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**HALIFAX REGIONAL MUNICIPALITY**  
**ADMINISTRATIVE ORDER NUMBER 2018-001-ADM**  
**RESPECTING THE HALIFAX REGIONAL WATER COMMISSION**

**BE IT RESOLVED AS AN ADMINISTRATIVE ORDER** of the Council of the Halifax Regional Municipality as follows:

**Short Title**

1. This Administrative Order may be cited as the *Halifax Regional Water Commission Administrative Order*.

**Purpose**

2. The purpose of this Administrative Order is to ensure the efficient operation of the Commission by providing an accountability framework for the conduct of its business.

**Interpretation**

3. In this Administrative Order,

- (a) “Act” means the *Halifax Regional Water Commission Act, 2007, S.N.S., c. 55*, as amended;
- (b) “Board Chair” means the Chair of the Halifax Water Board of Commissioners;
- (c) “CAO” means the Chief Administrative Officer of the Regional Municipality;
- (d) “Commission” means the Halifax Regional Water Commission;
- (e) “Commission Board” means the Board of the Commission;
- (f) “Commissioner” means a member of the Commission Board;
- (g) “Council” means the Council of the Regional Municipality;
- (h) “debt policies” and “financial instruments” includes policies and instruments, as the case, may be, respecting the borrowing and investing of money, guarantees and the receipt and issuance of negotiable instruments;
- (i) “Executive Committee” means the Executive Standing Committee of the Regional Municipality;
- (j) “General Manager” means the General Manager of the Commission, as defined in clause 2(1)(f) of the *Act*;

(k) “municipal body” means a municipal body as defined in section 461 of the *Municipal Government Act*;

(l) “Regional Municipality” means the Halifax Regional Municipality;

(m) “Regional Plan” means the Regional Municipality’s long-range, planning policy for growth and development within the Regional Municipality;

(n) “Regulated Business Activity” means, in accordance with Section 7(1)(a) and Section 7(1)(b) of the Act, the provision of water, wastewater and stormwater services located outside of the Regional Municipality;

(o) “Environment and Sustainability Standing Committee” means the Environment and Sustainability Standing Committee of the Regional Municipality; and

(p) “Unregulated Business Activity” means, in accordance with Section 7(1)(c) of the Act, those business activities that are incidental to a Regulated Business Activity and includes the generation of heat or electricity in whole or in part from by-products of providing water systems, wastewater systems or stormwater systems.

#### **Application**

4. This *Administrative Order* applies to the conduct of the business of the Commission as well as to:

(a) the appointment of members to the Commission Board;

(b) the approval of contracts for:

(i) a Regulated Business Activity of the Commission that is located outside of the Regional Municipality;

(ii) an Unregulated Business Activity of the Commission that is located inside or outside of the Regional Municipality, including the generation of heat or electricity;

(c) contracts for the provision of a Regulated Business Activity to another municipality, municipal body, a municipal water utility, Government of the Province or of Canada, or a band council pursuant to the *Indian Act*; and

(d) the submission to Council by the Commission respecting

(i) the annual business plan, and

(ii) the long term strategic plan outlining how the Commission will ensure alignment with the municipal strategies of the Municipality.

5. Nothing in this Administrative Order shall be construed as to limit or restrict any other Council authority respecting the conduct of the business of the Commission as conferred by the *Act*.

6. Nothing in this Administrative Order shall be construed as to interfere or conflict with the authority of the Nova Scotia Utility and Review Board with respect to the regulation of the conduct of the business of the Commission as conferred by the *Public Utilities Act* or the *Act*.

7. The *Public Appointment Policy* of the Regional Municipality shall not apply to appointments made pursuant to this Administrative Order.

### **Requirements for Board of Directors**

8. A member of Council may be appointed to the Commission Board providing:

(a) there are no more than three (3) other members of Council already appointed to the Commission Board and maintaining their membership;

(b) the member to be appointed is a member of Council at the time of the appointment; and,

(c) the member completes the application process.

9. A member of the public may be appointed to the Commission Board if, in the opinion of Council, the person:

(a) resides within the boundaries of the Regional Municipality;

(b) is at least eighteen (18) years of age at the time of the appointment;

(c) subject to section 10, the person does not serve concurrently on any other external board or committee of the Regional Municipality;

(d) satisfies the competencies that are requested by the Commission Board and referenced in the advertisement in accordance with subsection 14(2); and

(e) the person completes the appointment process as set forth in Section 13.

10. A member of a Business Improvement District may also be appointed to the Commission Board.

### **Appointment Process**

11. If there are one (1) or more vacancies on the Commission Board, and subject to clause 4(1)(a) of the Act, Council shall consider the number of vacancies, if any, that will be filled by a member of Council.

12. (1) If Council decides that one or more members of Council will be appointed to the Commission Board to fill a vacancy, the Office of the Clerk shall send an expression of interest to all members of Council, and such expression shall contain a deadline by which interested members may respond.

(2) A response to the expression of interest shall be made to the Office of the Clerk by the date specified in such expression and, in the response, the member must identify any expertise, experience and competencies which would be relevant to the member's involvement with the Commission Board.

(3) The Office of the Clerk shall forward all expressions of interest received by the stated deadline to the Executive Committee.

(4) The Executive Committee, in accordance with its Terms of Reference as found in Schedule 6 of Administrative Order One, shall review the expression of interests and shall make a report and recommendation to Council respecting which member or members of Council to appoint to the Commission Board.

(5) If there is a vacancy on the Commission Board for the Council member who is nominated by the Environment and Sustainability Committee, then, in accordance with its Terms of Reference as found in Schedule 5 of Administrative Order One, the Environment and Sustainability Committee shall nominate to Council one (1) member of the Environment and Sustainability Committee for appointment to the Commission Board.

13. (1) If one or more members of the public are to be appointed to the Commission Board, the Office of the Clerk shall invite applications through an advertisement to the general public and such advertisement shall contain a deadline by which interested persons may respond and how an application may be submitted.

(2) If certain competencies, as approved by Council during the annual review process, are to be requested for future appointees to the Commission Board, the competencies sought shall be referenced in the advertisement.

(3) In order for the application to be considered complete, a person who responds to the advertisement shall:

(a) attach a summary of their biographical information;

(b) identify any expertise, experience and competencies which would be relevant to the

- (c) person's involvement with the Commission Board;
- (d) provide a resume;
- (e) provide a completed, signed application form; and,
- (f) submit the application to the Office of the Clerk.

(4) In accordance with any privacy legislation, all information provided by the applicant will be made public if the applicant is appointed to the Commission Board.

(5) The Office of the Clerk shall forward all completed applications received by the advertised deadline to the Review Committee.

### **Review Committee**

14. (1) There is hereby created a Review Committee and such committee shall be composed of the Municipal Clerk, the CAO or his or her delegate, the General Manager, and the Board Chair or Vice Chair of the Commission Board.

(2) The Review Committee shall convene at such times and at such locations as determined by the CAO or Council.

(3) The Review Committee shall review all completed responses to the advertisement made by applicants.

(4) While each Commissioner is eligible for reappointment, to ensure healthy turnover, it is Council's expectation that efforts will be made by the Review Committee to achieve a balance between new members and those with experience serving on the Board and that the recommendation to appoint an applicant with 8 or more years of service as a Commissioner will only be made in exceptional circumstances.

(5) The Review Committee shall make a report and recommendation to the Executive Committee respecting the applicants.

(6) The Executive Committee shall review the report and recommendation of the Review Committee and make a report and recommendation to Council respecting which applicants to appoint to the Commission Board.

### **Review of Long Term Strategic Plan**

15. (1) In conjunction with the review of the Regional Plan and the Regional Municipality's secondary municipal planning strategies, not less than once every five (5) years, unless directed otherwise by Council, the Commission shall submit to Council a long term, strategic plan of the Commission.

(2) The Commission shall review the long term strategic plan annually with Council during the Commission's annual business plan review process.

(3) The purpose of the long term strategic plan is to ensure the Commission's alignment with the municipal planning strategies of Council.

(4) The contents of the long term strategic plan shall include:

- (a) the vision and mission statement for the Commission;
- (b) the core values of the Commission;
- (c) review of the Commission's strengths, weaknesses, opportunities and threats;
- (d) discussion of the Commission's long term strategic goals and objectives;
- (f) a discussion of how the Commission's long term goals align with the municipal planning strategies of Council, including the extension of Regulated Business Activities;
- (g) the Commissions proposed action plans and initiatives to achieve the long terms goals and objectives; and,
- (h) other requirements as directed by Council.

**Review of Annual Business Plan**

16. (1) No later than one (1) month prior to the end of each fiscal year, the Commission shall provide its annual business plan, as approved by the Commission Board, to Council and such business plan shall include:

- (a) an overview of the services provided by the Commission and details on the operating and capital budgets to support the delivery of those services;
- (b) any projected surplus;
- (c) any projected deficits and, if a deficit is projected, whether there is means to offset the deficit, such as an operating surplus accumulated over prior years;
- (d) the financial changes from the prior fiscal year and the proposed budget for the next fiscal year, which shall show the:
  - (a) operating revenues,
  - (b) operating expenditures,
  - (c) non-operating revenues,
  - (d) non-operating expenditures,
  - (e) depreciation,
  - (f) debt servicing, and
  - (g) debt servicing ratio;

- (e) the percentage of the proposed capital budget allocated to Regulated Business Activities.
- (2) The annual business plan shall also:
- (a) separate Unregulated Business Activities from Regulated Business Activities;
  - (b) identify any new Regulated or Unregulated Business Activities which will commence during the upcoming fiscal year and the budget for such activity;
  - (c) identify any initiatives that are undertaken by the Commission and the Municipality cooperatively;
  - (d) provide an overview of the current composition of the Commission Board, the term remaining for each Commissioner, a plan to address any upcoming vacancies and request competencies, if any, that future Commissioners should possess that may improve the Commission Board's effectiveness; and
  - (e) identify how the Commission will ensure alignment with the annual priorities of the Regional Municipality while taking into consideration the requirements of Nova Scotia's Public Utilities Act.

**Review of Accountability Report and Submission of Financial Statements**

17. (1) Within three (3) months of the end of each fiscal year, the Commission shall provide Council with an accountability report respecting Regulated and Unregulated Business Activities, and such report shall include:
- (a) an accountability statement;
  - (b) a message from the Board Chair and the General Manager;
  - (c) actions taken by the Commission on strategic objectives during the prior fiscal year; and
  - (d) the corporate balanced scorecard results for the fiscal year showing the Commission's performance and the metrics used to measure such performance and any new or changed measures to be used to measure performance in the upcoming fiscal year.
- (2) After approval by the Commission Board and within three (3) months of the end of each fiscal year, the Commission shall provide Council with:



- (a) copies of its audited, annual financial statements including the auditor’s report and such statements shall separate Regulated Business Activities from Unregulated Business Activities;
- (b) a review of the Commission’s debt policies and financial instruments; and
- (c) the audited financial statements of the Halifax Water Employees’ Pension Plan.

**Approval Limits for the Provision of Regulated Business Activities**

18. (1) With respect to the Commission entering into contracts as contemplated in accordance with Section 7(5) of the Act, Council provides the Commission with approval to enter into the contemplated contracts subject to:

- (a) the Commission having presented an overview of the proposed contract to Council during the annual business plan review process; and
- (b) the total value of the contract being less than Council’s approval limit, in accordance with the following table, which sets forth the approval limits for these contracts for the General Manager, the Commission and Council:

<b>REGULATED BUSINESS ACTIVITY CONTRACTS</b>	<b>APPROVAL LIMIT GENERAL MANAGER</b>	<b>APPROVAL LIMIT COMMISSION BOARD</b>	<b>APPROVAL LIMIT COUNCIL</b>
Total value of a contract contemplated by Subsection 7(5) of the Halifax Regional Water Commission Act	\$250,000 or less	\$499,999 or less	\$500,000 or greater

- (2) If a contract, as contemplated in Subsection(1):
  - (a) has a total value of greater than \$500,000;
  - (b) has not been presented to Council during the annual business plan review or reviewed by Council by other means; or
  - (c) has terms and conditions of a nature which, in the opinion of the Commission, acting reasonably, would require the review of Council,

then, prior to the Commission executing the contract, the contract must be approved by Council.

**Approval Limits for Unregulated Business Activities**

19. (1) With respect to the Commission engaging in Unregulated Business Activities, Council provides the Commission with approval to engage in the Unregulated Business Activity, subject to:

(a) the Commission having presented an overview of the proposed Unregulated Business Activities to Council during the annual business plan review process; and

(b) the total value of the contract of the Unregulated Business Activity being less than Council’s approval limit, in accordance with the following table, which sets forth the approval limits for Unregulated Business Activities for the General Manager, the Commission and Council:

<b>UNREGULATED BUSINESS ACTIVITY</b>	<b>APPROVAL LIMIT GENERAL MANAGER</b>	<b>APPROVAL LIMIT COMMISSION BOARD</b>	<b>APPROVAL LIMIT COUNCIL</b>
Total contract value of the Unregulated Business Activities.	\$250,000 or less	\$499,999 or less	\$500,000 or greater

(2) If the entering into Unregulated Business Activity, as contemplated in Section 19:

- (a) has the total value of the contract greater than \$500,000;
- (b) has not been presented to Council during the annual business plan review or reviewed by Council by other means;
- (c) has terms and conditions of a nature which, in the opinion of the Commission, acting reasonably, would require the review of Council; or,
- (d) requires the Commission to issue a specific guarantee for issuance of debt

then, before engaging in the Unregulated Business Activity, the Commission shall obtain the approval of Council.

Done and passed in Council this 20<sup>th</sup> day of March A.D. 2018.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Municipal Clerk

I, Kevin Arjoon, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above-noted Administrative Order was passed at a meeting of Halifax Regional Council held on March 20, 2018.

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Kevin Arjoon, Municipal Clerk

Notice of Motion: February 13, 2018  
Approval: March 20, 2018