



May 19, 2021

Via email FLNR.Minister@gov.bc.ca

FLNRORD Reference 237167

RSD Reference: 254820

MRB Files: 3410823(Sewer SRW)

3401023 (SilverStar MDA)

Honourable Katrine Conroy
Minister of Forests, Lands, Natural Resource Operations
And Rural Development

**RE: REQUESTS BY SILVER STAR PROPERTY OWNERS ASSOCIATION FOR OVERSIGHT OF UNREGULATED
WASTEWATER MONOPOLIES IN BRITISH COLUMBIA**

Dear Ms. Conroy

The Silver Star Property Owners Association (SSPOA) have been engaged with your Ministry since March 5, 2018 regarding unregulated Wastewater Utilities in British Columbia. It began with a brief to your predecessor, Honourable Doug Donaldson in which we outlined the issues and history at Silver Star with our Sewage Utility, Silverhawk Utilities Inc. We also referenced the Province wide issues that exist as well.

On November 23, 2018 Mr. Ross Foden, Chair of the SSPOA Utility Services Committee and I met in Victoria with:

Tom Ethier, Assistant Deputy Minister, Resource Stewardship Division (RSD), Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD)

Ted White, Director and Comptroller of Water Rights, RSD, FLNRORD

David Morel, Assistant Deputy Minister, Environmental Protection Division, Ministry of Environment and Climate Change

Following that meeting the SSPOA undertook to determine the quantum of private wastewater utilities in BC and on February 26, 2019 the SSPOA forwarded a spreadsheet to your office with our findings.

On September 9, 2019 we provided Minister Donaldson a letter outlining how this issue has been before government since the early 2000's and was formally requested to be addressed by the government of BC by the Union of BC Municipalities (UBCM) in 2002, 2005, 2007 and again in 2018.

On July 14, 2020, the SSPOA received a letter from David Muter A/Assistant Deputy Minister, Resource Stewardship Division and Matt Austin Assistant Deputy Minister, Integrated Resource Operations Division informing our association that:

“through the Mountain Resorts Branch of the Ministry of Forests, Lands, Natural Resource Operations and Rural Development, the Province will fund an independent study to review the sewer rates being charged by SilverHawk to inform potential next steps.”

Since that letter, the SSPOA has been in conversation and correspondence with Mr. Bill Hunter Director Mountain Resorts Branch and Ms. Tori Meeks Sr. Manager, Major Projects as they attempt to initiate this independent study. We are now 10 months later and no substantive progress has been made because of Silverhawk's (not unfamiliar) corporate tactics of delay and defer.

On November 12, 2020 we reached out to our newly elected MLA Ms. Harwinder Sandhu which resulted in a conference zoom call on January 6, 2021. During that call we outlined how MLA Sandhu has 2 private wastewater utilities in her riding, our Silverhawk and Corix, operating the Canadian Lakeview Estates. We requested her assistance in bringing this matter to your attention, which I understand she has raised the issue with your office.

The message from your office through MLA Sandhu is that the Mountain Resorts Branch is engaged in examining the issue and until that is completed your office seems to accept that the original timeline for the completion of this study has slipped considerably.

We welcomed your staff's letter of July 14, 2020 as a step towards your Ministry's efforts in understanding the issues, your staff clearly highlighting that the review does not indicate an acknowledgement or acceptance that the Province will pursue regulation of the sewer utility.

Obviously, the proposed method from the Mountain Resorts Branch is not achieving your goals by the end of 2020 of:

“The study, which is anticipated to be completed by the end of this year, will consider but will not be limited to, rate determination guidelines used by the Water Utilities Regulation Section of the Water Management Branch when it evaluates and sets rates for private water utilities that provide potable water.”

Instead, Silverhawk has arbitrarily imposed a 15% increase in our sewer rates for 2020. That will see the fixed fee for a residential house go to \$961.19 and the metered rate go to \$8.96 per cubic meter. For a house with a typical annual water use of 100 m³ the sewer bill will be \$1,857.19. We have a case where a house with a rental suite paid \$3,224 in 2020 property

taxes and will be paying \$2,507 for 80m3 of sewage (this is with a 5% discount for prompt payment). Sewage costs at 78% of property tax indicates a problem!

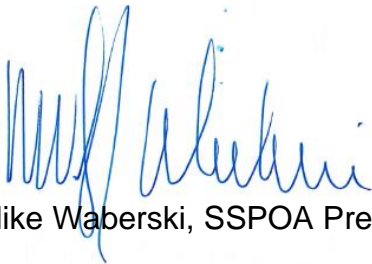
The SSPOA believe there are other methods for your Ministry to determine the extent of the problems in unregulated sewer monopolies. We viewed the independent study you were undertaking as a method of validation of our brief and complaints and welcomed it as a step to address the issue. We also wish to state that the issue is not limited to entities under the auspices of the Mountain Resorts Branch.

We are requesting a meeting with your office to discuss meaningful ways to see resolution to a way forward. I have copied all parties on the matter so we can hopefully address this issue through your government.

In Closing I would quote the BC Utilities Commission (BCUC) Indigenous Utilities Inquiry in which the SSPOA participated, from it's Draft Report (Page 74)

"the Panel is of the view that all BC residents, irrespective of their residency or status, ought to have access to protection from monopolies. The fact that the Legislature eventually saw fit to make BC Hydro, along with other public utility energy providers, subject to BCUC regulation would at least suggest that from a policy perspective, the absence of any regulation was eventually perceived as something that is undesirable and far from ideal."

We look forward to hearing from you.
Yours.



Mike Waberski, SSPOA President

- Copy: - SSPOA Utility Services Committee and Board of Directors
- MLA Harwinder Sandhu
 - John Allan, Deputy Minister of FLNRORD
 - David Muter A/Assistant Deputy Minister, Resource Stewardship Division
 - Matt Austin Assistant Deputy Minister, Integrated Resource Operations Division
 - Tom Ethier Assistant Deputy Minister, Resource Stewardship.
 - Mr. Bill Hunter Director Mountain Resorts Branch
 - Tori Meeks Sr. Manager, Major Projects
 - Ted White Director and Comptroller of Water Rights, RSD, FLNRORD
 - Jesal Shah Manager Dam Safety & Utility Regulation, Water Management Branch.