

COUNCIL REPORT

Meeting Date: March 17, 2025
Department: Engineering & Public Works
Report No.: EPW-2025-07
Submitted by: Mark Ortiz, Director of Engineering and Public Works
Approved by: Rob Browning, Chief Administrative Officer
SUBJECT: **Drinking Water Quality Management Standard (DWQMS) Internal Audit, External Audit and Management Review 2025**

RECOMMENDATION:

THAT: Council receive Report EPW 2025-07 regarding the Drinking Water Quality Management Standard (DWQMS) Internal Audit, External Audit and Management Review Results for information, and further;

THAT: Council endorse the Municipality of Strathroy-Caradoc Water Distribution System DWQMS Operational Plan.

BACKGROUND:

As an accredited Operating Authority under the Safe Drinking Water Act, 2002, the Municipality of Strathroy-Caradoc is required to maintain a Quality Management System (QMS) as per the Drinking Water Quality Management Standard (DWQMS).

The QMS is required to be documented in an Operational Plan for each drinking water system that meets the requirements as set out by the Ministry of Environment, Conservation and Parks (MECP). The Municipality's Operational Plan is comprised of twenty-one key elements documenting details of the drinking water system, roles and responsibilities, a commitment to the provision of safe drinking water.

To maintain accreditation, regular internal audits, external audits and management reviews of the Municipality's QMS are required to be completed and provided to Council.

COMMENTS:

The audits generally compare the Operational Plan to the requirements of the DWQMS. The auditor identifies non-conformities when part of a required element of the DWQMS has not been incorporated satisfactorily into the Operating Authority's QMS. Non-conformities are classified as either Minor (Mn) or Major (Mj). This process is in the spirit of continuous improvement to help make the quality management system improve.

For each non-conformance, the Operating Authority is issued a Corrective Action Request (CAR) and provided an opportunity to submit corrective actions to the auditor to address the issue so that the item may be resolved and closed out.

Auditors also identify Opportunities For Improvement (OFI) that do not require a formal response. They are only suggestions provided by the auditor to improve the Operational Plan.

Non-conformities and OFIs do not need to be reported to the MECF. The objective of the audits is to ensure compliance with the DWQMS and promote continuous improvement.

Internal Audit Results

The internal audit of the Operational Plan was completed January 14, 2025. The results of the internal audits identified:

- Major Non-Conformities: 0
- Minor Non-Conformities: 0
- Opportunities for Improvement (OFI): 2

The two OFI's were:

- 1) The use of an out-of-date form;
- 2) A revision sheet had not been updated.

The OFIs have been reviewed and the Team will work to use the most current forms. The revision sheet was updated to be current.

External Audit Results

The external audit was conducted by a Ministry designated company, NSF Canada. NSF completed an audit of our Operational Plan on January 20, 2025 with the following overall results:

- Major Non-Conformities: 0
- Minor Non-Conformities: 2
- Opportunities for Improvement: 2

The two Minor Non-Conformities were:

- 1) Processes to verify currency of information and validity of assumptions used in risk assessments are not fully effective;
- 2) The internal audit process is not fully effective.

Both of the minor non-conformities were addressed through the addition of scheduling in the Work Order system, along with the updating of the associated forms and procedure. A CAR was submitted to the auditor and accepted therefore no further action required.

The two OFIs were:

- 1) An opportunity exists to clearly state the level of risk assessment in the Risk Assessment Activity Record;
- 2) Consideration could be given to cover a full calendar year in each management review.

The OFIs have been reviewed and the associated form has been updated.

Management Review

According to the DWQMS, it is required that management reviews are completed on a regular basis and the results are shared with Council. The Management Review was completed on January 28, 2025 and meeting minutes are attached to this report.

Operational Plan Update

The Municipality's revised Operational Plan is attached to this report. A high-level summary of the updates include:

Element #	Description of revision
1	Update Schedule C
2	Update CAO Name
3	Update CAO Name
4	Update CAO Name
19	Update wording and associated documentation

CONSULTATION:

The audit process represents an overall consultation for quality assurance. The internal staff audit team, external auditor (NSF), Director of Engineering and Public Works, and the Chief Administrative Officer were all involved in conducting the quality control reviews to enable this update to Council.

FINANCIAL IMPLICATIONS:

Costs related to the preparation and maintenance of the DWQMS are included in the annual operations budget of Strathroy-Caradoc water system.

ALTERNATIVE(S) TO THE RECOMMENDATION:

1. Council to provide alternate direction.

STRATEGIC PLAN ALIGNMENT:

This matter is in accord with the following strategic priorities:

Local Infrastructure: Households and businesses in Strathroy-Caradoc are supported by reliable, financially responsible and well-maintained infrastructure networks

ATTACHMENTS:

- Top Management Review Agenda and Meeting Minutes
- DWQMS Operational Plan January 2025