

Audit Report

Systems Audit for

Veolia Water Canada Inc. for the Municipality of Brockton

1640399-02

Audited Address: 130 Wallace St, Walkerton, Ontario, CAN, N0G 2V0

Start Date: Feb 26, 2021 End Date: Feb 26, 2021

Type of audit - System (Stage 1)

Issue Date: Feb 26, 2021

Revision Level: *Final*

BACKGROUND INFORMATION

SAI Global conducted an audit of Veolia Water Canada Inc. for the Municipality of Brockton beginning on Feb 26, 2021 and ending on Feb 26, 2021 to DRINKING WATER QUALITY MANAGEMENT STANDARD VERSION 2 - 2017.

The purpose of this audit report is to summarise the degree of compliance with relevant criteria, as defined on the cover page of this report, based on the evidence obtained during the audit of your organization. This audit report considers your organization's policies, objectives, and continual improvement processes. Comments may include how suitable the objectives selected by your organization appear to be in regard to maintaining customer satisfaction levels and providing other benefits with respect to policy and other external and internal needs. We may also comment regarding the measurable progress you have made in reaching these targets for improvement.

SAI Global audits are carried out within the requirements of SAI Global procedures that also reflect the requirements and guidance provided in the international standards relating to audit practice such as ISO/IEC 17021-1, ISO 19011 and other normative criteria. SAI Global Auditors are assigned to audits according to industry, standard or technical competencies appropriate to the organization being audited. Details of such experience and competency are maintained in our records.

In addition to the information contained in this audit report, SAI Global maintains files for each client. These files contain details of organization size and personnel as well as evidence collected during preliminary and subsequent audit activities (Documentation Review and Scope) relevant to the application for initial and continuing certification of your organization.

Please take care to advise us of any change that may affect the application/certification or may assist us to keep your contact information up to date, as required by SAI Global Terms and Conditions.

This report has been prepared by SAI Global Limited (SAI Global) in respect of a Client's application for assessment by SAI Global. The purpose of the report is to comment upon evidence of the Client's compliance with the standards or other criteria specified. The content of this report applies only to matters, which were evident to SAI Global at the time of the audit, based on sampling of evidence provided and within the audit scope. SAI Global does not warrant or otherwise comment upon the suitability of the contents of the report or the certificate for any particular purpose or use. SAI Global accepts no liability whatsoever for consequences to, or actions taken by, third parties as a result of or in reliance upon information contained in this report or certificate.

Please note that this report is subject to independent review and approval. Should changes to the outcomes of this report be necessary as a result of the review, a revised report will be issued and will supersede this report.

Standard:	DRINKING WATER QUALITY MANAGEMENT STANDARD VERSION 2 - 2017
Scope of Certification:	Drinking water system - treatment and distribution
Drinking Water System Owner:	The Municipality of Brockton
Operating Authority:	Veolia Water Canada Inc.
Owner:	The Municipality of Brockton
Population Served:	5085
Activities:	Treatment and Distribution
	Chepstow Drinking Water System (Licence No. 081-101)
Drinking Water Systems	Lake Rosalind Drinking Water System (Licence No. 081-102)
	Walkerton Drinking Water System (Licence No. 081-130)

Total audit duration:	Person(s): 1	Day(s): 0.75
Audit Team Member(s):	Team Leader	Paul Cartlidge

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Definitions and action required with respect to audit findings

Major Non-conformance:

Based on objective evidence, the absence of, or a significant failure to implement and/or maintain conformance to requirements of the applicable standard. Such issues may raise significant doubt as to the capability of the management system to achieve its intended outputs (i.e. the absence of or failure to implement a complete Management System clause of the standard); or

A situation which would on the basis of available objective evidence, raise significant doubt as to the capability of the Management System to achieve the stated policy and objectives of the customer.

NOTE: The "applicable Standard" is the Standard which SAI Global are issuing certification against, and may be a Product Standard, a management system Standard, a food safety Standard or another set of documented criteria.

Action required: This category of findings requires SAI Global to issue a formal NCR; to receive and approve client's proposed correction and corrective action plans; and formally verify the effective implementation of planned activities. Correction and corrective action plan should be submitted to SAI Global prior to commencement of follow-up activities as required. Follow-up action by SAI Global must 'close out' the NCR or reduce it to a lesser category within 90 days for initial certification and within 60 days for surveillance or re-certification audits, from the last day of the audit.

If significant risk issues (e.g. safety, environmental, food safety, product legality/quality, etc.) are detected during an audit these shall be reported immediately to the Client and more immediate or instant correction shall be requested. If this is not agreed and cannot be resolved to the satisfaction of SAI Global, immediate suspension shall be recommended.

In the case of initial certification, failure to close out NCR within the time limits means that the Certification Audit may be repeated.

If significant risk issues (e.g. safety, environmental, food safety, product legality/quality, etc.) are detected during an audit these shall be reported immediately to the Client and more immediate or instant correction shall be requested. If this is not agreed and cannot be resolved to the satisfaction of SAI Global, immediate suspension shall be recommended.

In the case of an already certified client, failure to close out NCR within the time limits means that suspension proceedings may be instituted by SAI Global.

Follow-up activities incur additional charges.

Minor Non-conformance:

Represents either a management system weakness or minor issue that could lead to a major nonconformance if not addressed. Each minor NC should be considered for potential improvement and to further investigate any system weaknesses for possible inclusion in the corrective action program

Action required: This category of findings requires SAI Global to issue a formal NCR; to receive and approve client's proposed correction and corrective action plans; and formally verify the effective implementation of planned activities at the next scheduled audit.

Opportunity for Improvement:

A documented statement, which may identify areas for improvement however shall not make specific recommendation(s).

Action required: Client may develop and implement solutions in order to add value to operations and management systems. SAI Global is not required to follow-up on this category of audit finding.

Audit Type and Purpose:

Systems Audit:

A desktop audit of the operational plans for the subject system to assess whether the documented QMS meets the PLAN requirements of the DWQMS V2.

Audit Objectives

The objective of the audit was to determine whether the drinking water Quality Management System (QMS) of the subject system conforms to the requirements of the Ontario Ministry of the Environment & Climate Change (MOECC) Drinking Water Quality Management Standard (DWQMS V2).

The audit was also intended to gather the information necessary for SAI Global to assess whether accreditation can continue or be offered or to the operating authority.

Audit Scope

The facilities and processes associated with the operating authority's QMS were objectively evaluated to obtain audit evidence and to determine a) whether the quality management activities and related results conform with DWQMS V2 requirements, and b) if they have been effectively implemented and/or maintained.

Audit Criteria:

- The Drinking Water Quality Management Standard Version 2
- Current QMS manuals, procedures and records implemented by the Operating Authority
- SAI Global Accreditation Program Handbook

Confidentiality and Documentation Requirements

The SAI Global stores their records and reports to ensure their preservation and confidentiality. Unless required by law, the SAI Global will not disclose audit records to a third party without prior written consent of the applicant. The only exception will be that the SAI Global will provide audit and corrective action reports to the Ontario Ministry of the Environment. For more information, please refer to the SAI Global Accreditation Program Handbook.

As part of the SAI Global Terms, it is necessary for you to notify SAI Global of any changes to your Quality Management System that you believe are significant enough to risk non-conformity with DWQMS V2: For more information, please refer to the SAI Global Accreditation Program Handbook.

Review of any changes

Changes to the Operating Authority since last audit include: none identified.

EXECUTIVE OVERVIEW

The objective of this System audit (Stage 1) was to review the management system and processes, confirm the scope for certification, and determine the organization's preparedness for the onsite verification audit (Stage 2). In addition, it allowed for the review of the adequacy of the SAI Global audit program and resources for the audit including confirming and preparing the draft audit plan.

The results of this System (Stage 1) audit indicate that the organization is now ready for an onsite accreditation (Stage 2) audit.

Recommendation

Based on the results of this audit it has been determined that the management system is effectively implemented and maintained and meets the requirements of the standard relative to the scope of certification identified in this report; therefore, a recommendation for continued certification will be submitted to SAI Global review team, upon completion of the On-site Verification Audit.

Opportunities for Improvement:

The following opportunities for improvement have been identified.

- Element # 8 - Consider a separate risk assessment item for "Long Term Impacts of Climate Change" to be included in the Risk Assessment Tables
- Element # 8 - Consider determining for systems with UV disinfection if an intensity level may be utilized to establish a specific critical control limit.
- Element # 13 - Consider updating requirement for suppliers with ISO 9001:2008 certification to ISO 9001:2015 certification
- Element # 16 - Consider confirming the required frequency for Fluoride testing in the Chepstow Drinking Water System (currently listed as quarterly in the Sampling Table).

It is suggested that the opportunities for improvement be considered by management to further enhance the Operating Authority's Quality Management System and performance.

Management System Documentation

The management systems operational plan was reviewed and found to be in conformance with the requirements of the standard.

Management Review

Records of the most recent management review meetings were verified and found to meet the requirements of the standard. All inputs were reflected in the records, and appear suitably managed as reflected by resulting actions and decisions.

Internal Audits

Internal audits are being conducted at planned intervals to ensure conformance to planned arrangements, the requirements of the standard and the established management system.

Corrective, Preventive Action & Continual Improvement Processes

The Operating Authority is implementing an effective process for the continual improvement of the management system through the use of the quality policy, quality objectives, audit results, data analysis, the appropriate management of corrective and preventive actions and management review.

Summary of Findings

1. Quality Management System	Conforms
2. Quality Management System Policy	Conforms
3. Commitment and Endorsement	Conforms
4. Quality Management System Representative	Conforms
5. Document and Records Control	Conforms
6. Drinking-Water System	Conforms
7. Risk Assessment	Conforms
8. Risk Assessment Outcomes	OFI x 2
9. Organizational Structure, Roles, Responsibilities and Authorities	Conforms
10. Competencies	Conforms
11. Personnel Coverage	Conforms
12. Communications	Conforms
13. Essential Supplies and Services	OFI
14. Review and Provision of Infrastructure	Conforms
15. Infrastructure Maintenance, Rehabilitation & Renewal	Conforms
16. Sampling, Testing and Monitoring	OFI
17. Measurement & Recording Equipment Calibration and Maintenance	Conforms
18. Emergency Management	Conforms
19. Internal Audits	Conforms
20. Management Review	Conforms
21. Continual Improvement	Conforms
Major NCR #	Major non-conformity. The auditor has determined one of the following: (a) a required element of the DWQMS has not been incorporated into a QMS; (b) a systemic problem with a QMS is evidenced by two or more minor non-conformities; or (c) a minor non-conformity identified with a corrective action request has not been remedied.
Minor NCR #	Minor non-conformity. In the opinion of the auditor, part of a required element of the DWQMS has not been incorporated satisfactorily into a QMS.
OFI	Opportunity for improvement. Conforms to requirement, but there is an opportunity for improvement.
Conforms	Conforms to requirement.
NANC	Not applicable/Not Covered during this audit.
****	Additional comment added by auditor in the body of the report.

PART D. Audit Observations, Findings and Comments

DWQMS Reference:	1 Quality Management System
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 1 Quality Management System, rev. 3, May 29, 2019
Details: Quality Management System is adequately described in the Operational Plan. Reviewed and accepted.	

DWQMS Reference:	2 Quality Management System Policy
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 2 Quality Management System Policy, rev. 3, November 7, 2019
Details: Policy statement adequately describes the goals of the Quality Management System. Reviewed and accepted.	

DWQMS Reference:	3 Commitment and Endorsement
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 3 Commitment and Endorsement Procedure, rev. 0, January 18, 2021
Details: An endorsement of Operational Plan is signed by the Managers and QMS Rep of Veolia Water Canada and the Mayor, CAO and Director of Operations for the Municipality of Brockton in December 2019. Reviewed and accepted.	

DWQMS Reference:	4 Quality Management System Representative
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 4 Quality Management System Representative, rev. 2, June 4, 2019
Details: The role of QMS Representative is identified as a distinct position for the Municipality of Brockton. Reviewed and accepted	

DWQMS Reference:	5 Document and Record Control
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 5 Documents and Record Control, rev. 1, January 3, 2018 A1 Documents and Records Control Procedure, rev. 4, November 11, 2019
Details: Procedure A1 reviewed and accepted.	

DWQMS Reference:	6 Drinking Water System
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 6 Drinking Water System, rev. 1, November 12, 2019 C-6 Chepstow Drinking Water System, rev. 5, November 12, 2019 R-6 Lake Rosalind Drinking Water System, rev. 6, January 14, 2021 W-6 Walkerton Drinking Water System, rev. 5, November 12, 2019
Details: Operational Plan adequately describes the Chepstow, Lake Rosalind and Walkerton Drinking Water Systems. Reviewed and accepted.	

DWQMS Reference:	7 Risk Assessment
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 7 Risk Assessment, rev. 3, November 12, 2019 B1 Risk Assessment and Outcomes Procedure, rev. 2, May 7, 2018
Details: Procedure B1 adequately describes the Risk Assessment Process. Reviewed and accepted.	

DWQMS Reference:	8 Risk Assessment Outcomes
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 8 Risk Assessment Outcomes, rev. 2, November 12, 2019 B1 Risk Assessment and Outcomes Procedure, rev. 2, May 7, 2018 C-B2 Risk Assessment Table - Chepstow Drinking Water System, January 15, 2020 R-B2 Risk Assessment Table - Lake Rosalind Drinking Water System, January 15, 2020 W-B2 Risk Assessment Table - Walkerton Drinking Water System, January 15, 2020
Details: Risk Assessment Outcomes adequately describes all risk, hazards, hazardous events and critical control limits for Chepstow, Lake Rosalind and Walkerton Drinking Water Systems. All required items from the MOECC Document “Potential Hazardous Events for Municipal Residential Drinking Water Systems” are included in the Risk Assessment Tables. Risk assessment outcomes are current as January 15, 2020 when a full 36-month assessment was performed. Reviewed and accepted. Opportunities for Improvement: <ul style="list-style-type: none">Consider a separate risk assessment item for “Long Term Impacts of Climate Change” to be included in the Risk Assessment Tables.Consider determining for systems with UV disinfection if an intensity level may be utilized to establish a specific critical control limit.	

DWQMS Reference:	9 Organizational Structure, Roles, Responsibility and Authorities
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 9 Organizational Structure, Roles, Responsibility and Authorities, rev. 3, May 27, 2019
Details: Organizational Structure, Roles, Responsibilities and Authorities are adequately described in the Operational Plan and associated appendices. Reviewed and accepted.	

DWQMS Reference:	10 Competencies
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 10 Competencies, rev. 2, January 8, 2018
Details: Competencies are adequately described in the Operational Plan. Reviewed and accepted.	

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DWQMS Reference:	11 Personnel Coverage
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 11 Personnel Coverage, rev. 4, November 12, 2019 G1 After Hours Dispatch and Response Procedure, rev. 3, January 8, 2018
Details: Procedure G1 and Operational Plan section 11 reviewed and accepted.	

DWQMS Reference:	12 Communications
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 12 Communications, rev. 3, January 8, 2018
Details: Operational Plan section 12 reviewed and accepted.	

DWQMS Reference:	13 Essential Supplies and Services
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 13 – Essential Supplies and Services, rev. 3, February 22, 2018 H1 Essential Supplies and Services Table, rev. 3, January 2, 2018
Details: Operational Plan section 13 and Essential Supplies and Services Table reviewed and accepted. Opportunity for Improvement – consider updating requirement for suppliers with ISO 9001:2008 certification to ISO 9001:2015 certification	

DWQMS Reference:	14 Review and Provision of Infrastructure
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 14 Review and Provision of Infrastructure, rev. 3, November 12, 2019 Appendix O1 Infrastructure Review Procedure, rev. 0, April 16, 2018
Details: Operational Plan section 14 and procedure O1 reviewed and accepted.	

DWQMS Reference:	15 Infrastructure Maintenance, Rehabilitation and Renewal
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 15 Infrastructure Maintenance, Rehabilitation and Renewal, rev. 4, November 12, 2019
Details: Operational Plan section 15 reviewed and accepted.	

DWQMS Reference:	16 Sampling, Testing and Monitoring
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 16 Sampling, Testing and Monitoring, rev. 4, November 12, 2012 Sampling, Testing and Monitoring Tables for Chepstow, Lake Rosalind and Walkerton Drinking Water Systems, rev. 3, January 10, 2018
Details: Operational Plan section 16 and Sampling Tables reviewed and accepted. Opportunity for Improvement – Consider confirming the required frequency for Fluoride testing in the Chepstow Drinking Water System (currently listed as quarterly in the Sampling Table).	

DWQMS Reference:	17 Measurement and Recording Equipment Calibration and Maintenance
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 17 Measurement and Recording Equipment Calibration and Maintenance, rev. 1, January 14, 2018 J1 Measuring and Recording Equipment Calibrations Table, rev. 4, August 15, 2019
Details: Operational Plan section 17 and Calibrations Table reviewed and accepted.	

DWQMS Reference:	18 Emergency Management
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 18 Emergency Management, rev. 3, November 13, 2019 K1 Emergency Management Procedure, rev. 1 January 11, 2018
Details: Operational Plan section 18 reviewed and accepted. Separate detailed Contingency Plans are established for each Drinking Water System to cover multiple emergency situations (updated January 8, 2020).	

DWQMS Reference:	19 Internal Audits
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 19 Internal Audits, rev. 1 January 11, 2018 L1 Internal Audit Procedure and Schedule, rev. 5 May 1, 2018
Details: Operational Plan section 19 and procedure L1 reviewed and accepted. Results of most recent Internal Audit to be reviewed at the On-site Verification Audit scheduled for March 2021.	

DWQMS Reference:	20 Management Review
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 20 Management Review, rev. 4, Nov. 13, 2019 M1 Management Review Procedure, rev. 2, June 4, 2019
Details: Operational Plan section 20 and procedure M1 reviewed and accepted. Results of most recent Management Review to be reviewed at the On-site Verification Audit scheduled for March 2021.	

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DWQMS Reference:	21 Continual Improvement
Client Reference:	DWQMS Operational Plan for the Municipality of Brockton – element 21 Continual Improvement, rev. 4, May 4, 2018 N2 Tracking Continual Improvement, rev. 2, November 13, 2019
Details: Operational Plan section 21 and procedure N2 reviewed and accepted. Examples of Corrective Actions, Preventive Actions and Best Management Practices to be reviewed at the On-site Verification Audit scheduled for March 2021.	

Details regarding the personnel interviewed and objective evidence reviewed are maintained on file at SAI Global.

This report was prepared by:

Paul Cartlidge
SAI Global Management Systems Auditor

The audit report is distributed as follows:

- SAI Global
- Operating Authority
- Owner
- MOECC

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