March 20, 2006

Mayor Larry Di Ianni
City of Hamilton
71 Main Street West
Hamilton ON L8P 4Y5

Dear Mayor Di Ianni:

Re: Request for 100% Provincial Funding, and not user fees, to fund the transfer and maintenance of regulatory oversight of drinking water systems from the Ministry of Environment (MOE) to local Public Health Units

Request for 100% funding for the Draft Mandatory Public Health Safe Water Program

Thank you for the two letters of January 18 with regard to the above.

The Ministry of Health and Long-Term Care and the Ministry of the Environment are proceeding with a proposal for the transfer of responsibility and oversight for small drinking water systems. The transfer was approved on the basis of 100% funding for the start-up phase of this program which includes some of 2009. Therefore under this proposal, all costs that are associated with the risk assessment and related activities specific to small drinking water systems will be fully funded by the province.

It is proposed that the small drinking water systems program will become operational on January 2007. This will be followed by initial risk assessments for all systems. These in turn will determine requirements such as frequency of testing and, where necessary, the provision of water treatment to protect the consumer. Those initial assessments will also determine the frequency of reassessment e.g. every 2 or 4 years, which represents the maintenance phase of this program.

This maintenance phase will be costs shared like all other public health mandatory programs, which by 2009 will be 75% provincial and 25% municipal funding. It is presently estimated that the total municipal share of this program province-wide is $0.6 million annually.

Local municipalities that operate small drinking water systems that are included in this program will see benefits from this program. The municipalities will receive the same benefits as any other owner or operator of a small drinking water system. The initial risk assessment will be conducted by a trained Public Health Inspector at no charge, which in most cases eliminates the need to engage the services of an engineer as was the case under Ontario Regulation 170. The site specific risk assessment will also determine the sampling frequency which in turn will result in a significant reduction in the sampling frequency (and associated costs) for those systems that are deemed low risk.
A major focus in this project is the reduction of cost to Government Agencies and Drinking-Water System Operations so that available funds will be directed towards the intended target, the provision of safe drinking water.

If you have any further questions or concerns with regard to this matter please do not hesitate to contact the Safe Water Unit with the MOHLTC by phone at 416-327-8699 or by e-mail at Safewater@moh.gov.on.ca.

Yours truly,

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