operations Collects	✓ Specific	✓ Specific	✓ All public spaces
Recycling Depots	✓	✗ If have curbside ✓ If no curbside		✓ Include depot with curbside



1G. Who will be Serviced? (Eligible Sources)

Item	Markham (Current)	During Transition (2023-2025)	Post Transition (2026+)	Comment to Ministry?
Municipal facilities (e.g. Civic Centre) and public-facing facilities (e.g. libraries)	✓	✓	✗	✓
Super Mailbox Blue Boxes	✓	✗	✗	✓
Small retail/businesses – In BIA	✓	✗	✗	✓
Small retail/businesses – Not in BIA	✗	✗	✗	✗
Assisted Collection (under 100 homes)	✓	✗	✗	✗ (Can be mitigated)

**Draft Regulation Comments: To include -
All public spaces, Depots, Municipal and Public-facing Facilities,
Super Mailboxes, BIA Small Businesses**



1H. What are the Service Levels?

Item	Markham (Current)	During Transition (2023-2026)	Post Transition (2026+)	Comment to Ministry?
Blue Box Content	✓	✓	✓ Expanded list	✓
Collection Frequency	✓ weekly	✓ weekly	✗ Bi-weekly	✓ weekly
Single stream Collection	✓	✓	✓	✗
Collect Depots, Municipal and Public-facing Facilities	✓	✓	✗	✓
Provide promotion and education	✓	✓	✓	✓

Staff further recommends that: Blue Box collection days align with Markham's green bin and garbage collection days, over a four day collection schedule

Draft Regulation Comments:

Weekly collection frequency, alignment of collection days/schedule, service levels during transition be maintained after transition (2026+)



11. What are the Diversion Targets?

- Draft Regulation requires Producers to achieve diversion targets based on the weight of Blue Box materials they supplied into the market place

Material Category	Proposed Target: 2026-2029	Proposed Target: 2030-onward
Paper	90%	90%
Glass	75%	80%
Metal	67%	75%
Rigid Plastic	55%	60%
Flexible Plastic	30%	40%
Non-Alcoholic Beverage Containers	75%	80%

- Municipalities no longer responsible to meet provincial diversion targets. Staff will calculate Markham's diversion rate using available data.

Draft Regulation Comments:
Producers to provide Diversion rate reporting for municipalities



1L. Draft Regulation - Summary

Item	Comments on Draft Regulation
Blue Box Content	Support expanded Blue Box content
Eligible sources	Add - All public spaces, Depots, Municipal and Public-facing Facilities (i.e. libraries), Super Mailboxes, BIA Small Businesses during and post transition 2026+
Collection Frequency	Add – weekly recycling collection post transition 2026+
Collection days	Request - Blue Box collection days to align with Markham's green bin and garbage collection days, over a four day collection schedule during and post transition 2026+
Overall Service Level	Provide service standards equal or exceed current municipal service level during transition and post transition 2026+

There are number of risks with the Blue Box transition:

- Potential Producer performance deficiencies during first years of transition
- Potential consumer confusion and poor compliance on Blue Box content
- Enforcement mechanisms to hold Producers responsible are unknown (not meeting service level obligations, targets)
- Producers have not officially commented on draft Regulation



2. Transition

Timing, Options & Impact



2A. AMO Resolution

In early 2020 - AMO requested Municipal Councils pass non-binding resolutions indicating:

- Collection service delivery preference (City administer / hand over keys)
- Preferred transition year (2023, 2024 or 2025)

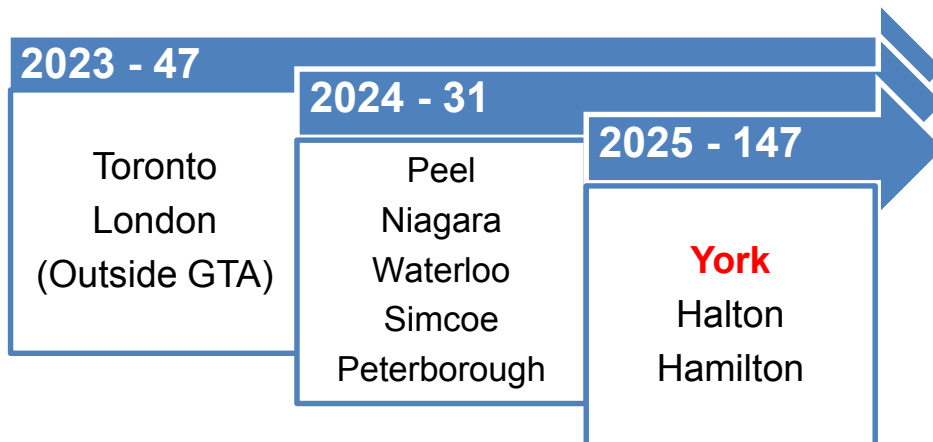
On May 26, 2020 Council passed the following resolutions:

- 1. THAT the City of Markham jointly with York Region and the Local Municipalities support 2025 as the preferred Blue Box transition date (Year 3) of the transition process;**
- 2. THAT the City of Markham elect to continue to provide Blue Box collection services to residents (post transition) on behalf of the product Producers should both parties arrive at mutually agreeable commercial terms;**
- 3. THAT the City of Markham reserve the option to amend Markham's transition date and collection service preference at any time if it is determined to be financially and operationally beneficial to the City;**



2B. Preferred Transition Year

- With input from AMO, the Ministry developed a draft transition schedule which also considered:
 - Municipal contracts expiry date/ability to extend
 - Municipal preference
 - Balancing net program costs and material managed
 - Geographic catchment areas
- The Ministry will issue a final schedule. Producers will be responsible for transitioning communities on or before the dates listed in the final Regulation
- There is currently no process detailed in the Regulation for municipalities to negotiate a different transition date directly with Producers



Markham is not currently listed as an 'Eligible Community' on the Draft Blue Box Transition Schedule



2C. Changes since May 2020 Resolution

- At the time of the May 2020 resolution:
 - Many unknowns related to the requirements of Blue Box regulation
 - City in the process of developing new waste collection contract
 - City staff made recommendations established on regional/local consensus based on current contract terms
- New draft Regulation is comprehensive and exceeded original expectation on Blue Box content, designated collection locations, and diversion targets
- Markham's new collection contract, beginning Sept 1, 2021, allows for early transition:
 - Can transition at any time during contract term
 - Scope of work for Blue Box collection is severable and can be transferred to Producers
 - Separate Blue Box collection vehicles (no co-collection)
 - Known transition costs
 - Services provided to all eligible sources



2C. City to Transition Early

May 2020 Resolution	Current Recommendations
Transition 2025	Transition 2023, or earlier than 2025
City administers Blue Box Program	To be determined: Both options are viable

Staff Recommends that:

- the City be added as an Eligible Community to the final Transition Schedule and be assigned to transition on January 1st, 2023
- If an earlier transition date is not provided, the City requests the right to negotiate directly with the Producers for a date earlier than the one indicated on the final Transition Schedule.
- If provided with the right to select the service delivery option, the City reserves the right to select the service delivery option determined to be the most financially and operationally beneficial for its residents.



2D. Early Transition – Financial Impact

Under the “Hand over the Keys” option, for each year that Markham transitions early, it would save approximately \$2 million a year. The City would not have to pay for the collection of recycling, but would no longer be receiving WDO money, and would have to pay Miller the Early Termination

Hand Over Keys	2023	2024	2025
Recycling Cost	\$4.67M	\$4.81M	\$4.95M
WDO Funds (40%)	(\$1.87M)	(\$1.92M)	(\$1.98M)
Opt-Out Penalty	<u>(\$0.93M)</u>	<u>(\$0.93M)</u>	<u>(0.93M)</u>
Net Savings	\$1.87M	\$1.96M	\$2.04M

If the City administers the program, on behalf of the Producers, in order to achieve cost neutrality with the Hand over the Keys option, the City would need to receive approximately 80% - 85% recovery of its total Blue Box collection contract costs (would include annual contract administration fee paid to City by Producers to manage the contract on behalf of the Producers)

**For each year that Markham transitions early,
it will save approximately \$2 million a year.**



2E. Early Transition - York Region Impact

York Region	Transfer, Processing/Disposal
Local Municipalities	Waste Collection

- *Municipal Act* gives Markham authority for waste collection
- Future transition arrangements for Markham's Blue Box collection services would be between the City and the Producers
- By the City transitioning prior to the Region, the role of processing/disposal currently provided by the Region would be impacted over the transition years
 - the Region acknowledges that the City can make its own transition timing decision for Blue Box collection, however, the Region has indicated that there will be negative financial impacts to the Region from a processing cost and revenue loss perspective

Region prefers that all 9 local municipalities and the Region transition together as an integrated waste system



3. Recommendations

1. THAT the presentation entitled “New Provincial Blue Box Regulation and Preferred Program Transition Date” be received;
2. THAT the City of Markham submit the attached document entitled “City of Markham Comments – ERO (Environmental Registry Ontario) Number 019-2579” and Council Resolution to the Minister of the Environment, Conservation and Parks and Ontario’s Environmental Registry as the City of Markham’s official comments on the draft Blue Box Regulation;
3. THAT the City of Markham requests that the Minister of the Environment, Conservation and Parks include Markham as an Eligible Community on the final Transition Schedule and be assigned the transition date of January 1st, 2023; and



3. Recommendations

4. THAT if an earlier transition date is not provided, the City of Markham requests the right to negotiate directly with the Producers for a date earlier than the one indicated on the final Transition Schedule; and
5. THAT the City of Markham requests that the eligible sources, as indicated by the Draft Blue Box Regulation, be expanded to include recycling depots in communities with curbside Blue Box collection, municipal facilities including public-facing community facilities, all public spaces, Blue Boxes located at Canada Post super mailboxes, and small retail businesses within Business Improvement Areas; and
6. THAT the City of Markham requests that the obligations for collection after the transition period (2026+) be equal to or exceed the service standards applicable in transitioning communities on August 15, 2019, specifically, increase Blue Box collection from every other week to weekly collection; and



3. Recommendations

7. THAT, if provided with the right to select the service delivery option, the City of Markham reserves the right to select the service delivery option determined to be the most financially and operationally beneficial for its residents and report back to Council on the preferred service delivery option; and
8. THAT Staff be directed to update Council following the release of the final Regulation and Transition Schedule by the Ministry of the Environment, Conservation and Parks; and
9. THAT the City Clerk be directed to forward a copy of this resolution and Comment Letter to the Association of Municipalities of Ontario, York Region and Local Municipalities and the Ontario Ministry of the Environment, Conservation and Parks; and
10. AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.



November 16, 2020

Hon. Jeff Yurek, Minister
Ministry of Environment, Conservation and Parks
Minister's Office
College Park, 777 Bay Street, 5th Floor
Toronto, Ontario M7A 2J3

Dear Minister Yurek:

**RE: City of Markham Comments – ERO (Environmental Registry Ontario)
Number 019-2579**

A proposed regulation, and proposed regulatory amendments, to make producers responsible for operating Ontario's Blue Box programs

The City of Markham would like to thank the Ministry of the Environment, Conservation and Parks (the MECP) for the opportunity to comment on the Draft Blue Box Regulation to make Producers responsible for operating Ontario's Blue Box Program and shift the financial and operational responsibilities from Municipalities to Producers.

On November 30th, Markham's General Committee (which is a committee of the whole of Council) passed a resolution on the Draft Blue Box Regulation (attached as Schedule A) containing the following key request:

- **THAT the City of Markham requests that the Minister of the Environment, Conservation and Parks include Markham as an Eligible Community on the final Transition Schedule and be assigned the transition date of January 1st, 2023**

Markham is one of the most culturally diverse and fastest growing municipalities in the Greater Toronto Area with a population of over a 350,000 residents. The City is currently responsible for providing Blue Box collection services to approximately 90,000 curbside households and over 130 multi-residential buildings (approximately 18,000 units). Markham is a recognized leader in residential waste diversion and its award-winning textile recycling program has been emulated by municipalities across Canada. The City has attained significant waste diversion with one of the largest Clear Bag Garbage programs in North America and a comprehensive Green Bin strategy. Markham operates four community recycling depots which are actively utilized by over 180,000 residents each year, complementing the City's robust curbside diversion

system. These aggressive programs have resulted in Markham achieving the highest diversion rate among Canadian municipalities.

Markham supports making product Producers responsible for the costs and operational aspects associated with the recycling of their products. This will provide an incentive to improve product design, invest in local infrastructure, and create new employment opportunities. Markham, as a waste diversion leader, believes that the Draft Blue Box Regulation will have a positive impact on waste diversion in Ontario.

Markham wants to ensure that the transition of its Blue Box Recycling Program is seamless for its residents; that service levels are maintained, that costs of the program are shifted to Producers and offers the following comments on the Draft Blue Box Regulation.

In addition to the Council resolution, recommended changes are indicated below and proposed changes to the Draft Blue Box Regulation are detailed in Table A (Page 12).

1. Markham requests to be added as an Eligible Community on the final Blue Box Transition Schedule

The Blue Box Transition Schedule (attached to the Draft Blue Box Regulation) identifies York Region, not the City of Markham, as an Eligible Community to transition Blue Box collection services to Producer responsibility.

York Region operates as a two-tier municipal waste management system. As set out in the *Municipal Act, 2001*, York Region has exclusive jurisdictional responsibility for waste management (excluding waste collection), and Markham has exclusive jurisdictional responsibility for waste collection.

Regarding Blue Box collection, the nine lower-tier Municipalities are responsible for the collection of Blue Box materials as well as collection-specific promotion and education. The upper-tier (York Region) is responsible for the processing and marketing of Blue Box materials.

As the City of Markham has exclusive jurisdiction over the collection of Blue Box materials, the City is formally requesting to be identified as an Eligible Community on the final Blue Box Transition Schedule, as the future transition arrangements for Markham's Blue Box collection services would be between the City and the Producers.

2. Markham requests to be assigned the transition date of January 1st, 2023

In assigning Eligible Communities and their Transition Year, the Ministry considered municipal preferences for the date of transition as per the canvassing performed by the Association of Municipalities of Ontario. Although Municipalities expressed interest in transitioning in a certain year, ultimately the Province will determine the final transition schedule.

While York Region previously indicated a preferred Transition Year of 2025, Markham Council passed a resolution reserving the option to amend Markham's Transition Date and collection service preference at any time if it is determined to be financially and operationally beneficial to the City. Transitioning earlier, on January 1st, 2023, has significant benefits for both Markham and ultimately the Producers as outlined below:

- In assigning communities their Transition Year, the Ministry considered expiry dates for service contracts to minimize financial penalties. Markham's new competitively awarded contract to collect recyclables is currently in place as are opportunities to use the existing contractor (Miller Waste Systems);
- Markham's new collection contract provides for the separate collection of Blue Box recyclables and the co-collection of waste and green bin materials and is easily severable;
- Markham's collection contract includes the eligible sources as defined by the Draft Blue Box Regulation (permanent dwellings, multi-unit residential buildings, schools) and does not have a "separate" contract for different eligible sources;
- Markham is located in the same geographic catchment as the City of Toronto (sharing a northern border along Steeles Avenue), which is scheduled to transition in 2023;
- Markham has the financial resources and transition expertise (experienced staff, legal resources) to ensure a seamless, successful transition.

As indicated, Markham supports transitioning on January 1st, 2023 and is well positioned to meet this Transition Date. If Markham's Blue Box Recycling Program transitions in 2023, Producers will gain three years of first-hand experience with arguably the most comprehensive municipal collection system in the Province.

Markham also requests that if there is any difficulty in accommodating this request, that Ministry staff contact the City at the contact information provided on Page 11.

3. Markham requests that the eligible sources, as indicated by the Draft Blue Box Regulation, be expanded to include depots in communities with curbside Blue Box collection, municipal facilities (including public-facing community facilities such as libraries, community centres and arenas), all public spaces, Blue Boxes located at Canada Post super mailboxes, and small retail businesses within Business Improvement Areas

Markham residents have previously expressed frustration with not being able to recycle while on the go, out in the community.

For decades, Markham has aggressively worked to expand recycling opportunities across the community including recycling at transit stops, multi-residential buildings, primary schools, super mailboxes, places of worship, municipal facilities, historical Business Improvement Areas (BIA) and our many public parks.

In addition, the role of urban recycling depots should not be underestimated. Markham operates four recycling depots imbedded in the community. For years, Markham residents have been utilizing our depots to recycle Blue Box recyclables. Community recycling depots increase diversion by providing easy recycling of oversized cardboard, Styrofoam and plastic film. The current policy intent though the regulation is that, where Municipalities have curbside collection of Blue Box including multi residential service, Producers would not be required to provide any additional depot collection for Blue Box items.

Markham requests that the Ministry expand the list of eligible sources to include: depots in communities with curbside Blue Box collection, municipal facilities (city halls and offices) including public-facing community facilities (libraries, community centres and arenas), all public spaces including all parks/playgrounds and Blue Boxes located at Canada Post super mailboxes, as well as small retail businesses within BIAs.

After transition, Producers should service recycling depots that collect Blue Box materials in conjunction with curbside collection. Depots are an excellent source for clean, marketable materials and allow for cost-effective bulk collection.

Markham believes that the final regulation should include these additional eligible sources, as it is important that recycling opportunities are in place wherever residents live, learn, work and play.

If recycling services from these locations are not incorporated into the regulation, the cost to manage recycling in public space and litter will be borne by residents. Residents should not be required to pay for the end-of-life management of materials that they consume while away from home.

If Producers have incorporated the cost of the end-of-life management of a material into their product pricing, they must be responsible to recover that material, regardless of the location in which it was consumed by the resident.

4. Markham requests that the eligible sources, as indicated by the Draft Blue Box Regulation, be expanded to include BIA small businesses receiving curbside collection service

Markham's historic downtowns currently receive weekly curbside collection services as there is limited space for bulk collection containers. These areas also feature a mixture of residential apartments located above small retail establishments.

Markham is requesting that curbside collection of recycling continue in BIAs at that BIA small businesses are included as an eligible source in the final Blue Box Regulation. This important service increases diversion in these unique business areas.

5. Markham requests that the obligations for collection after the transition period (2026+) be equal to or exceed the service standards applicable in transitioning communities on August 15, 2019, specifically, increase Blue Box collection from every other week to weekly collection

Markham has been a diversion leader in Ontario for many years. In 2019, York Region reported that Markham achieved a net diversion rate of 72% (and a municipal curbside diversion rate of 81%) as a part of the Region's annual WDO submission. The City's high diversion rate is supported by recycling service levels that collect Blue Boxes weekly while garbage is collected bi-weekly in clear bags.

Markham has identified that program accessibility directly correlates to participation. Convenient access for residents is the fundamental driving factor of a successful diversion program. Markham's extensive experience and knowledge of this customer base has shown that services must be convenient, or residents will not participate.

Markham maintains the position that strong Blue Box Program participation and diversion requires a convenient collection system, which collects recycling more frequently than garbage. In urban/suburban communities like Markham, where density is increasing and the average home size is decreasing, the useable space to store Blue Box materials is becoming more limited.

Obligating the Producers to collect recycling every other week after transition would inconvenience residents and may negatively affect the Producers diversion efforts. The regulation must ensure Producers match, at a minimum, the current frequency of recycling collection in Markham – weekly for single-family homes and multi-residential buildings, depending on their infrastructure and needs. To avoid confusion for residents, Blue Box collection days should align with Green Bin and garbage collection days and should be provided on the same weekly schedule as the other collection services provided by a municipality. Additionally, Markham has identified that avoiding service delivery on Mondays minimizes the need to shift collection days for residents due to statutory holidays. This scheduling technique further alleviates resident confusion, reduces public promotion and advertisement costs and contributes to better diversion.

Lastly, Markham supports the concept that if Producers can penalize for contamination (assuming Municipalities administer the service on behalf of Producers), then Municipalities should be able to charge fees or penalties to the Producers that are tied to the amount of obligated packaging remaining in the garbage stream or in the Green Bin.

Markham requests that the obligations for collection after the transition period (2026+) equal or exceed the service standards applicable in transitioning communities on August 15, 2019 including:

- Blue Box collection service frequency should be weekly;

- Blue Box collection days should align Green Bin and garbage collection days and be collected on the same schedule as other collection services; and
- Municipalities be permitted to charge fees or penalties to Producers for packaging that “backslides” into the garbage or Green Bins streams

6. Markham requests a competitive environment for collection service providers

As outlined in the Draft Blue Box Regulation, Producers can organize and manage the Blue Box material recovery system comprised of collection and processing, or contract with a Producer Responsibility Organizations (or “PRO”s) to do so on their behalf.

Markham requests the Minister of the Environment, Conservation and Parks requires a system of multiple service providers broken down by municipality or geographic area in the province to ensure a competitive environment for collection service delivery.

Markham believes a competitive environment for service providers is integral to ensuring the successful transition of Blue Box Program responsibility to the Producers while maintaining the strong service levels currently being provided by Municipalities. For many years, Markham has expected and received excellent service delivery by Miller Waste Systems and the City supports a future Blue Box Program where those service expectations continue to be met.

7. Markham requests that the Producers be required to provide annual diversion data to municipalities

Markham contends that successful waste diversion is the result of an engaged community. Municipalities support retaining the ability to accurately measure waste diversion performance and to communicate with their residents on the success of their diversion efforts.

8. Markham supports the accepted Blue Box materials as defined by the Draft Blue Box Regulation

Markham strongly supports the Province’s move to include an expanded list of products and packaging as designated materials under the Draft Blue Box Regulation. The transitioned Blue Box will include a number of items that many municipal programs do not currently collect, such as rigid and flexible plastic packaging products and certain single use items. These new material categories will expand the range of products that Markham residents can recycle and increase diversion from landfill.

In addition, other policy tools and incentives to promote the use of more recycled content in products and packaging should be required, including incentives to reduce and redesign products and packaging.

9. Markham supports the standardization of the Blue Box Program

Over the years, Markham has witnessed increasing consumer confusion concerning Blue Box recycling. Variation in the types of materials accepted in Blue Box Programs across Ontario has fueled this confusion. Markham applauds the standardization of the Blue Box Program as indicated in the Draft Blue Box Regulation, as this should significantly improve our residents' understanding of what can be recycled.

Markham encourages the Ministry to formalize regulations for improving Industrial, Commercial and Institutional (IC&I) recycling programs in Ontario as soon as possible. Markham supports allowing Municipalities to comment on any future draft regulation and requests that materials accepted under the IC&I recycling programs align with the new residential Blue Box Program.

10. The Common Collection System should allow municipalities to use their preferred collection receptacle

Litter comprised of packaging products is of significant concern for Markham residents. Municipal audits have indicated that a major source of community litter is from overflowing or improperly loaded Blue Boxes.

As such, it should be noted that any effective litter reduction strategy should allow residents to use Blue Bags to contain and set out recyclable materials. Allowing residents to purchase and use Blue Bags for their recycling has many benefits for both residents and Producers. Blue Bags are:

- the most effective receptacle to minimize contamination and increase market revenue;
- the least expensive receptacle to provide to residents;
- scalable and provides unlimited capacity for recycling;
- the most convenient receptacle for the high-density built form;
- already being used to line public space recycling containers for ease of collection

When compared to the large Carts deployed by several urban Municipalities, Blue Bags are significantly more cost effective to procure and deliver as well as much easier for residents to store and take to the curb. Carts are also much more difficult to visually audit for contamination, while Blue Bags allow collection service providers to easily identify contaminated set outs, which can be tagged and left behind. If Producers are keen to limit contamination and maximize the recovery of their products, Blue Bags should be considered as the optimal receptacle.

To ensure flexibility for the inclusion of Blue Bags as a receptacle under the Common Collection System, the final Blue Box Regulation should require Producers

to incorporate state-of-the-art bag-breaking technology as a component of their material recovery facilities.

Markham recommends that Producers be encouraged to develop a Blue Box receptacle delivery system utilizing existing municipal infrastructure to ensure effective and accessible Blue Box receptacle distribution system for residents.

11. The Common Collection System should promote curbside collection versus alternate collection systems as the preferred service delivery method

As per the Draft Blue Box Regulations, the Common Collection System must be implemented following the transition period, once Producers have complete control over the Blue Box Program in 2026. The Common Collection System will be the same for all residents across Ontario and will: include a collective list of acceptable materials, dictate service levels (e.g. collection frequency and required receptacle), and identify the eligible sources which will receive collection services.

The Province has proposed that Producers will also have the option to remove their materials from the Common Collection System and use an alternative collection system to recover their products. However, before any materials are removed from the Common Collection System, Producers will have to demonstrate that they can meet their targets through the proposed alternative channel.

Markham appreciates the consideration of alternative collection channels and acknowledges their benefits given the appropriate circumstances. However, the City believes that the primary method of collection for all Blue Box materials should be through the curbside collection system used by the vast majority of Ontario residents.

Markham requests that the Province require Producers to maintain the curbside Blue Box Program as the fundamental, primary method of recycling collection in Ontario. Alternative collection systems that do not negatively affect accessibility and convenience for residents should be allowable under the regulation, but should operate as complimentary systems to curbside collection.

12. Need for continued, comprehensive promotion and education in multiple languages

The vast array of products and packaging in the Ontario marketplace has presented a challenge for residents and has required municipalities to fill the role of public educator. Municipalities have filled this role commendably for many years, and have learned many valuable lessons because of this experience.

We understand that achieving waste diversion targets is entirely dependent on the active and effective participation of all residents. The use of effective and ongoing promotion and education tactics is critical to foster participation, meet diversion

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targets, reduce contamination and increase the capture of cleaner and better-quality materials.

Continuous multi-lingual education is an absolute necessity. Although English and French are Canada's official languages, many Ontario residents require additional translation. Markham recommends that the Province use census information to identify the top languages spoken in the Province, by geographic area, and require Producers to translate their promotion and education materials accordingly.

Standardization of the list of accepted Blue Box materials will significantly assist Producers in developing their baseline communications. However, Producers should be mindful of their audiences and incorporate complementary and regionally informed tactics as well.

Markham also supports requiring Producers to work cooperatively with Municipalities to ensure the promotion and education provided by Producers related to the Blue Box Program compliments the promotion and education provided by Municipalities related to other waste collection services.

Markham is requesting that the final Blue Box Regulations require Producers to create and invest in multi-lingual, comprehensive, regionally informed promotion and education activities during the transition phase and post-transition, under the Common Collection System and work cooperatively with Municipalities when disseminating program information to the public.

13. During the transition period, the Producers should be encouraged to maximize funding to all non-transitioned Blue Box Programs

During the transition period, non-transitioned municipalities will continue to receive WDO funding based on the DataCall information. Currently, municipalities receive approximately 40% of their Blue Box Program costs. Markham requests that Producers maximize funding to all non-transitioned Blue Box Programs, up to 100%, during the transition period. These costs can be identified and funded through the existing WDO DataCall process.

If the Province's ultimate goal is to require Producers to be responsible for their products, it should not permit the logistical process of transition to absolve Producers of their financial obligation to fully pay for the recovery of their products.

14. Province should consider additional measures to increase diversion in Ontario

While making Producers responsible for the Blue Box Program in Ontario is significant, this should be complimented by additional measures to foster innovation and improve waste diversion in the Province.

Markham recommends that the Province develop regulations and legislation designed to:

- increase waste diversion from the industrial, commercial and institutional sector (IC&I), including waste generated by construction and demolition industry;
- prioritize reduce and reuse initiatives;
- strategically implement disposal bans for designated materials (Markham has successfully implemented curbside disposal bans on textiles, batteries, electronic waste, hazardous waste and grass clippings);
- to designate additional materials under Extended Producer Responsibility programs, such as mattresses, textiles, cigarette waste and infant car seats

Additionally, Markham supports a regulated process to continually review and assess for performance of the Producer-led Blue Box system.

15. Markham supports the Draft Blue Box Regulation approach to minimize incineration and promote energy from waste process

The Draft Blue Box Regulation identifies outcomes that would not be eligible to count toward the Producers management requirements. Of particular note is the stance taken by the Province towards incineration. If a registered processor sends Blue Box materials to a landfill or an incinerator, the weight of the Blue Box materials cannot be used by a Producer to meet the Producer's management requirement.

Markham supports that the Producer's recovery targets should be based on the Blue Box material that is marketed (i.e. bales of material sold) and exclude energy from waste or the use of materials for fuels as part of the diversion target.

16. Markham supports a regulated Blue Box Program review process for continuous improvement

Markham requests that the Draft Blue Regulation require scheduled, comprehensive reviews of the new Blue Box Program every five years following the complete transition of each Eligible Community. The review process should allow for input from Municipalities and other key stakeholders with the intended goal of continuously improving program performance.

In addition to the comments above, please refer to Table A, Proposed Amendments for ERO (Environmental Registry Ontario) Number 019-2579 – A proposed regulation, and proposed regulatory amendments, to make producers responsible for operating Ontario's Blue Box programs (see Page 12).

The Ministry of the Environment, Conservation and Parks staff are to be applauded for advancing the development Extended Producer Responsibility in Ontario. Markham Council recognizes the Province has numerous critical priorities as it deals with the

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Covid-19 global pandemic and appreciate their continued dedication to advance new Blue Box Program legislation. While Markham supports these regulations that address the recycling of single-use plastics and litter control, a key challenge continues to be the modification of resident behaviour in reducing the consumption of single-use plastics.

Markham would like to thank the Ministry for considering these comments. If you have any questions or would like to discuss further, please contact Phoebe Fu, Director of Environmental Services at pfu@markham.ca

Sincerely,

Kimberley Kitteringham
Director, Legislative Services & Communications
The City of Markham

Copy to:

Issac Apter, Director of Policy
Ministry of Environment, Conservation and Parks
Resource Recovery Policy Branch
40 St. Clair Avenue West, 8th Floor
Toronto, Ontario M4V 1M2

Charles O'Hara, Director of the Resources Recovery Policy Branch
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Table A**Proposed Amendments for ERO (Environmental Registry Ontario) Number 019-2579**

A proposed regulation, and proposed regulatory amendments, to make producers responsible for operating Ontario's Blue Box programs

Reference (Part #, Section #)	Draft Blue Box Regulation	Recommended Amendments
Part 1, Section 1	<p>"facility" means,</p> <p>(a) a building that contains more than one dwelling unit but that is not a residence,</p> <p>(b) a long-term care home licensed under the Long-Term Care Homes Act, 2007,</p> <p>(c) a retirement home licensed under the Retirement Homes Act, 2010, or</p> <p>(d) a public school or private school under the Education Act;</p>	<p>Add:</p> <p>(e) municipal facilities such as city halls and offices</p> <p>(f) public-facing facilities such as libraries, community centres and arenas</p> <p>(g) recycling depots</p>
Part 1, Section 1	<p>"public space" means any land in any park, playground, or any outdoor area which is owned by, or made available by, a municipality, and that is located in a business improvement area designated under the Municipal Act, 2001 or by a by-law made under the City of Toronto Act, 2006</p>	<p>Change:</p> <p>"public space" means any land in any park, playground, or any outdoor area which is owned by, or made available by, a municipality</p>
Part 1, Section 1	<p>"residence" means,</p> <p>(a) a single-unit residential dwelling, including a seasonal residential dwelling, in an eligible community, or</p> <p>(b) a building that contains more than one dwelling unit but receives garbage collection at the same frequency as single-unit residential dwellings in an eligible community;</p>	<p>Add:</p> <p>(c) small retail businesses located in a business improvement area</p> <p>(d) outdoor area adjacent to a Canada Post super mailbox</p>
Part 4, Section 19	A producer may provide either depot or curbside collection of Blue Box material to residences assigned to the producer under	Delete section.

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Reference (Part #, Section #)	Draft Blue Box Regulation	Recommended Amendments
	the annual allocation table that are not required to be provided curbside collection under section 18.	Depot collection is to be included as an eligible source in Municipalities that provides curbside collection
Part 4, Section 20	<p>A producer who provides curbside collection shall,</p> <ul style="list-style-type: none"> (a) collect Blue Box material at least every other week; (b) collect in a single day all Blue Box material set out for curbside collection at an eligible source; and (c) provide Blue Box receptacles for the storage of Blue Box material until it is collected, including, <ul style="list-style-type: none"> (i) ensuring that each residence has a Blue Box receptacle before the day on which the producer commences collecting from that residence, and (ii) providing at least one replacement Blue Box receptacle each year, to any residence, upon request of a person residing at the residence, provided within one week of the request. 	<p>Change:</p> <ul style="list-style-type: none"> (a) collect Blue Box materials at the frequency they were collected under the eligible community's Blue Box system; <p>Add:</p> <ul style="list-style-type: none"> (d) allow eligible communities to use bags as a preferred Blue Box receptacle under the common collection system following transition, even if an eligible community did not use bags as a Blue Box receptacle under their former Blue Box system; (e) ensure they are able to collect and process Blue Box material in bags under the common collection system following transition; (f) collect Blue Box materials on same collection days as green bin and garbage collection days (g) collect Blue Box materials on the same weekly schedule as other collection services provided by the municipality
Part 4, Section 21	A producer who provides depot collection in a municipality, local services board or reserve shall,	<p>Change:</p> <ul style="list-style-type: none"> (a) provide collection for all depots accepting Blue Box materials in that

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Reference (Part #, Section #)	Draft Blue Box Regulation	Recommended Amendments
	<p>(a) provide at least as many depots for the collection of Blue Box material as there are depots for household garbage in that municipality, local services board or reserve;</p> <p>(b) ensure the depots for the collection of Blue Box material have operating hours that are at least as accessible as the hours for depots for household garbage in that municipality, local services board or reserve;</p> <p>(c) collect the Blue Box material from the depot before the Blue Box receptacles at the depot are full; and</p> <p>(d) provide Blue Box receptacles for the storage of Blue Box material until it is collected, including,</p> <ul style="list-style-type: none"> (i) ensuring that each depot has a Blue Box receptacle before the day on which the producer commences operating the depot, and (ii) providing at least one replacement Blue Box receptacle each year, upon request by an operator of a depot, within one week of the request. 	<p>municipality, local services board or reserve where curbside collection is provided;</p> <p>Add:</p> <p>(e) subsidize depot administration and staffing costs at a level that meets or exceeds the current funding levels provided under the <i>Waste Diversion Act</i> (Data Call)</p>
Part 7, Section 48	<p>(1) Eligible communities that are local Municipalities and local service boards that are included in the Blue Box Transition Schedule shall register with the Authority, through the Registry, by submitting the following information, on or before April 15, 2021 about the municipality or local services board:</p> <ol style="list-style-type: none"> 1. Number of residents. 2. A list of residences, including the number and location of each residence, that, <ul style="list-style-type: none"> i. receive curbside garbage collection, or ii. are serviced by depot garbage collection. 3. A list of depots at which garbage is currently collected, including location. <p>(cont...)</p>	<p>Change:</p> <p>3. A list of depots at which <u>blue box materials</u> or garbage is currently collected, including location.</p>

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Reference (Part #, Section #)	Draft Blue Box Regulation	Recommended Amendments
Blue Box Transition Schedule		Add: Under “Eligible Community” – Markham, City of Under “Transition Year” – 2023



MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE

MINUTES

**Ontario Room, Markham Civic Centre
February 20, 2020**

Attendance

Members

Christopher Ford, Chair
Caryn Bergmann, Co Vice Chair
Kevin Boon, Immediate Past Chair
Martin Bush
Stuart Cumner
Victoria Genge
Karl Lyew
Nadine Pinto
Diane Ross
Frank Vignando
Paddy Wong
Natasha Welch

Regrets

Ashok Bangia
Morgan Davies, Co Vice Chair
Karl Fernandes
Phil Ling
Jennifer Wong, Sustainability Coordinator

Council

Regional Councillor Joe Li

Guests

Tanya Lewinberg, Public Realm Coordinator
Nory Takata, Parks Planner
Liz Couture
Andrew Hazen
Lloyd Helferty
Mary Louise Prosen
Sidney Shaw
Carrie Tai
David Tan

Staff

Jacqueline Tung, Community Engagement Assistant
Bev Shugg Barbeito, Committee Coordinator

1. CALL TO ORDER

The Markham Environmental Advisory Committee (MEAC) was called to order at 7:08 PM with Christopher Ford presiding as Chair. He welcomed everyone to the meeting.

2. CHANGES OR ADDITIONS TO THE AGENDA

It was noted that the next meeting is scheduled for March 19, 2020 rather than March 20, 2020. The agenda was accepted as amended.

3. ADOPTION OF THE MINUTES OF THE MARKHAM ENVIRONMENTAL ADVISORY COMMITTEE MEETING HELD ON JANUARY 16, 2020

It was

Moved by Nadine Pinto
 Seconded by Martin Bush

That the minutes of the Markham Environmental Advisory Committee (MEAC) meeting held on January 16, 2020 be adopted as distributed.

CARRIED

4. MATTERS ARISING FROM THE MINUTES

A. INFORMATION ON MARKHAM INITIATIVES AND COUNCIL MATTERS

- Regional Councillor Joe Li reported that a 3-day workshop about waste and environmental management will be held on February 26 at the Pan Am Center; Caryn Bergmann and Paddy Wong advised that they would be interested in attending. He also noted that a conference about how smart cities deliver services to residents, that he is planning to attend, has been postponed to the summer due to the recent coronavirus outbreak.
- Regional Councillor Joe Li advised that Markham is poised to install the infrastructure for an underground waste management system in a new development. He provided a brief description of the system where residents throw waste into readily accessible chutes, which can either be indoors or outdoors. The waste is temporarily stored above a closed storage valve until the chute is full. Automatic emptying is controlled by a system in the waste collection station located on the outskirts of the development it serves; it is linked to the chutes via a network of underground pipes. When the control system senses that it is time to empty the chutes, a vacuum is created in the pipe network and waste in the chutes is sucked to the waste collection station at speeds up to 70 kph and over distances as great as 10 km. Waste at the collection station is sucked through a cyclone, where it is separated from the transport air. The waste then falls into a compressor where it is compressed and fed into a sealed container.

This system offers many benefits: the waste chutes can be located close to residents, which makes sorting waste at source easier and increases recycling rates. Diverting valves ensure that each waste stream remains separated. Finally, the system is hermetically sealed, so it will not attract pests or insects, or give off unpleasant odours. The system reduces carbon emissions and increases the sustainability of the environments in which it operates. There is no need for garbage trucks to make regular pickups and this reduces the amount of polluting waste collection vehicles on roads. Finally, waste collection cycles can be scheduled more frequently for less cost.

B. FOLLOW UP ON ACTION ITEMS

Chair Christopher Ford reviewed the list of action items and noted that the items reflect agenda items for this meeting.

5. NEW BUSINESS

A. PRESENTATION: BIODIVERSITY

Nory Takata, Parks Planner, and Tanya Lewinberg, Public Realm Coordinator, provided a presentation on Biodiversity. To provide a conceptual background for their work, Mr. Takata provided information relating to the global context of biodiversity, and the evolution of past research to modern conservation biology. He discussed the causes for loss of biodiversity such as habitat loss, pollution, invasive species, and over exploitation. Mr. Takata provided an overview of ongoing City programs in support of biodiversity such as “Trees for Tomorrow”; in conjunction with Toronto and Region Conservation Authority (TRCA), York Region, Tree Canada, Forests Ontario and local service clubs, over 400,000 trees have been planted since 2007 to restore forest cover and connect forest fragments. He spoke of invasive species and Markham’s programs such as the Pollinator initiative, the Milkweed and native wildflowers nursery, and being a Monarch butterfly friendly city. Tanya Lewinberg spoke about and displayed pictures of Public Realm initiatives including Answell Park, Butterfly Bike Racks (to remind residents that Markham is a butterfly-friendly city), pollinator sculpture, Shinrin Yoku Forest Therapy (a research-based framework for supporting healing and wellness through immersion in forests and other natural environments), Reusing Resources – carving “old” wood to create sculptures, and the Speaker Series with topics such as the Urban Forest.

Chair Christopher Ford thanked Nory Takata and Tanya Lewinberg for taking the time to attend the MEAC meeting to help Committee members understand and appreciate Markham’s initiatives supporting Biodiversity. Nory Takata and Tanya Lewinberg left the meeting at 8:00 pm.

B. REPORT ON INTERVIEW WITH MARKHAM REVIEW

This item was deferred to the next meeting.

C. CLIMATE EMERGENCY DECLARATION

Chair Christopher Ford advised that it had been recommended that MEAC finalize the Climate Emergency Declaration at this meeting so that the motion could be submitted to Markham Council for consideration in March 2020.

Committee members discussed the current status of the declaration. It had previously been advised that the term “emergency” might be interpreted to mean that there was an emergency because Markham was not doing enough. Markham Council would not agree with that, and as a result, the declaration might not win the support of Markham Council. The draft declaration was amended to be context sensitive to Markham initiatives and achievements, including a reaffirmation of the leadership that Markham Council and staff have shown via the many sustainability-related initiatives which have been implemented, and to include what action MEAC would expect from Council. The Committee had previously voted to retain the phrase “climate emergency” in the declaration and advised it still wished to include this phrase.

The Committee reviewed the recitals of the draft declaration; one recital was deleted and Natasha Welch agreed to provide text for a recital relating to biodiversity.

The Committee then reviewed the draft declaration resolutions one-by-one; the Committee agreed to make the following amendments:

- #7 – added wording: “commensurate with Markham’s goal of Net-Zero by 2050”
- #10 –including this resolution earlier in the resolutions
- #11 – the date was deleted; added wording: “in particular the climate-related components, with new targets for 2030-2050”
- #12 – this resolution was deleted

It was

Moved by Karl Lyew
 Seconded by Stuart Cumner

That the Markham Environmental Advisory Committee (MEAC) refer the Climate Emergency Declaration as amended to Markham Council for consideration and to staff for analysis and discussion.

CARRIED

D. PLANNING FOR MARKHAM EARTH DAY 2020

This item was deferred to the next meeting.

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6. OTHER BUSINESS

None was reported.

7. NEXT MEETING

The next meeting of the Markham Environmental Advisory Committee is scheduled for Thursday, March 19, 2020 at 7:00 p.m., in the Ontario Room, Markham Civic Centre.

8. ADJOURNMENT

It was

Moved by	Nadine Pinto
Seconded by	Karl Lyew

That the Markham Environmental Advisory Committee adjourn at 9:15 PM.

CARRIED

CITY OF MARKHAM – DECLARATION OF CLIMATE EMERGENCY

WHEREAS: The City of Markham has demonstrated its leadership in sustainability, energy, and climate action for decades, and current policies and plans support continued action to mitigate and adapt to climate change including the Building Markham’s Future Together 2020-2023 Strategic Plan and Council-approved Municipal Energy Plan – Getting to Zero’s goal of net zero emissions by 2050;

AND WHEREAS: Markham’s ongoing leadership in climate action has resulted in \$2-Million per year in cumulative utility savings and \$1.6-Million in revenue to date, including approximately \$300,000 annual non-tax revenue from one of the largest municipally-owned rooftop solar PV fleets in Ontario, and as such is part of Markham’s commitment to fiscal responsibility and keeping life affordable for residents;

AND WHEREAS: Markham has received over a dozen awards to date for its actions on environmental sustainability and climate change;

AND WHEREAS; The City of Markham would like to express its solidarity with the almost 500 local governments in Canada that have declared Climate Emergencies as of February 3, 2020, including provincial and national capital cities Edmonton (AB), Halifax (NS), Moncton (NB), Ottawa (ON), St. John’s (NL), and Toronto (ON), several local municipalities near to Markham, including Brampton, Caledon, Durham Region, King, Newmarket, Mississauga, Pickering, Peel Region, Toronto, Vaughan and Whitby, as well as the Government of Canada;¹

AND WHEREAS: Markham recognizes the urgency of climate change as presented by the latest science, including:

1. The Intergovernmental Panel on Climate Change (IPCC) *Special Report: Global Warming of 1.5°C*, issued in 2018, which identified that concerted and effective action to reduce emissions of greenhouse gases must be taken in the near term if global warming is to be limited to not more than 1.5°C above pre-industrial levels by mid-century;²

¹ (<https://climateemergencydeclaration.org/>), Since June 2019, many more Canadian cities and towns have declared a climate emergency including the city of Toronto. The website cited above shows that 464 towns and cities in Canada have now declared a climate emergency.

² This report was the first of three reports from the Intergovernmental Panel on Climate Change (IPCC) that reviewed the progress being made to meet the Paris Agreement targets agreed by over 190 countries including Canada in 2015. A press release summarising the findings of the report is available [here](#). The report specifically focused on the probable global impacts if warming could be held to 1.5°C, and the more intense likely effects if this was not possible. One finding that received international attention was that the world has at most 12 years to substantially reduce and draw down emissions of greenhouse gases if the 1.5°C target is to be met. At the present time, emissions of greenhouse gases are continuing to rise

- II. Latest measurements on concentrations of carbon dioxide, which have now risen to 415 ppm for the first time in human history and show no signs of slowing;³
- III. The May 2019 report from the Intergovernmental Science Policy Platform on Biodiversity and Ecosystem Services, which has determined that out of 8 million known species of animals and plants, about 1 million are under threat of extinction;⁴
- IV. The report on Canada's Changing Climate, issued by Environment and Climate Change Canada in 2019, which has forecast that Canada will warm twice as fast as the global average, which will very likely increase the probability and intensity of heat waves, wildfires, extreme weather and floods;⁵ and
- V. Research suggesting risks to public health related to climate change, such as potential increases in the incidence of tick-borne lyme disease;⁶

AND WHEREAS: The cost to Canada of global warming effects including floods, heat waves and sea-level rise, has been estimated at \$21 billion to \$43 billion a year by mid-century, and continued action on climate change has the opportunity to yield new opportunities and reduce financial and operational risks to the City of Markham;⁷

AND WHEREAS: The impacts of global warming and climate change will almost certainly have an adverse impact on the economy of the City of Markham and on the welfare of its residents;⁸

THEREFORE, BE IT RESOLVED THAT THE CITY OF MARKHAM:

1. Declare a climate emergency for the purpose of deepening our commitment to taking strong and effective measures to reduce emissions of greenhouse gases, and to ensure that the essential services provided by the City can withstand the adverse impacts of the changing climate;

³ Data on the concentration of carbon dioxide in the air are continually published by the National Oceanic and Atmospheric Administration (NOAA) in the US. Data accessed on October 13 shows that the concentration of carbon dioxide in the atmosphere has reached about 415 parts per million. These are low concentrations of the gas, but it has a very strong impact on global warming

⁴ The 'Summary for Policymakers' of the referenced report is available [here](#). This report caused great concern among scientists as it carefully documented the steady global decline in the abundance of millions of species of animals and plants. The report was authored by a multinational team of experts.

⁵ This report from Environment and Climate Change Canada shocked many Canadians when it stated that Canada was warming faster than the global average. Many people still believe that Canada will not be greatly affected by the changing global climate. Unfortunately, that is not true. The press release from ECCC can be found [here](#).

⁶ Dumic, I., and Severini, E. (2018). "Ticking Bomb": The Impact of Climate Change on the Incidence of Lyme Disease. *Canadian Journal of Infectious Diseases and Medical Microbiology*. Retrieved from <https://www.hindawi.com/journals/cjidmm/2018/5719081/>

⁷ These numbers are taken from an article in the Toronto Star that appeared in May this year. The Star reported that "The cost to Canada of global warming effects including floods, heat waves and sea-level rise, has been estimated at \$21 billion to \$43 billion a year by mid-century."

⁸ In September last year, the Environmental Commissioner of Ontario, issued a report titled: Climate Action in Ontario: What's Next. It is available [here](#). The report noted that Ontario is warming faster than the global average, and that the ten warmest years on record have all occurred since 1998. Moreover, the report stated that in the first five months of 2018, extreme weather had already resulted in nearly three-quarters of a billion dollars of insured damaged in Ontario (p18).

- i. Note that this Declaration is not intended to invoke the City of Markham's Emergency Plan or to interfere with the responsibilities and power delegated to the Mayor to declare or to terminate a local emergency under the *Emergency Management and Civil Protection Act, 1990*;
2. Leverage its existing partnership with York University and other post-secondary institutions to establish a program for students to access and explore data owned by the City of Markham for the purposes of furthering climate change research and cleantech entrepreneurship, in alignment with Markham's open data program;
3. Continue to implement Smart City initiatives to support innovative, efficient, and effective service delivery, with a renewed focus on new initiatives that help Markham to mitigate and adapt to climate change;
4. Continue working with other levels of government to champion alternative, low-carbon transportation methods, including implementation of the Yonge Street North Subway Extension;
5. Report back periodically to the public on the progress being made on the implementation of (a) Greenprint, Markham's Sustainability Plan, (b) Markham's Municipal Energy Plan, and (c) other measures that are currently being taken or are planned for the future to mitigate and adapt to climate change;
6. Engage Markham residents and businesses to play a more significant role in addressing climate change mitigation and impacts;
7. Direct staff to explore the establishment of a carbon budget for corporate emissions commensurate with Markham's goal of Net-zero by 2050 and establish a process for reporting on the expenditure of the City's remaining carbon budget;
8. Commit to joining the Global Covenant of Mayors for Climate and Energy for the purposes of sharing best practices, establishing a process of regular reporting on progress, and sharing Markham's leadership with respect to climate change action with the world;
9. Direct staff to update the City of Markham's Official Plan in accordance with its commitment to Net Zero Emissions by 2050 at such time as the plan is to be updated.
10. Review and update the Markham Greenprint Sustainability Plan, in particular the climate-related components, with new targets for 2030-2050 in light of new global and local data and models which have become available since the plan was first written.