

Report to: Committee of the Whole

Date of Meeting: June 27/06

**SUBJECT:** 

Ontario Municipal Water Association correspondence and

implications of the Watertight Report on Public Ownership of

Water systems in Ontario.

PREPARED BY:

J. Klaus, General Manager of Waterworks.

#### **RECOMMENDATION:**

THAT the Ontario Municipal Water Association correspondence be received;

AND THAT Council supports OMWA position that water must remain under public ownership and control;

AND THAT the Government of Ontario must make commitment to the people of Ontario to keep water under public ownership and control by enshrining it in the legislation;

AND FURTHER THAT a copy of this motion be sent to Premier Dalton McGuinty, The Minister of Public Renewal the Hon. David Caplan, the Minister of the Environment the Hon. Laurel Broten, the Minister of Municipal Affairs and Housing the Hon. John Gerrestson, the Association of Municipalities of Ontario and to the Ontario Municipal Water Association.

# FINANCIAL CONSIDERATIONS:

NONE

#### **PURPOSE:**

To update Council on the Watertight Report and seek Council endorsement of Ontario Municipal Water Association's (OMWA) position that water must remain under public ownership and control.

#### **BACKGROUND:**

In August 2004 the Expert Panel on Water and Wastewater was convened by the provincial government to provide advice on the organization and long term financing of Ontario's water and wastewater systems.

In May 2005 the Expert Panel and its Chair, Mr. Harry Swain, presented to the Minister of PIR the Honorable Mr. Caplan, the Watertight Report indicating their reasons for change in Ontario's water and wastewater sector.

Three main thrusts of the report are the establishment of an Ontario Water Board, Consolidation of local water systems into larger Regional Units and transfer control of water assets from municipalities to at arms lengths Water Companies which will be governed by a majority of non elected officials.

# **OPTIONS/ DISCUSSION:**

Ontario Municipal Water Association (OMWA) has a major concern with these recommendations as it could lead to the eventual Privatization of Ontario Water Systems. The precursor to this is the recommendation to transfer control of Water assets from municipalities to water companies. These water companies are to be governed by Boards with two–thirds of Board members to be drawn from the private sector. OMWA views this as the first step in dismantling public ownership of Water Systems.

A further concern OMWA has with these recommendations is the Consolidation of local water systems into larger Regional Units. This will remove local control of Water Systems from Elected Municipal Officials.

In view of these concerns, OMWA is pressuring Government of Ontario to make a commitment to the people of Ontario to keep water under public ownership and control by enshrining it in the legislation.

#### FINANCIAL TEMPLATE:

N/A

# **ENVIRONMENTAL CONSIDERATIONS:**

**NONE** 

# **ACCESSIBILITY CONSIDERATIONS:**

**NONE** 

# **ENGAGE 21<sup>ST</sup> CONSIDERATIONS:**

**NONE** 

# **BUSINESS UNITS CONSULTED AND AFFECTED:**

NONE

RECOMMENDED

BY:

Peter Loukes,
Director of Operations

Jim Sales.

Commissioner, Community

& Fire Services

#### **ATTACHMENTS:**

"A" - OMWA letter to Mayor and Council dated June 9, 2006.

June 9, 2006

# Mayor and Council:

The Ontario Municipal Water Association (OMWA) represents publicly-owned water supply systems throughout the province. Established in 1967, the Association's approximately 200 members provide safe and secure tap water to more than seven million people in Ontario.

The Association is concerned that recommendations made in Watertight, a report by the government-appointed Water Expert Panel, will, if adopted, transfer control of water assets from municipalities to local water companies. These water companies are to be governed by Boards, with two-thirds of the Board members to be drawn from the private sector.

We see this proposed restructuring as the first step in dismantling pubic ownership.

The Association believes that the Government of Ontario must make a commitment to the people of Ontario to keep water under public ownership and control by enshrining it in legislation.

OMWA is seeking your support to keep our water under public ownership and control and ask you to pass the following resolution at your next meeting of council:

"That the correspondence received from the Ontario Municipal Water Association (OMWA), concerning the recommendations made in Watertight, by the government-appointed Water Expert Panel, will, if adopted, transfer control of water assets from municipalities to local water companies. These water companies are to be governed by Boards, with two-thirds of Board members to be drawn from the private sector which OMWA views as the first step in dismantling pubic ownership be received and

That the municipality of	supports the position of the
Ontario Municipal Water Association	on that water must remain under public
ownership and control and	

THAT the Government of Ontario must make a commitment to the people of Ontario to keep water under public ownership and control by enshrining it in legislation and further

THAT a copy of this motion be sent to Premier Dalton McGuinty, The Minister of Public Infrastructure Renewal the Hon. David Caplan, the Minister of the Environment, the Hon. Laurel Broten, the Minister of Municipal Affairs and Housing, the Hon John Gerretson, the Association of Municipalities of Ontario and the Ontario Municipal Water Association.

Your truly,

Robert Walton Chair

Cc: Clerk of the Municipality