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VIA ELECTRONIC MAIL

The Honourable Dennis R. O'Connor
Commissioner
The Walkerton Inquiry
180 Dundas Street West, 22nd Floor
Toronto, Ontario
M5G 1Z8

Dear Commissioner O'Connor:

Re: Walkerton Inquiry - Part II - Ontario Water Works Association ("OWWA") and Ontario Municipal Water Association ("OMWA") - Summary Statements of Recommendations for Public Hearing # 7 on Issues 10 - Training and Accreditation; and 11 - Management and Organizational Behaviour

I am attaching two documents for Public Hearing # 7, on September 20, 2001.

1. A summary statement of recommendations prepared by Mr. Gerald Samuel, P. Eng. on behalf of OWWA/OMWA. (The attached statement is based on a larger report prepared by Mr. Samuel that was filed with the Commission in August 2001 on Issue 10).
2. A summary statement of recommendations prepared by Mr. Allan Davies, P. Eng. on behalf of OWWA/OMWA. (The attached statement is based on a larger review prepared by Mr. Davies that was filed with the Commission in September 2001 on Issue 11).

The recommendations contained in the attached statements are the same as those contained in the larger reports. We would ask that each of these summary statements also be placed on the Commission website. I trust the above is satisfactory.

Yours truly,

"Joseph Castrilli"

Joseph F. Castrilli

Encl.

c.c. James Van Loon

c.c. Gerald Samuel, consultant to OWWA/OMWA

c.c. Allan Davies, consultant to OWWA/OMWA

c.c. Rod Holme, OWWA

c.c. Jim Craig, OMWA

c.c. Judy A. MacDonald, OWWA

c.c. John Braam, OWWA

c.c. Max Christie, OMWA

c.c. Doug James, OMWA

c.c. R.L. Beck, OMWA

c.c. Susan Andrews, OWWA

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**STATEMENT ON BEHALF OF THE
ONTARIO WATER WORKS ASSOCIATION ("OWWA")
AND THE
ONTARIO MUNICIPAL WATER ASSOCIATION ("OMWA")
BEFORE
MR. JUSTICE DENNIS O'CONNOR, COMMISSIONER
RESPECTING
PART II OF THE WALKERTON INQUIRY**

STATEMENT ON ISSUE 10 – TRAINING AND ACCREDITATION

FOR

**PUBLIC HEARING 7
SEPTEMBER 20, 2001**

PRESENTED BY

**GERALD SAMUEL, P. ENG.
CONSULTANT TO OWWA/OMWA**

INTRODUCTION

Good morning Commissioner O'Connor. I am appearing before you today as a consultant to the OWWA/OMWA.

I will be making a statement to you this morning related to Issue 10 – Training and Accreditation. As you know, Issue 10 arose from the Commission's original list of Part II Issues released in August 2000 and amended in December 2000.

My comments to you today on Issue 10 matters are based on a larger report that was filed with the Commission by OWWA/OMWA in late August 2001. That report and the recommendations that follow address a number of concerns including the training and certification of water facility operators, regulatory staff and public health officials.

TRAINING AND ACCREDITATION

The recommendations of OWWA/OMWA contained in my report urge the Commission to recommend adoption of the following actions by the Ontario Government regarding the certification and training of water supply operations personnel:

CERTIFICATION OF OPERATORS

- 1. That the Government of Ontario should continue to support mandatory certification of persons performing operational work in water treatment and distribution facilities.**

Certification programs for water treatment and water distribution facility operators are common throughout North America. In Canada, all provinces and Territories have certification programs in place or in the planning stages. Currently, some are voluntary, but all programs are moving toward becoming mandatory. The US EPA water system certification guidelines require that all states have mandatory certification programs.

And further, that all applicants for an operator's licence should have a high school diploma or specified education equivalent.

The three basic requirements of certification are education, experience and examination. It is based on the premise that each supports the other. Formal education is required to provide the necessary building blocks for learning and the associated problem solving skills. Experience is necessary so that the individual can relate knowledge to specific operating conditions. Finally, an examination assures certain knowledge. None of these stand alone. If operating experience can be substituted for high school education, one of the three components is then missing. Even though most certification programs in North America started off allowing the substitution of experience for high school education, many are now requiring a high

school diploma (or specified equivalent) for the entry level of certification.

MOE, through the designated Director has the discretion to consider equivalencies in special cases. This feature should be retained.

And further, that all operators should have continuing education as a condition of licence renewal.

MOE has proposed a requirement that all certified operators obtain at least 36 hours of approved related training in each three-year renewal period. If this is adopted, the recommendation will have been met and the Ontario program will have requirements similar to US programs. The 36 hours of continuing education are in addition to the current requirement of a minimum of 40 hours per year of professional development.

And further, that all operators should be encouraged to gain certification.

When all operators are certified, the water authority has greater assurance that the water system is being operated to its optimum level at all times. This would also provide certified operator back up for all eventualities.

2. That the Government of Ontario should require all applicants for an operator's licence at the entry level to complete a training course with a specific curriculum.

The entry-level mandatory course would ensure that all certified operators had been exposed to, and demonstrated knowledge of, the basic principles involved in their job duties. The certification exam is intended to provide assurance of this knowledge. But, it is possible for an operator to pass the certification exam with no knowledge or experience in one or more specific subject areas.

The reluctance to require this type of course is natural. The challenges are many including resources, administration, delivery, geography and enforcement.

There are many ways to meet these challenges. Suitable course materials can be developed if the necessary resources are provided. From then on, the process should be self-supporting. Delivery can be provided in many ways such as classroom courses, correspondence courses or on the Internet.

3. That the Government of Ontario should update the mandate for the Water and Wastewater Operator Certification Advisory Committee.

The Advisory Committee was first established in 1987. In 2001 the makeup of the Committee was revised. The further step of updating the mandate and role of the Committee should be undertaken. All stakeholders should be involved in the process.

4. That the Government of Ontario should ensure the Ontario Water and Wastewater Operator Certification Program is adequately staffed to meet ABC standards and that the program is self-financed.

In the past four years the program has run at a deficit. The fees should be adjusted so that the program becomes self-supporting.

The areas where fees apply are: facility classification, application for certification, certification examination, certification renewal and the sale of operator certification/training related materials.

5. That the Government of Ontario should have a system to monitor training and continuing education for operator re-certification.

This system must ensure that water authorities are providing the minimum required training per year as required by Ontario Regulation 435/93 and that operators are obtaining the minimum required continuing education units (CEUs) to be re-certified as required by Ontario Regulation 435/93.

In order to maintain the integrity of the program, the rules must be enforceable and must be enforced. To date, the rules of the Certification Program have not been consistently enforced.

- 6. That the Government of Ontario should work with appropriate stakeholders to ensure private water system operators are adequately trained and certified.**

The main clients/stakeholders of the Certification Program are water authorities that serve municipalities. The water systems that serve private developments that fall under the legislation must also be included.

TRAINING

- 7. That the Government of Ontario, in collaboration with water utilities and other appropriate stakeholders (i.e. OWWA, OMWA, WEAO, AMO, MEA, PEO, OSPE, private trainers, etc.), establish competence-based training and career development programs for water (and wastewater) utility staff.**

The Ontario Government must take the lead in this initiative and provide funding, if necessary, to bring the stakeholders together to form a workable partnership. The Government should also have regard for programs being initiated by OWWA including the Water Distribution System (and Wastewater Collection System) Operator Apprenticeship Program and the Water Utility Management Institute of Ontario. Training in specialized areas such as water treatment process optimization, and microbiological factors must also be recognized.

- 8. That the Government of Ontario should conduct a gap analysis to determine the long-term training and capacity development requirements of the water works industry.**

It is necessary to use a comparison of existing training and the required training offerings in order to develop workable plans. The actual numbers of grandfathered operators who have not yet passed an exam also needs to be assessed in order to determine the training needs for this group of operators.

- 9. That the Government of Ontario should establish a mandatory water supply training course for regulatory staff and public health officials.**

MOE has recently changed its policy so that all inspectors must complete three weeks of training prior to receiving their provincial officer designation. This practice should continue and be extended to include public health officials who are responsible for potable water supplies. Training of this sort will help to get the health officials, the inspectors and the operators to work as a team to ensure safe water supplies.

- 10. That the Government of Ontario should provide guidance to water utilities regarding “how to” get CEU training approved for utility staff.**

As a new aspect of the program is initiated, utilities and operators will have difficulty understanding the requirement and how to meet them. The Ontario Government should provide a program to assist water utilities to develop training and to have it approved for the education and continuing education requirements of the certification program.

11. The Ontario Government should provide guidelines and require water utilities to adopt personnel development provisions that authorize adequate time and funding for the training of personnel at all levels of the system's operations.

The American Water Works Association (AWWA) strongly encourages each water system to adopt personnel policies endorsing competence-based training and career development opportunities through attendance at educational, technical and scientific conferences, and other continuing education programs. AWWA further recommends that each water system adopt personnel development provisions that authorize adequate time and funding for the training of personnel at all levels of the system's operations.

As part of the overall management of a utility, professional development of all staff is critical. Specific requirements for programs and sufficient direction will foster development of good personnel training programs.

**STATEMENT ON BEHALF OF THE
ONTARIO WATER WORKS ASSOCIATION (“OWWA”)
AND THE
ONTARIO MUNICIPAL WATER ASSOCIATION (“OMWA”)
BEFORE
MR. JUSTICE DENNIS O’CONNOR, COMMISSIONER
RESPECTING
PART II OF THE WALKERTON INQUIRY**

**STATEMENT ON ISSUE 11 – MANAGEMENT AND ORGANIZATIONAL
BEHAVIOUR**

FOR

**PUBLIC HEARING 7
SEPTEMBER 20, 2001**

PRESENTED BY

**ALLAN DAVIES, P. ENG.
CONSULTANT TO OWWA/OMWA**

INTRODUCTION

Good morning Commissioner O’Connor. I am appearing before you today as a consultant to the OWWA/OMWA.

I will be making a statement to you this morning related to Issue 11 – Management and Organizational Behavior. As you know issue 11 arose from the Commission’s original list of Part II Issues released in August 2000 and amended in December 2000.

My comment to you on Issue 11 matters is based on a larger report that was filed with the Commission by OWWA/OMWA in September 2001. That report and the recommendations that follow address a number of matters including drivers of change in the industry, success stories, organizational design structure, organizational behaviour, and ownership and control.

ORGANIZATION

The OWWA/OMWA urge that in its final report the Commission recommends that the Ontario Government support, encourage, and promote, in consultation with the water industry and other stakeholders, the following guiding principles for the achievement of superior performance by water utilities:

A. Water utility leadership development plan. The purposes of the plan would include ensuring that utility leaders have:

1. A vision to serve and protect public health and welfare by providing safe, reliable, and sufficient water supplies to consumers.

An organization's vision must provide a statement of what it wants to achieve. This vision must be clear enough to be understood and be substantial enough to be meaningful. Any water utility organization, be it stand alone or part of a larger structure like a municipality, must have a clear vision, and must include the following principles:

- Providing an adequate water supply in a reliable manner;
- Ensuring high quality drinking water to the end user;
- Including input from and being accountable to the consumer.

These three concepts are based upon best management principles presented by the American Water Works Association (AWWA).

By establishing a well-phrased, easily understood organization vision, a water utility has established a conscience. By acting upon the vision with meaningful and consistent practices over a period of time, the culture of the organization will conform to these standards.

When the water utility has a unifying intention, that will be a key influence that guides major decisions. The organization's vision cannot be taken lightly. It must be more than rhetoric or a plaque on the office wall. A truly meaningful organization vision is the foundation upon which all else will be built.

The vision serves two goals: (1) to unify the organization, and (2) to reinforce acceptable organization results and performance.

2. Management strategies that create a pride in drinking water.

Organizational behavior dictates how the work gets done in an organization and requires coordination of the various resources (people, processes, equipment) available to the organization structure. Understanding the relationship among the interpersonal attributes of attitudes, culture, and behavior

are the management strategies employed to most effectively achieve the values of the organization.

Today's water managers find themselves in a transitional environment. In the past, a risk-averse climate was prevalent. Because of political governance, many water organizations are still firmly entrenched in this environment. Because of changing driving forces, this is a less acceptable method of operation. Changes will occur and management practice will provide managers with the skills needed to motivate and organize their staff and achieve maximum excellence in performance.

3. A continual-improvement program based upon elements of accountability for optimum performance.

Organizations must have appropriate organizational behavior to ensure the challenge of change is prevailing. The water utility must understand the real cause for current behaviour before moving with needed change. They must also avoid trendy management tools or processes, since they may not expose the root concerns and issues. What counts is for the utility to succeed regularly and reliably over an extended period

Human requirements are critical for an organization to be successful. Behavioral performance is increasingly being understood as transcending all structural management areas. Yet it is the most difficult to measure and judge. Performance indicators are an integral part of the development process. Personal performance goals are a powerful motivator. Careful selection of goals can be used effectively to develop staff. They also can be further encouraged by performance-related pay, in which recognition and remuneration is linked to achievement of explicit, quantifiable goals.

4. Appropriate attraction, retention and motivational roles that will foster an appropriate learning environment.

Employee learning, ethical behavior, and fair treatment are investments in staff that will reward progressive water utilities. If a utility recruits and retains good-quality staff, obtains their commitment, and promotes productivity, that organization will establish itself as a good employer. Through employee learning and training programs, the utility will be investing in the development of knowledge, skills and capabilities that contribute to company performance and strategic vision. Through utilization of these tools, effective employee attitudes can be achieved.

B. Recognition that water utilities must be sustainable, such that the required infrastructure improvements to produce safe drinking water demanded by the public and the financing capability to achieve this result.

For the continued prosperity of water utilities, they must be able to meet the test of sustainability. The standard of sustainability is set through social, financial and environmental achievements. The water utility must have a business strategy for sustainability and through its reporting practices and verification must be able to consistently demonstrate success.

All water utilities require a financial business strategy. This ensures that water service is a self-sustaining enterprise. The AWWA policy on financing states: "Water utilities should receive sufficient revenues from water service, user charges, and capital charges, such as system development charges, to enable them to finance all operating and maintenance expenses and all capital costs (e.g. debt service payments)." Implementation of this business strategy can be balanced against other policy objectives, but the long-term financial integrity to meet the basic purpose cannot be compromised. Without adequate financial capacity to achieve change, including meeting new regulatory requirements that require capital expenditures, water utilities will not achieve the business strategy.

C. Investigation of gaps or needs in the current system. Such investigation should include: (1) the appropriate institutional governance model(s) (including scale/size) for utilities to ensure sustainability, (2) organizational and structural requirements for whatever governance model(s) are adopted, (3) consumer and public education and information needs, and (4) financial, technical, and managerial learning needs.

Highly effective water utilities are open to restructuring options that can enhance their ability to provide safe and reliable drinking water. Various governance models are presently available in Ontario. A key ingredient will be the accountability of the utility performance to the consumer. Restructuring is not necessary or desirable for all water utilities. However, for smaller utilities in particular, restructuring may provide significant opportunities to enhance performance and improve service.

- D. Water quality regulations are necessary and should be viewed as the collaborative research and development requirement of the industry. Regulatory effort will allow best science, economics, and risk analysis to be combined with the resulting knowledge being accessible and shared with all stakeholders.**

Standards already exist for numerous contaminants in water. It is expected that standards for additional contaminants will be introduced and existing standards will be further tightened. New man-made chemicals used in industry, agriculture and for pharmaceuticals have found their way into water supplies. We are also developing a better understanding and knowledge of microbial contaminants, including parasites. These contaminants will challenge existing treatment facilities, which will require optimization of existing processes or completely new technology. Such changes will require financial capacity and new employee skills to meet future requirements.

- E. Water utilities should consider water quality regulations and standards as the minimal acceptable level of performance, and always strive to go beyond this base level of performance.**

The influences on water utilities are changing rapidly. Changes include new regulations arising from improved science, as well as higher staff and customer expectations. Such changes will continue at an accelerated pace in the future. Superior water utilities would meet and surpass consumer expectations. The guiding principles apply to all water utilities, large or small.

- F. The water utility needs to be regularly audited and accredited by a third party as part of the review. The foundation for this approach is available through the AWWA QualServe, Benchmarking, and Accreditation Programs.**

Accreditation is the program that has the ability to verify that industry best practices are being employed to produce water of the highest quality (which will usually exceed the minimum established by law). By accrediting their operations, utilities will be able to assure customers and regulators that they are conforming to best practices and minimize the need for additional regulation.

Governments, financial institutions, owners, consumers and environmental groups will recognize the value of accreditation. Accreditation is not a one step process but must be regularly reviewed and updated. In this regard, AWWA is working on development of best practice standards. Ten standards outlining performance requirements and verification procedures for water utilities are in preparation.

AWWA also is developing an accreditation program that relies upon an independent audit process to verify conformance with recognized best practices. The audit process must be focused and rigorous and be recognized by all stakeholders for its value. An accredited utility can then use the seal of approval as a demonstration of its delivery of efficient and high quality service.

G. Results of accreditation must be regularly presented to consumers. They must have the ability to influence utility policy especially when changes and challenges are identified through the audit.

The water utility improvement program is a proactive approach that regularly tells the community how well the water utility is performing. Water utilities would receive their annual accreditation from an independent auditor. This scorecard will assure consumers in the community that the safety of drinking water, along with all the other requirements of water utility performance, are being met. If the utility receives a failing grade, then the community must be involved in a corrective plan. For both private and government operated systems the same principle will apply. Through democratic fundamentals, the community will have the knowledge to correct the issues. If correctly administered, the failure to meet accreditation status should occur prior to regulatory standards NOT being achieved. The solutions for the water supplier can range from new leadership, increased water rates, new or improved infrastructure or alternative service delivery. In any event, the public can be properly informed and involved.