



## BRIEFING NOTE FOR INFORMATION

**Date:** November 13, 2018

**Prepared For:** Honourable Selina Robinson, Minister of Municipal Affairs and Housing

**Title:** Updates to Costing Manuals Used to Value Major Industrial Properties (MIP) and Electrical Power Group (EPG) Facilities

**Issue:** This Order in Council provides Cabinet approval to the BC Assessment Authority to adopt the updated versions of the MIP and EPG cost factors using the prescribed manuals for purposes of the 2019 assessment roll.

### SUMMARY:

- Each year, BCA's Board of Directors (Board), by Order, adopt updates to manuals that are used to value Major Industrial Properties (MIP) and Electrical Power Group (EPG) facilities, such as dams, power plants and substations.

s.12,s.13,s.17

- For the 2019 assessment roll, the update factors for MIPs, which account for changes in the cost of construction, will increase on average by 2.24 percent. s.13,s.17

s.13,s.17

- There are approximately 275 major industrial plants, more than 10,900 gas and petroleum sites and approximately 570 electrical power generating facilities that are affected by this OIC.

• s.13,s.17

### BACKGROUND:

#### MIP

Most MIP class (Class 4) *land* is valued according to its market value, similar to most other land in the Province, but the *improvements* are valued by reference to regulated manuals of replacement costs and a regulated depreciation table. Each year, with prior approval of Cabinet, BCA makes an order adopting the updated valuation manuals used to value MIPs. A separate Cabinet regulation prescribes the rates and manner of calculating depreciation.



The MIP manual is used to value approximately:

- 275 major industrial plants (e.g., pulp and paper mills, saw mills, oil refineries, cement plants, shipbuilding facilities and mines); and
- Over 10,900 gas and petroleum sites.

The M&S manual is widely used throughout North America and is updated quarterly including costs specific to British Columbia.

### **EPG**

Like the MIP manual, the EPG manual is reviewed and updated annually. With Cabinet's approval, BCA makes an order adopting the updated EPG manual each year. The EPG manual is used to value approximately 570 electrical power generating facilities that fall primarily into the utilities property class (Class 2).

### **DISCUSSION:**

For 2019, BCA recommends the following updates to the MIP and EPG manuals, all of which are summarized in the Appendices to this note. s.13,s.17

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**Timing:**

s.12,s.13,s.17

**Consultation:**

BCA has consulted industry, property owners and key stakeholders to discuss the ramifications of the proposed update factors (see Appendix 4 for details). s.13,s.17

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**FINANCIAL IMPLICATIONS:**

s.13,s.17

Most taxing jurisdictions (the Province and local governments) generally keep their property tax rate increases for the major industry and utilities property classes either roughly equivalent to the rate of inflation or neutral, year over year.



Appendices: **(4)**

s.13,s.17

4. BC Assessment Industry Consultation Process Description

**PREPARED BY:**

Brian Currie, Manager  
Property Assessment Services  
(250) 356-6075

**APPROVED BY:**

Kevin Volk, ADM  
Community and Legislative Services Division  
  
Jacqueline Dawes, Deputy Minister

**DATE APPROVED:**

November 5, 2018

November 13, 2018

Page **4** of **9**

Page 05 to/à Page 07

Withheld pursuant to/removed as

s.13;s.17



## Appendix 4: BC Assessment Industry Consultation Process Description

### MIP & EPG Cost Manual Consultation

- BCA requests input for changes and improvements to the cost manuals annually via letter to owners of MIP/EPG properties. This year's letter was sent to 275 owners on March 28, 2018 with a deadline for responses of April 20, 2018. The response rate for the 2019 Manual Changes Request was low, which is consistent with previous years. BCA received three email responses from industry, outlined in the Industry Consultation Details table below.
- Once the feedback is received from industry, it is then reviewed by BCA. The resulting manual changes are completed by July 31 of each year in preparation of the update factors, which are typically available the first week of August. Once the update factors are applied, another consultation process begins.

### MIP & EPG Update Factor Consultation

- BCA informs all owners of MIP and EPG properties of the proposed changes to the MIP EPG Manual update factors by mail every year. A copy of this year's letter and mailing list is attached.
- The letter provides a high level overview of the factor change calculation methodology and provides details of the specific changes to each factor.
- The letter invites owners to review, provide input or raise any concerns about the changes within two weeks of the mailing – this year's letter was sent out on August 14, 2018 with a deadline of August 27, 2018.

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### Industry Consultation Details

Date	Industry Contact (Company)	Consultation Details
March, 2018	All MIP EPG Owners: Examples: BC Hydro; DP World (Canada); Ocean Construction Supplies; Suncorp Energy; Weyerhaeuser Company Limited	s.13,s.17
Date	Industry Contact (Company)	Consultation Details
April, 2018	Encana	s.13,s.17
April, 2018	Shell	



April 2018	Cedar Road Bioenergy	s.13,s.17
August, 2018	All MIP EPG Owners: Examples: BC Hydro; DP World (Canada); Ocean Construction Supplies; Suncorp Energy; Weyerhaeuser Company Limited	
August, 2018	BC Hydro	
2018, ongoing	Shell, Altagas, Air Liquide, Ferus, and Fortis BC.	

Date	Industry Contact (Company)	Consultation Details
Sept, 2018	Public Works Canada and CFB Esquimalt	s.13,s.17
Sept, 2018	AltaGas	
Sept, 2018	Fortis BC	
Ongoing	Western Stevedoring, Global Terminals, Carmanah Consulting	



## BRIEFING NOTE FOR DECISION

**Date:** November 14, 2018  
**Prepared For:** Honourable Selina Robinson, Minister of Municipal Affairs and Housing  
**Title:** Clean Water Wastewater Fund Bilateral Agreement Amendment  
**Issue:** Re-signing the CWWF amendment to ensure projects have adequate time to complete.

### RECOMMENDED OPTION:

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- **On December 14, 2017, the Ministry received a letter from Infrastructure Canada (INFC), whereby they agreed to extend the Clean Water and Wastewater Fund (CWWF) infrastructure funding program construction end date to March 31, 2020. The draft amendment was provided in May 2018.**
- **On July 5, 2018, Minister Robinson signed the amendment in counterpart. Infrastructure Canada was delayed in signing and required minor changes to the document.**
- **A revised draft agreement, signed by the Minister of Infrastructure and Communities (Canada) was received on October 12, 2018 with a request for Minister Robinson and Minister Trevena to sign.**

### BACKGROUND:

The Clean Water and Wastewater Fund (CWWF) is a federal/provincial infrastructure application based grant program, implemented to assist local governments in BC to improve water, wastewater and stormwater services. The grant program provides 83% of total eligible project costs towards building infrastructure, or for the planning and design of infrastructure.

CWWF was initially launched with very tight timelines to meet the federal government's intention to have a stimulus style program while they developed longer term funding opportunities under the Investing in Canada Plan.

Appendix 1 is correspondence from Infrastructure Canada with an updated version of an amendment to the CWWF Bilateral Agreement. The original was received by Minister Robinson's office on October 12, 2018.

For more background on the rationale to extend the program refer to Appendix 2.

### DISCUSSION:

This request to re-sign the CWWF Bilateral Agreement amendment (amendment) is solely an administrative matter. The amendment was originally signed by Minister Robinson on July 5, 2018, following a briefing on July 4, 2018. A copy is in Appendix 2.





Infrastructure Canada never signed the previous amendment. It was to be signed in counterpart. It was not signed as a result of two factors:

1. Federal Minister was changed on July 18, 2018 requiring a new signature block.
2. A typo was detected and has been rectified. Section 4 of the amendment had incorrectly referenced section 9.3 b of the original agreement where it should have referenced 9.3 c.

Appendix 1 contains correspondence from the Minister of Infrastructure and Communities Francois-Phillippe Champagne requesting Minister Robinson and Minister Trevena to sign the updated version of the amendment and return a copy to Canada. Minister Champagne has signed the amendment and his office has provided this copy for Minister's signature.

#### **FINANCIAL IMPLICATIONS:**

As a result of the CWWF program extension, the timing of the Provincial fiscal year allocations may be shifted from 2018-19 into 2019-20. Ministry staff have been providing and will continue to provide accurate and up to date financial forecasting based on the revised program timelines.

#### **OPTIONS:**

s.13



Ministry of  
Municipal Affairs  
and Housing

## RECOMMENDATION:

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## APPROVED (recommended option) / NOT APPROVED

\_\_\_\_\_  
Honourable Selina Robinson

\_\_\_\_\_  
Date

## Attachments: (1)

1. BC CWWF BA Amendment 1\_Final.docx
2. IBN #238239 Request to Sign Amendment in July 2018.

## PREPARED BY:

Brian Bedford, Director  
Local Government Infrastructure and Engineering  
(778) 698-3232

## APPROVED BY:

Tara Faganelo, Associate Deputy Minister  
Local Government Division

Jacqueline Dawes, Deputy Minister

## DATE APPROVED:

*Liam Edwards OBO*  
November 13, 2018

November 14, 2018

Minister of Infrastructure  
and Communities



Ministre de l'Infrastructure  
et des Collectivités

Ottawa, Canada K1P 0B6



OCT - 4 2018

The Honourable Selina Robinson, M.L.A.  
Minister of Municipal Affairs and Housing  
Government of British Columbia  
Parliament Buildings, Room 310  
Victoria, British Columbia V8V 1X4

Dear Minister:

I am pleased to inform you that I have approved and signed an amendment to the Clean Water and Wastewater Fund (CWWF) Bilateral Agreement extending the period for ultimate recipients to incur eligible costs up to and including March 31, 2020. The agreement end date has also been extended to March 31, 2021 to account for the program extension.

As previously noted, any unused funds that remain under the CWWF after March 31, 2020 will be transferred to the Environmental Quality sub-stream of the Green Infrastructure stream of your Integrated Bilateral Agreement.

Enclosed is one original copy of the CWWF Bilateral Agreement, which I have signed on behalf of the Government of Canada. Please ensure that a copy of the CWWF Bilateral Agreement with your signature and that of the Honourable Claire Trevena, British Columbia Minister of Transportation and Infrastructure, and the date is forwarded to the attention of:

Mr. Marc Fortin  
Assistant Deputy Minister  
Program Operations Branch  
Infrastructure Canada  
180 Kent Street, Suite 1100  
Ottawa, Ontario K1P 0B6

...2

Canada

I would like to take this opportunity to thank you for your collaboration and for your commitment to the successful delivery of the CWWF in British Columbia. I look forward to working with you as we continue to implement this program for the benefit of all Canadians.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'F. Champagne', with a stylized flourish at the end.

The Honourable François-Phillipe Champagne, P.C., M.P.  
Minister of Infrastructure and Communities

Enclosure

c.c. The Honourable Claire Trevena, M.L.A.  
Minister of Transportation and Infrastructure  
Government of British Columbia

CANADA – BRITISH COLUMBIA

BILATERAL AGREEMENT

AMENDING AGREEMENT NO. 1 FOR THE  
CLEAN WATER AND WASTEWATER FUND

This Agreement is made as of the date of last signature

**BETWEEN:** HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by the Minister of Infrastructure and Communities ("Canada")

**AND:** HER MAJESTY THE QUEEN IN RIGHT OF BRITISH COLUMBIA, as represented by the as represented by the Minister of Transportation and Infrastructure and by the Minister of Municipal Affairs and Housing ("British Columbia")

individually referred to as a "Party" and collectively referred to as the "Parties".

**WHEREAS** the Government of Canada announced in Budget 2016 an investment of \$120 billion in infrastructure over 10 years, including \$60 billion in new funding for public transit, green infrastructure, and social infrastructure, to better meet the needs of Canadians and better position Canada's economy for the future.

**WHEREAS** the Government of Canada proposes to provide \$11.9 billion from this plan of which \$2.0 billion will be used for investments in water and wastewater projects.

**WHEREAS** Canada and British Columbia value regional growth that enhances quality of life for people living in one of the most vibrant and dynamic urban areas in the world to ensure we continue to build communities that we are proud to call home.

**WHEREAS** the Minister of Infrastructure and Communities is responsible for the Program entitled the Clean Water and Wastewater Fund (CWWF) and wishes to provide financial support to British Columbia for Projects under the Program.

**WHEREAS** the Parties entered into an Agreement dated September 30, 2016, setting out the terms and conditions for Canada's contributions under CWWF ("the 2016 Agreement").

**AND WHEREAS** the Parties wish to amend the 2016 Agreement to provide a blanket extension for CWWF projects in British Columbia requiring federal funding into the 2020-2021 fiscal year.

**NOW THEREFORE**, in accordance with the mutual covenants and agreements herein, the Parties hereby agree to amend the 2016 Agreement as follows:

**1. AMENDMENTS TO THE CONTRIBUTION AGREEMENT**

1. Delete the definition for "Agreement End Date":

"Agreement End Date" means March 31, 2020.

Replace with:

"Agreement End Date" means March 31, 2021.

2. Article 8.1 e) Project Identification and Approval is deleted and not replaced.

3. Delete Article 9.3 b) Payment Deadline:

b) Canada will make the final payment no later than October 31, 2019.

Replace with:

- b) Canada will make the final payment for Eligible Expenditures no later than January 31, 2021.

4. Add Article 9.3 c) Claim Submission Deadline:

- c) The Province will submit the final claim for project costs no later than October 31, 2020.

5. Delete Article 10 a) Reporting:

- a) British Columbia will provide to Canada, at minimum on a semi-annual basis:

- i. a project progress report in a format acceptable to Canada and in accordance with Section B.1 of Schedule B (Reporting); and
- ii. an outcomes progress report in a format acceptable to Canada on completed Projects and in accordance with Section B.2 of Schedule B (Reporting).

Replace with:

- a) British Columbia will provide to Canada, twice a year and not later than March 31 and September 30 of each year:

- i. a project progress report in a format acceptable to Canada and in accordance with Section B.1 of Schedule B (Reporting); and
- ii. an outcomes progress report in a format acceptable to Canada on completed Projects and in accordance with Section B.2 of Schedule B (Reporting).

6. Delete Article 10 b) Reporting:

- b) British Columbia will submit, in a format acceptable to Canada, no later than October 31, 2019:

- i. final project report in accordance with Section B.3 of Schedule B (Reporting); and
- ii. final outcomes report on all Projects in accordance with Section B.4 of Schedule B (Reporting).

Replace with:

- b) British Columbia will submit, in a format acceptable to both Parties, no later than October 31, 2020:

- i. the final project report in accordance with Section B.3 of Schedule B (Reporting); and
- ii. the final outcomes report on all Projects in accordance with Section B.4 of Schedule B (Reporting).

7. Delete Schedule A. 1 c) i. Canada's Funding:

- i. Fiscal Year Breakdown

Canada's total funding will be allocated in accordance with the estimated Fiscal Year breakdown below:

	Canada
2016-2017	\$1,800,000
2017-2018	\$100,000,000
2018-2019	\$123,267,721
TOTAL	\$225,067,721

Replace with:

- i. Fiscal Year Breakdown

Canada's total funding will be allocated in accordance with the estimated

Fiscal Year breakdown below:

	Canada
2016-2017	\$1,013,883
2017-2018	\$37,999,571
2018-2019	\$95,622,343
2019-2020	\$70,176,989
2020-2021	\$20,254,935
TOTAL	\$225,067,721

8. Delete Schedule A.1 g) iii. Eligible Expenditures:

iii. Costs incurred between April 1, 2016 and March 31, 2018.

Replace with:

iii. Costs incurred between April 1, 2016 and March 31, 2020.

9. Delete Schedule A.1 h) i. Ineligible Costs:

i. Costs incurred prior to April 1, 2016 and costs incurred after March 31, 2018;

Replace with:

i. Costs incurred prior to April 1, 2016 and costs incurred after March 31, 2020;

10. Schedule B.2 c) Outcomes Progress Report will be deleted and replaced with:

Outcome	CWWF Performance Indicator
Improved reliability	Average % decrease in unplanned service interruptions per month (not related to weather)
	Average % decrease in volume of water leakage and/or infiltration that can be attributed to funded investments
Improved efficiency	Total estimated kilowatt-hours saved as a result of funded investments
	Average Life Cycle Cost of applicable water treatment systems after construction
	Average Life Cycle Cost of applicable wastewater treatment and stormwater systems after construction
Funded plans are being implemented	Number of funded water treatment plans and studies that led to informed decisions on investments
	Number of funded wastewater plans and studies that led to informed decisions on investments
Safer Drinking Water	Number of water treatment systems that have improved water quality as a result of funded investments
	Number of drinking water systems that have eliminated a boil water advisory as a result of funded investments
	Number of water treatment systems that have met or exceeded applicable regulations and guidelines as a result of funding
	Number of early works projects that lay the foundation for future drinking water system expansion (additional indicator)
	New households serviced by water treatment systems (additional indicator)
Cleaner Wastewater and Stormwater	Number of applicable wastewater systems by treatment level (no treatment, Primary, Secondary, Tertiary) after end of construction
	Number of systems that have improved the quality of wastewater effluent or stormwater discharge as a result of funded investments
	Number of wastewater systems that have met or exceeded applicable regulations and guidelines as a result of funding
	New households serviced by wastewater and stormwater systems (additional indicator)
	Number of early works projects that lay the foundation for future wastewater and stormwater system expansion (additional indicator)
Improved rehabilitation	Percentage of assets that have increased their physical condition rating (as per reporting guidelines) as a result of funding
	Average number of years of useful life remaining on applicable wastewater treatment and collection components, extended as a result of funded investments
	Average number of years of useful life remaining on applicable stormwater components, extended as a result of funded investments
	Average number of years of useful life remaining on applicable water treatment and distribution components, extended as a result of funded investments
Projects are incremental	Total value of capital expenditures for water, wastewater and stormwater system projects

## 2. EFFECT OF AMENDMENTS

- 2.1 All capitalized terms not otherwise defined herein have the meaning ascribed to them in the 2016 Agreement.



- 2.2 Except for the amendments provided for in this Amending Agreement No. 1, the obligations, covenants, and terms and conditions set forth in the 2016 Agreement will continue to remain in full force and effect.
- 2.3 This Amending Agreement No. 1 may be signed in counterpart, and the signed copies will, when attached to the 2016 Agreement, constitute the original Amending Agreement No. 1 and will form part of the Agreement.
- 2.4 This Amending Agreement No. 1 shall be effective as of the date it is signed by the last Party.

### 3. SIGNATURES

This Amending Agreement No. 1 for the Clean Water and Wastewater Fund has been executed on behalf of Canada by the Minister of Infrastructure and Communities and on behalf of Her Majesty the Queen in right of the Province of British Columbia by the Minister of Municipal Affairs and Housing and the Minister of Transportation and Infrastructure.

CANADA



\_\_\_\_\_  
The Honourable François-Philippe Champagne  
Minister of Infrastructure and Communities

OCT - 4 2018

\_\_\_\_\_  
Date

HER MAJESTY THE QUEEN IN  
RIGHT OF THE PROVINCE OF BRITISH  
COLUMBIA

\_\_\_\_\_  
The Honourable Selina Robinson, Minister  
of Municipal Affairs and Housing

\_\_\_\_\_  
Date

HER MAJESTY THE QUEEN IN  
RIGHT OF THE PROVINCE OF BRITISH  
COLUMBIA

\_\_\_\_\_  
The Honourable Claire Trevena, Minister  
of Transportation and Infrastructure

\_\_\_\_\_  
Date



## BRIEFING NOTE FOR DECISION

**Date:** July 4, 2018

**Prepared For:** Honourable Selina Robinson, Minister of Municipal Affairs and Housing

**Title:** Clean Water and Wastewater Fund (CWWF) Program Extension

**Issue:** Extension required for CWWF program to ensure projects get completed – target consideration of approval

**Briefing Date:** July 5, 2018

### RECOMMENDED OPTION:

- **On December 14, 2017, the Ministry received a letter from Infrastructure Canada (INFC), whereby they agreed to extend the CWWF infrastructure funding program end date to March 31, 2020.**

s.13

### BACKGROUND:

The Clean Water and Wastewater Fund (CWWF) is a federal/provincial infrastructure application based grant program, implemented to assist local governments in BC to improve water, wastewater and stormwater services. The grant program provides 83% of total eligible project costs towards building infrastructure, or for the planning and design of infrastructure.

On September 30, 2016, Canada and BC signed the CWWF bilateral agreement and launched the CWWF program. By March 2017 180 projects were approved; 174 with end dates of March 31, 2018 and six with end dates of March 31, 2019. Canada designed the program with the specific intent of the infrastructure works being undertaken quickly in order to have a stimulus effect on the economy.

However, when CWWF projects moved forward in the 2017 construction season there were several extenuating circumstances which impacted project timelines:

- Widespread Spring flooding throughout many parts of the BC Interior region;
- Record-setting wildfire season throughout the Province resulting in evacuations and delays to projects commencing; and
- Higher than anticipated project costs as a result of the large influx of infrastructure stimulus projects throughout the Province, the majority of which had to be completed in one construction season (by March 31, 2018) which affected market conditions.

Under the CWWF Bilateral agreement, eligible expenditures for projects were authorized if the costs were incurred between April 1, 2016 and March 31, 2018. To address the extenuating circumstances, Ministry staff worked with INFC to obtain one off project extensions to March 31, 2019. The program requirements allow for up to 25% of the funding to be used in Fiscal Year 2018-2019. As of August 2017, 14 more projects had been approved for extensions reaching the limit of the 25% federal cap. 126 projects are still underway and need extension of the project end date beyond March 31, 2019. Since the federal cap of 25% had been reached further extension could not be granted meaning these projects require extension beyond the original end date of March 31, 2018.

**DISCUSSION:**

From the time BC entered into negotiations with Infrastructure Canada and continuing throughout fall 2017, Ministry executive and staff had expressed concern about the March 31, 2018 timelines with the Federal government who assured a decision to extend the CWWF program timelines was forthcoming in November or December 2017.

On December 14, 2017, the Ministry received informal notice from INFC that given the challenges in meeting the deadlines for eligible costs under the CWWF program, funding recipients will be given until March 31, 2020, to incur eligible costs. This program wide extension has alleviated the pressure on many local governments that were facing unlikely timelines to incur all project costs prior to March 31, 2018 given the unforeseen circumstances which had arisen in 2017 compounded by the tight timelines of the program.

The final piece needed for the program wide extension under CWWF is the signing of Amendment 1 to the CWWF Bilateral agreement. The Ministry's legal team has reviewed the draft amendment, received in May 2018, and the final copy of the Amendment 1 to the CWWF Bilateral agreement is now ready for the Ministers signature. The Amendment 1 is provided in Attachment 1. Infrastructure Canada's Minister Sohi confirmed that BC met the requirements to be eligible to extend the program in writing (refer to Attachment 2).

**FINANCIAL IMPLICATIONS:**

As a result of the CWWF program extension, the timing of the Provincial fiscal year allocations may be shifted into 2018-19 and 2019-20. Ministry staff have been providing and will continue to provide accurate and up to date financial forecasting based on the revised program timelines.

**OPTIONS:**

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s.13

**RECOMMENDATION:**

s.13

**APPROVED (recommended option) / NOT APPROVED**

  
Honourable Selina Robinson

July 5, 2018  
Date

**Attachments: (2)**

1. BC CWWF BA Amendment 1\_Final.docx
2. Minister Sohi Incoming Letter

**PREPARED BY:**

Lee Johnson, Infrastructure Resource Officer  
Local Government Infrastructure and Engineering  
(778) 698-3254

**APPROVED BY:**

Tara Faganello, Assistant Deputy Minister  
Local Government Division  
Tracy Campbell, Assistant Deputy Minister and  
Executive Financial Officer  
Management Services Division  
Jacqueline Dawes, Deputy Minister

**DATE APPROVED:**

July 4, 2018

July 3, 2018

July 4, 2018



## ATTACHMENT #1

### CANADA – BRITISH COLUMBIA

#### BILATERAL AGREEMENT

#### AMENDING AGREEMENT NO. 1 FOR THE CLEAN WATER AND WASTEWATER FUND

This Agreement is made as of the date of last signature

**BETWEEN:** **HER MAJESTY THE QUEEN IN RIGHT OF CANADA**, as represented by the Minister of Infrastructure, Communities and Intergovernmental Affairs (“Canada”)

**AND:** **HER MAJESTY THE QUEEN IN RIGHT OF BRITISH COLUMBIA**, as represented by the as represented by the Minister of Transportation and Infrastructure and by the Minister of Municipal Affairs and Housing (“British Columbia”)

individually referred to as a “Party” and collectively referred to as the “Parties”.

**WHEREAS** the Government of Canada announced in Budget 2016 an investment of \$120 billion in infrastructure over 10 years, including \$60 billion in new funding for public transit, green infrastructure, and social infrastructure, to better meet the needs of Canadians and better position Canada's economy for the future.

**WHEREAS** the Government of Canada proposes to provide \$11.9 billion from this plan of which \$2.0 billion will be used for investments in water and wastewater projects.

**WHEREAS** Canada and British Columbia value regional growth that enhances quality of life for people living in one of the most vibrant and dynamic urban areas in the world to ensure we continue to build communities that we are proud to call home.

**WHEREAS** the Minister of Infrastructure, Communities and Intergovernmental Affairs is responsible for the Program entitled the Clean Water and Wastewater Fund (CWWF) and wishes to provide financial support to British Columbia for Projects under the Program.

**WHEREAS** the Parties entered into an Agreement dated September 30, 2016, setting out the terms and conditions for Canada's contributions under CWWF (“the 2016 Agreement”).

**AND WHEREAS** the Parties wish to amend the 2016 Agreement to provide a blanket extension for CWWF projects in British Columbia requiring federal funding into the 2020-2021 fiscal year.

**NOW THEREFORE**, in accordance with the mutual covenants and agreements herein, the Parties hereby agree to amend the 2016 Agreement as follows:

#### 1. AMENDMENTS TO THE CONTRIBUTION AGREEMENT

1. Delete the definition for “Agreement End Date”:

“**Agreement End Date**” means March 31, 2020.



Replace with:

**“Agreement End Date”** means March 31, 2021.

2. Article 8.1 e) Project Identification and Approval is deleted and not replaced.
3. Delete Article 9.3 b) Payment Deadline:

b) Canada will make the final payment no later than October 31, 2019.

Replace with:

b) Canada will make the final payment for Eligible Expenditures no later than January 31, 2021.

4. Add Article 9.3 c) Claim Submission Deadline:

b) The Province will submit the final claim for project costs no later than October 31, 2020.

5. Delete Article 10 a) Reporting:

a) British Columbia will provide to Canada, at minimum on a semi-annual basis:

- i. a project progress report in a format acceptable to Canada and in accordance with Section B.1 of Schedule B (Reporting); and
- ii. an outcomes progress report in a format acceptable to Canada on completed Projects and in accordance with Section B.2 of Schedule B (Reporting).

Replace with:

a) British Columbia will provide to Canada, twice a year and not later than March 31 and September 30 of each year:

- i. a project progress report in a format acceptable to Canada and in accordance with Section B.1 of Schedule B (Reporting); and
- ii. an outcomes progress report in a format acceptable to Canada on completed Projects and in accordance with Section B.2 of Schedule B (Reporting).

6. Delete Article 10 b) Reporting:

b) British Columbia will submit, in a format acceptable to Canada, no later than October 31, 2019:

- i. final project report in accordance with Section B.3 of Schedule B (Reporting); and
- ii. final outcomes report on all Projects in accordance with Section B.4 of Schedule B (Reporting).

Replace with:



b) British Columbia will submit, in a format acceptable to both Parties, no later than October 31, 2020:

- i. the final project report in accordance with Section B.3 of Schedule B (Reporting); and
- ii. the final outcomes report on all Projects in accordance with Section B.4 of Schedule B (Reporting).

7. Delete Schedule A. 1 c) i. Canada's Funding:

i. Fiscal Year Breakdown

Canada's total funding will be allocated in accordance with the estimated Fiscal Year breakdown below:

	Canada
2016-2017	\$1,800,000
2017-2018	\$100,000,000
2018-2019	\$123,267,721
TOTAL	\$225,067,721

Replace with:

i. Fiscal Year Breakdown

Canada's total funding will be allocated in accordance with the estimated Fiscal Year breakdown below:

	Canada
2016-2017	\$1,013,883
2017-2018	\$37,999,571
2018-2019	\$95,622,343
2019-2020	\$70,176,989
2020-2021	\$20,254,935
TOTAL	\$225,067,721

8. Delete Schedule A.1 g) iii. Eligible Expenditures:

iii. Costs incurred between April 1, 2016 and March 31, 2018.

Replace with:

iii. Costs incurred between April 1, 2016 and March 31, 2020.





9. Delete Schedule A.1 h) i. Ineligible Costs:

- i. Costs incurred prior to April 1, 2016 and costs incurred after March 31, 2018;

Replace with:

- i. Costs incurred prior to April 1, 2016 and costs incurred after March 31, 2020;

10. Schedule B.2 c) Outcomes Progress Report will be deleted and replaced with:

Outcome	CWWF Performance Indicator
Improved reliability	Average % decrease in unplanned service interruptions per month (not related to weather)
	Average % decrease in volume of water leakage and/or infiltration that can be attributed to funded investments
Improved efficiency	Total estimated kilowatt-hours saved as a result of funded investments
	Average Life Cycle Cost of applicable water treatment systems after construction
	Average Life Cycle Cost of applicable wastewater treatment and stormwater systems after construction
Funded plans are being implemented	Number of funded water treatment plans and studies that led to informed decisions on investments
	Number of funded wastewater plans and studies that led to informed decisions on investments
Safer Drinking Water	Number of water treatment systems that have improved water quality as a result of funded investments
	Number of drinking water systems that have eliminated a boil water advisory as a result of funded investments
	Number of water treatment systems that have met or exceeded applicable regulations and guidelines as a result of funding
	Number of early works projects that lay the foundation for future drinking water system expansion (additional indicator)
	New households serviced by water treatment systems (additional indicator)
Cleaner Wastewater and Stormwater	Number of applicable wastewater systems by treatment level (no treatment, Primary, Secondary, Tertiary) after end of construction
	Number of systems that have improved the quality of wastewater effluent or stormwater discharge as a result of funded investments
	Number of wastewater systems that have met or exceeded applicable regulations and guidelines as a result of funding



	New households serviced by wastewater and stormwater systems (additional indicator)
	Number of early works projects that lay the foundation for future wastewater and stormwater system expansion (additional indicator)
Improved rehabilitation	Percentage of assets that have increased their physical condition rating (as per reporting guidelines) as a result of funding
	Average number of years of useful life remaining on applicable wastewater treatment and collection components, extended as a result of funded investments
	Average number of years of useful life remaining on applicable stormwater components, extended as a result of funded investments
	Average number of years of useful life remaining on applicable water treatment and distribution components, extended as a result of funded investments
Projects are incremental	Total value of capital expenditures for water, wastewater and stormwater system projects

## 2. EFFECT OF AMENDMENTS

- 2.1 All capitalized terms not otherwise defined herein have the meaning ascribed to them in the 2016 Agreement.
- 2.2 Except for the amendments provided for in this Amending Agreement No. 1, the obligations, covenants, and terms and conditions set forth in the 2016 Agreement will continue to remain in full force and effect.
- 2.3 This Amending Agreement No. 1 may be signed in counterpart, and the signed copies will, when attached to the 2016 Agreement, constitute the original Amending Agreement No. 1 and will form part of the Agreement.
- 2.4 This Amending Agreement No. 1 shall be effective as of the date it is signed by the last Party.

## 3. SIGNATURES

This Amending Agreement No. 1 for the Clean Water and Wastewater Fund has been executed on behalf of Canada by the Minister of Infrastructure, Communities and Intergovernmental Affairs and on behalf of Her Majesty the Queen in right of the Province of



Ministry of  
Municipal Affairs  
and Housing

British Columbia by the Minister of Transportation and Infrastructure and the Minister of Municipal Affairs and Housing.

CANADA

HER MAJESTY THE QUEEN IN  
RIGHT OF THE PROVINCE OF  
BRITISH COLUMBIA

---

The Honourable Amarjeet Sohi  
Minister of Infrastructure,  
Communities and Intergovernmental  
Affairs

---

The Honourable Selina Robinson,  
Minister of Municipal Affairs and Housing

---

Date

---

Date

HER MAJESTY THE QUEEN IN  
RIGHT OF THE PROVINCE OF  
BRITISH COLUMBIA

---

The Honourable Claire Trevena, Minister  
of Transportation and Infrastructure

---

Date



Ministry of  
Municipal Affairs  
and Housing

## Attachment #2

Minister of Infrastructure  
and Communities



Ministre de l'Infrastructure  
et des Collectivités

Ottawa, Canada K1P 0B6

The Honourable Selina Robinson, M.L.A.  
Minister of Municipal Affairs and Housing  
Government of British Columbia  
P.O. Box 9056  
Victoria, British Columbia V8W 9E2

MAR 26 2018

The Honourable Claire Trevena, M.L.A.  
Minister of Transportation and Infrastructure  
Government of British Columbia  
P.O. Box 9055  
Victoria, British Columbia V8W 9E2

Dear Ministers:

In my correspondence dated December 14, 2017, regarding the extension of the Phase 1 Public Transit Infrastructure Fund (PTIF) and Clean Water and Wastewater Fund (CWWF) programs, I indicated that the extension was conditional upon the fulfillment of all current progress and baseline reporting requirements, as well as the submission of attested, accurate start and end dates by March 31, 2018. I am pleased to inform you that British Columbia has fulfilled all of the required reporting requirements for both programs and is now eligible for the extension, subject to the amendment of your PTIF and CWWF agreements. I have asked my officials to work with your officials on the proposed amendments to these agreements.

Please note that once the PTIF and CWWF agreements have been amended, this extension will apply to all approved projects, and ultimate recipients can incur eligible project costs up to and including March 31, 2020.

As previously noted, any funds not approved for projects as of March 31, 2018 under the PTIF will be transferred to the Public Transit stream of the Integrated Bilateral Agreement developed for Phase 2 of the Investing in Canada plan. As well, funds not approved for projects as of March 31, 2018 under the CWWF will be transferred to the Environmental Quality sub-stream of the Green Infrastructure stream of your Integrated Bilateral Agreement.

...2

Canada



Ministry of  
Municipal Affairs  
and Housing

- 2 -

I want to extend my appreciation for your continued support in the implementation of these programs. I look forward to our continued collaboration in support of infrastructure investments through existing and new program investments that will lead to a better quality of life for Canadians.

Yours sincerely,

A handwritten signature in black ink that reads "A. Sohi".

Amarjeet Sohi, P.C., M.P.



## BRIEFING NOTE FOR INFORMATION

**Date:** November 15, 2018

**Prepared For:** Honourable Selina Robinson, Minister of Municipal Affairs and Housing (Minister)

**Title:** Jumbo Glacier Mountain Resort Municipality – Role of Local Government

**Issue:** Role of local government at Jumbo (Ministry of Forests, Lands, Natural Resource Operations and Rural Development also has a Briefing Note attached for Ministers' consideration)

### SUMMARY:

- Minister has an obligation to ensure that there is an appointed council for Jumbo Glacier Mountain Resort Municipality; the term of office of the current mayor and two councillors expires on December 3, 2018, necessitating a decision on new appointments before that date.
- This note outlines implications of delay council appointments, significant change to councillors, or potential dissolution of the municipality.
- The Province is engaged in two legal proceedings – appeal of a Judicial Review decision by the Minister of Environment on the Environmental Assessment Certificate (EAC) and a civil claim for damages filed by the Resort proponent – in which the Resort proponent has alleged a Provincial pattern of behaviour supporting a claim of misfeasance of public office intent on obstructing the development of the Resort.

s.13,s.16,s.17

- The appeal of the EAC judicial review is expected to be heard early in 2019, with a decision to follow in the spring. s.13,s.16,s.17

s.13,s.16,s.17

- Should the Resort development proceed, an engaged municipality or regional district is required to facilitate decisions under the land use regulatory regime, and the absence of an effective municipal council would corporately frustrate the resort development.
- Ministry staff have recommended re-appointment of the current council members willing to continue in this role – the mayor and one councillor -s.13,s.14

s.13,s.14

while fulfilling the Minister's legal obligation to ensure a governing body of the municipality; additional or alternative appointments could be made at a later date once the outcome of the EAC is clear.

s.13,s.16,s.17



s.13,s.16,s.17

- **Dissolution requires new legislation to ensure the orderly transfer of assets, liabilities, and – most importantly – land use regulations, to a new local government jurisdiction (i.e. Regional District), s.13,s.16,s.17**  
s.13,s.16,s.17
- **Dissolution in favour of regional district governance could also significantly impact local and regional decision and responsibility dynamics, potentially destabilizing sub-regional working relationships that underpin essential service arrangements, as public opposition to the resort development could challenge the Regional District in making the needed regulatory and servicing decisions. In 2009, the Regional District asked the Province to prevent this by incorporating the Municipality.**
- **Dissolution in favour of Provincial governance is unsupported by either a legislative framework or administrative capacity to undertake local government functions that would support construction on this scale over a protracted period. While initial land use planning is in place, over the longer term local government functions focus on site-specific permitting for form-and-character and construction, as well as building inspections and zoning compliance.**

## BACKGROUND:

### *Resort and Provincial Framework*

Jumbo Glacier Mountain Resort Municipality (Municipality) was incorporated in 2013, to provide local governance for the proposed resort community, within the legal frameworks of the *Local Government Act*, the *Community Charter* and its Letters Patent. The Municipality is located within the Regional District of East Kootenay (Regional District), and the municipal boundary coincides with the Controlled Recreation Area associated with a Provincial Master Development Agreement (MDA) for Jumbo Glacier Resort (Resort).

The opportunity to develop an all-season resort on Crown land is described and governed by a MDA between the resort proponent and the Province. The design components of the resort are expressed in a Master Plan. Depending on the scale of the resort or at the discretion of the Minister of Environment, an Environmental Assessment Certificate (EAC) may be required, and either the EAC or the MDA may set out conditions which the resort proponent must meet in order to proceed.

### *Local Government Land Use Regulation*

Despite the presence of a MDA, EAC or a Master Plan, resort proponents are responsible for seeking the required zoning and other local government development approvals to support development of lands within a resort. The *Local Government Act* authorizes municipalities and regional districts to plan land use (e.g. through the adoption of Official Community Plans (OCP)), regulate by zoning and other bylaws (run-off control, flood plain bylaws, parking and loading, regulation of signs, and screening and landscaping) and enter into agreements (phased development agreements and housing agreements); the legislation also sets out the public processes for enacting or entering into these arrangements. Although local governments are not required to adopt OCPs, once an OCP exists, all subsequent bylaws and works undertaken must be consistent with that plan. Once appropriate zoning is secured, resort construction also requires local



government approval of development and building permits, building inspection, and hearing of subsequent rezoning applications.

In 2015, the council for the Municipality adopted an OCP bylaw, zoning bylaws, and issued building permits prior to the expiry of the resort EAC, to support the construction on site.

Provision exists in the *Local Government Act* for the Minister to alter a local government land use plan or bylaw based on a very high test (that it is contrary to the public interest of British Columbia) and following specified notice to and time for the local government to change the plan or bylaw; this provision has never been used s.13,s.16

An

older statute, the *Local Services Act*, enables the Province to prepare an OCP and land use regulations for areas outside municipalities at the cost of the Province and with the Minister acting as the local government for these purposes. As this legislation pre-dated regional districts, its application to an area within a regional district in which land use rules are already in place is questionable (its sole remaining implementation is the remote community of Atlin outside of any regional district where the development needs are rudimentary). The Minister does not have authority or administrative capacity in place to manage preparation of OCPs, issuance of development area permits, building permits, or building inspection functions on the scale required to support resort development.

### ***Municipal History and Purpose***

If the Municipality had not been incorporated, the Regional District would have received the application for rezoning from the resort proponent, as the lands were then zoned for rural-resource use. As the resort development has been controversial in the region, with vocal advocates and opponents of the Resort elected in various municipalities and electoral areas, in 2009 the Board of the Regional District wrote to the minister responsible for local government (then Minister of Community and Rural Development, now Minister of Municipal Affairs and Housing) to request that the Province consider incorporating the area as a municipality. s.13,s.16

s.13,s.16

### ***Municipal Council***

Upon incorporation, a municipal council becomes responsible for local government functions, including land use and development regulation. At Jumbo, as incorporation preceded development, the municipal council is comprised of three appointed council members who represent various sectors (e.g., tourism, forestry, community development) that may contribute to a governance body not just representing the resort.

The council members are responsible to carrying out all the duties of office, including acting in the best interests of the municipality (versus their own individual interests); statutory duties of a council as outlined in the *Community Charter* (e.g., adoption of a financial plan bylaw in April); provision of governance (e.g. consideration of bylaws and community well-being); and responsibility for public roadways. For more details on the responsibilities of a council member see Appendix A.

The current council term expires on December 3, 2018. With the future of the resort in dispute, the municipal council has met quarterly to meet its statutory obligations.

### **DISCUSSION:**

#### ***Resort Outlook***

On August 17, 2018, the BC Supreme Court ordered the Minister of Environment to reconsider a past decision to not extend the proponent's EAC, accepting the view of the resort proponent that the original





decision failed to account for delay attributable to Provincial action. The Province has appealed the court's ruling.

s.13,s.16,s.17

### ***Requirement for Municipal Council***

As the conclusion of the current term of office is pending, the Minister faces a decision with respect to the composition of the municipal council.

s.13,s.14,s.16,s.17

In light of the various ongoing legal proceedings,

s.13

s.13

The mayor and one of the two councillors are willing to be reappointed for the next term of office (i.e., until 2022); the second councillor is not interested in being reappointed. Reappointing the mayor and a councillor will allow the council to fulfil the statutory requirements of the Municipality and ensure there is a council to consider land use matters that may arise. The candidates for reappointment have five years of experience with managing the affairs of the municipality. Both are long-term residents of the Columbia Valley and have maintained professional relationships with neighbouring local governments including the Regional District and various First Nations.

### ***Alternative: New Council Appointees***

s.13,s.14,s.16,s.17



s.13,s.14,s.16,s.17

### ***Alternative: Municipal Dissolution***

If there remains a possibility that the resort will be developed, some form of local government would be required (either a municipality or a regional district).

At present, there is no legislative mechanism available to dissolve the Municipality and transfer its jurisdiction, assets, liabilities, and regulatory bylaws to the Regional District. The general provision for disincorporation of a municipality is only available following a petition of municipal electors and does not adequately provide for the transfer of jurisdiction.

s.13,s.16,s.17



Any path forward must go through the critical steps of policy development, scoping, potential drafting of customized legislation and consultation with UBCM.

s.13,s.16

Consultation with the recipient local government would also be needed.

s.13,s.16,s.17

## **FINANCIAL IMPLICATIONS:**

None arising from appointment of councillors; no new provincial funding has been provided to the Municipality since 2015.

s.13,s.16,s.17

## **Attachments: (2)**

1. Roles and Responsibilities for an Appointed Councillor
2. FNLROD Draft Briefing Note

### **PREPARED BY:**

Marijke Edmondson, Director  
778 698-3227

### **APPROVED BY:**

Tara Faganello, ADM,  
Local Government Division

Jacqueline Dawes, Deputy Minister

### **DATE APPROVED:**

November 8, 2018

November 15, 2018



## **ATTACHMENT 1: Roles and Responsibilities of an Appointed Councillor**

An appointed councillor is an individual who is qualified to hold office as a member of a local government and has to fulfil the duties of a municipal councillor. Being an appointed councillor does not override or nullify any of the requirements applicable to councillors under the *Community Charter*, the *Local Government Act* or any other enactment. Accordingly, an appointed councillor is expected to meet, and continue to meet, the requirements for holding office (qualifications set out in section 81 of the Act) and to perform the duties of office in accordance with the rules in the Charter and the Act that are applicable to municipal councillors. For example an appointed councillor is required to:

- Swear an Oath of Office;
- Consider the well-being and interests of the municipality and its community;
- Contribute to the development and evaluation of the policies and programs of the municipality respecting its services and other activities;
- Participate in council meetings, committee meetings and meetings of other bodies to which they are appointed;
- Carry out other duties assigned by the council; and,
- Carry out other duties assigned under the Charter or any other enactment.

The Charter contains ethical conduct provisions that apply to councillors and addresses matters such as conflict of interest; inside influence; outside influence; exceptions from conflict restrictions; gifts; contracts and the use of insider information. These provisions generally apply to the appointed councillor as they apply to other councillors.

Page 39 to/à Page 44

Withheld pursuant to/removed as

s.14;s.13

## BRIEFING NOTE FOR INFORMATION

**Date:** November 22, 2018

**Prepared For:** Honourable Selina Robinson, Minister of Municipal Affairs and Housing

**Title:** Jumbo Municipal Council Appointments

**Issue:** Mayor and councillors Jumbo Glacier Mountain Resort Municipality are appointed by the Minister. Current appointments expire on December 3, 2018 and Minister has a duty ensure that there is an appointed council in place.

### SUMMARY:

- **Minister has an obligation to ensure that there is an appointed council for Jumbo Glacier Mountain Resort Municipality; the term of office of the current mayor and two councillors expires on December 3, 2018, necessitating new appointments before that date.**
- **Although the BC Supreme Court ordered the Minister of Environment to reconsider a past decision to not extend the proponent's Environmental Assessment Certificate in August 2018, the Province is appealing this decision.**

s.13,s.16,s.17

- **Re-appointment of the current council members willing to continue in this role – the mayor and one councillor – fulfills the Minister's legal obligation under the municipal Letters Patent while minimizing complications as the legal proceedings unfold.**
- **The Minister does have the ability to determine the term of the next appointment, including any term of four years or less.**
- **Once the Court of Appeal issues a decision on the reconsideration order, the Province will be positioned to make informed decisions on the future of the municipality.**

### BACKGROUND:

Jumbo Glacier Mountain Resort Municipality (Municipality) was incorporated in 2013 to provide local governance for the proposed Jumbo Glacier Resort (Resort) community. Because incorporation preceded development of the Resort, and occupation of residential properties, the municipal council was composed of three appointed members to represent various sectors (e.g., tourism, forestry, community development) as a proxy for the future community when making land use and development decisions.

The Municipality is located within the Regional District of East Kootenay (Regional District), and the municipal boundary coincides with the Controlled Recreation Area connected to a Master Development Agreement (MDA) for the proposed Resort.

The current council term expires on December 3, 2018. Minister of Municipal Affairs and Housing has decided to re-appoint the mayor and one of the councillors. The background and considerations in this decision are outlined in the attached Decision BN (240234).

### DISCUSSION:

On August 17, 2018, the BC Supreme Court (Court) ordered the Minister of Environment to reconsider a past decision to not extend the proponent's Environmental Assessment Certificate (EAC). The Court

accepted the view of the Resort proponent that the original decision failed to account for delay attributable to Provincial action. The Province has appealed the court's ruling.

s.13,s.16,s.17

Council members are responsible for carrying out all the duties of office, including acting in the best interests of the municipality (versus their own individual interests); statutory duties of a council as outlined in the *Community Charter* (e.g., adoption of a financial plan bylaw in April); provision of governance (e.g. consideration of bylaws and community well-being); and responsibility for public roadways.

The candidates for reappointment have five years of experience with managing the affairs of the municipality. Both are long-term residents of the Columbia Valley and have maintained professional relationships with neighbouring local governments including the Regional District and various First Nations.

The appointments are made by signing the attached letters to Mr. Greg Deck and Ms. Nancy Hugunin.

The appointment letters remind the appointees of the responsibilities, duties and obligations of the role and ask the appointees to confirm acceptance of appointment by end of the day on November 29, 2018. The appointees would to be sworn into office (by the Municipal Corporate Officer) on or before December 3, 2018.

An additional letter, addressed to Mr. Steve Ostrander, acknowledges his service and retirement from the Municipal council on December 3, 2018.

#### **FINANCIAL IMPLICATIONS:**

None

#### **PREPARED BY:**

Karen Lynch, Senior Planning Analyst  
Governance and Structure Branch  
(778) 698-3229

#### **APPROVED BY:**

Tara Faganello, Assistant Deputy Minister  
Local Government Division

Jacqueline Dawes, Deputy Minister

#### **DATE APPROVED:**

November 22, 2018

November 22, 2018



## BRIEFING NOTE FOR INFORMATION

**Date:** November 16, 2018

**Prepared For:** Honourable Selina Robinson, Minister of Municipal Affairs and Housing

**Title:** Home Inspector Regulations

**Issue:** The Home Inspectors Association BC (formerly known as the Canadian Association of Home and Property Inspectors of BC) has requested separate meetings with both Ministers of Municipal Affairs and Housing and Public Safety and Solicitor General to discuss home inspector regulations.

**Meeting With:** Bob Hamm (President) and Helene Barton (Executive Director), Home Inspectors Association of BC on November 19, 2018

### SUMMARY:

- **The Ministry of Public Safety and Solicitor General is the lead ministry responsible for home inspector regulations and has responsibility for Consumer Protection BC, the regulator.**
- **I understand the Home Inspector Association BC (HIABC) will be meeting with my colleague, Honourable Mike Farnworth after this meeting (5pm).**
- **I am pleased to learn that HIABC has been actively engaged with government to strengthen home inspector licensing. I appreciate your ongoing commitment to working together with government and others in the industry to improve home inspector regulations.**
- **Housing is a top priority of government and ensuring that inspectors are well-qualified and home inspections are rigorous increases consumer confidence in what is likely their biggest investment.**

### BACKGROUND:

Home inspectors in the province have been licensed by Consumer Protection BC (CPBC) for almost a decade. Established minimum qualifications for inspectors operating in British Columbia are supported by the industry and its members. The Ministry of Public Safety and Solicitor General (PSSG) regulates home inspectors under the *Business Practices and Consumer Protection Act*. In 2013, the Office of Housing and Construction Standards was tasked with working with PSSG to strengthen licensing requirements, following concerns about deficient inspections and inconsistent practices by home inspectors.

In 2016, following extensive review and consultation, PSSG concluded that:

- CPBC would be retained as the regulatory body;
- the requirement that a home inspector belong to an association as a condition for licensing would be removed;
- a common standard of practice (inspection) would be created; and
- a single common standard for certifying and licensing home inspectors would be established.

Due to the above changes, the role of multiple industry associations in issuing licenses was reduced. The role of assessing licensing applicants' qualifications moved to CPBC, along with greater responsibility for all consumer home inspector inquiries and complaints.





A single standard for home inspectors and the corresponding credentialing model has been developed with input from the industry. s.13

s.13 The Office of Housing and Construction Standards has not been involved in home inspector regulations for a year and a half as PSSG is the lead ministry responsible for the regulation.

#### DISCUSSION:

s.13

Home Inspector Association BC is the largest of the four industry associations. s.13  
s.13

In addition, the *Professional Governance Act* (Bill 49 currently in the Legislature) will require ASTTBC and four other regulatory bodies to adhere to the highest standards of governance, coupled with a new oversight superintendent in the Ministry of Attorney General. Full implementation will take three to five years once the *Professional Governance Act*, is passed.

s.13

As PSSG has been solely responsible for this process and the point of contact for home inspector regulations for the past year and a half, it would be appropriate to direct HIABC and other enquiries relating to home inspectors to PSSG. HIABC has a history of seeking ministerial meetings and press coverage. See Appendix A - October 26, 2018 Vancouver Sun Letter to the Editor by Bob Hamm.

#### Attachment:

1. October 25, 2018 Vancouver Sun Letter to the Editor

#### PREPARED BY:

Juliana Ko, Senior Policy Analyst  
Housing Policy Branch  
(250) 679-9656

#### APPROVED BY:

Greg Steves, Assistant Deputy Minister  
Office of Housing and Construction Standards

Jacqueline Dawes, Deputy Minister

#### DATE APPROVED:

November 16, 2018

November 16, 2018