

APPENDIX 29

CURRENT REGIONAL GOVERNANCE OF WATER AUTHORITIES

The CRD currently manages and governs a number of local entities that deliver water and wastewater services in the region. This appendix briefly describes some relevant to the Program.

REGIONAL WATER MANAGEMENT

The Regional Water Supply Service and the Juan de Fuca Water Distribution System are established as separate services, overseen by individual commissions. The commissions have representation from each participating local government, and the number of members per municipality is the same as the municipality has on the CRD Board. The members of the Regional Water Supply Commission are directly appointed by the Municipalities for a 3 year term (to coincide with municipal elections). The municipalities must make the appointments at a council meeting and must consult with the public in attendance if they have suggestions regarding selection of representatives. Once each municipal council has voted on their representative(s), a notice is sent to the CRD informing the CRD of such representatives. The majority of Commission members are not CRD Board members. There is also a Water Advisory Committee that reports to the Regional Water Commission – made up of community members with various technical and agriculture expertise.

The Services are set up under CRD Service bylaws and there is a provincial act regulating transfer of the old water district into the CRD. The Commission is defined as a CRD Board Standing Committee. The Commission has delegated to it all the administrative authority of the Board and operates reasonably independently (but with CRD employees and following CRD policies and procedures). The CRD Board passes the annual bylaw (and can change it) and all bylaws, including fee bylaws, must be adopted by the Board.

When the service was first established, an agreement was reached to use a utility method for rate setting. The rate of return is relatively low since the CRD carries a low level of debt and has not dividend requirements.

The CRD has recently upgraded major water infrastructure (the Sooke Reservoir) and purchased a new watershed that will provide regional water into the next century. The operations are essentially the same as if this was a private utility, but with no outside regulator. Rather the Board is the end rate approver. There is no infrastructure deficit in this service.

Loan authorization bylaws can be approved by the councils or by the BC Alternative Approval process. CRD staff hold key financial roles in each Board and the audit of each Board is part of the CRD audit process. The Commission can approve any level of expenditure, provided it is included within the approved Financial Plan (capital or operating costs).

SAANICH PENINSULA WATER COMMISSION

The Saanich Peninsula Water Commission is established under a CRD Commission Bylaw to administer the Water Service on the Peninsula. The Commission is comprised of the CRD Board member from each of the three municipalities, a municipal councilor from each of the three municipalities, a community member from each municipality and some members for the area First Nations. CRD staff manage the operations of the water system. The CRD Board has delegated administrative authority to the Commission and it operates in a similar way as

Regional Water. The Commission determines priorities, establishes annual budgets, and provides direction to staff. The budget approach follows a traditional municipal budgeting process (and does not use the utility method for this service). The Peninsula has strong infrastructure equipment in place and there is no infrastructure deficit in this service. The budget is approved by the CRD Board. Any loan authorization bylaws are approved by the three councils (the councils have the authority to approve on behalf of their ratepayers).

CRD staff hold key financial roles in each Board and the audit of each Board is part of the CRD audit process. The Commission can approve any level of expenditure, provided it is included within the approved Financial Plan (capital or operating costs).

LIQUID WASTE MANAGEMENT COMMITTEE

The Liquid Waste Management Committee includes all of the CRD Board members from the effected municipalities. At the Committee, each member has one vote and a simple majority of those present is required for a motion to pass (the Chair also has a single vote similar to other members). The Committee currently includes seven municipalities and weighted representation generally based upon population (five members for Saanich, four from Victoria and one each from Oak Bay, View Royal, Esquimalt, Langford and Colwood). Loan authorization bylaws must be approved by the CRD Board using a weighted vote with all CRD board members voting. Administrative matters are voted on only by the members in the Trunk Sewer Service. CRD staff manage operations. All expenditures follow the CRD Board standard purchasing policy (large contracts over \$100,000 must be approved by the Board, smaller contracts can be approved with general manager's approval)