

ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: B. Newell, Chief Administrative Officer

DATE: August 15, 2019

RE: Water and Sewer Utility Acquisition Policy

Administrative Recommendation:

THAT the Water and Sewer Utility Acquisition Policy be adopted as attached to the report to the Board of Directors dated August 15, 2019 from CAO Bill Newell.

Purpose:

The purpose of this policy is to create a process that existing utilities and the RDOS can follow in order to facilitate the transfer of ownership of a Utility in a responsible and transparent manner that does not put the RDOS at undue risk, or compromise our operations. This policy will replace an existing policy that is dated.

Reference:

Policy: P0100-00.13 Governance Transfer Policy Improvement District/Private Water System

Background:

The RDOS created a Governance Transfer Policy in 1999 in order to provide the requirements that must be met in order for the Regional District to be comfortable with the transfer of a water system.

The proposed policy is a process that identifies the component parts necessary for a water or sewer utility to be transferred to the RDOS. The proposed policy has been vetted by the Provincial government and Interior Health to ensure that it meets all provincial laws and best management practices.

Attached to the policy is a sample agreement that can be used to transfer any private utility to the Regional District. The use of agreement is not applicable for an Improvement District utility, as the transfer of ownership comes from a Cabinet Order. While the agreement requires that the Regional District is admonished of all debts and liabilities from the previous owner, this may not be reasonable and can be considered by the Board as part of the transfer process.

The Policy was reviewed at the July 4th, 2019 Environment and Infrastructure Committee. At that time staff were asked to allow for provision of further public communication as part of the acquisition process. The policy has been revised to include this review within the “Transition Plan” section of the policy should such a review be desired.

Analysis:

Once this policy has been adopted, it will form a template for future acquisition applications, deliverables and agreements necessary for the successful acquisition of a water or sewer utility by the RDOS.

Respectfully submitted:

A. Reeder, Operations

//attached