



February 23, 2022

Ref: 269051

Tom Day

[REDACTED]  
Powell River, BC V8A 2P3

Email: [REDACTED]

Dear Mr. Day:

I am pleased to hear that you will be taking on the role of receiver for Lund Waterworks District (Lund). Your background and skills will ensure stable, effective, and accountable governance for the property owners until a longer-term governance solution can be reached.

The following outlines some key information about next steps and your responsibilities as receiver:

### **Timeline for appointment**

Under section 734 of the *Local Government Act* (Act), the Lieutenant Governor, acting on the advice of the Provincial Cabinet, may appoint a receiver to manage the affairs of an improvement district if it is in the public interest to do so. On February 22, 2022, Cabinet passed an Order-in-Council to formally appoint you as receiver. The appointment is open-ended, but we expect it will be for 12-18 months.

### **Roles and responsibilities**

Lund's authority is established by Part 17 of the Act and its Letters Patent. The receiver acts as, and holds all the powers of, Lund's Board of Trustees, including authority over any appointed officers and exclusive control of its property, assets, and revenues. In short, the receiver is solely responsible for the effective and accountable governance of Lund for the duration of the appointment.

### **Conduct of business**

Lund has its own legal identity, with its own Letters Patent, bylaws, and procedures. When acting as receiver, you will need to conduct business in accordance with these governing documents, supported by the corporate administrative officer for Lund.

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### **Legal liability**

Specific to receivership, section 734(4) of the Act prevents any action from being brought against a receiver without the consent of the Supreme Court of British Columbia. In addition, an improvement district may indemnify its officials and its volunteers under section 740 of the Act, and those persons are protected from personal liability under section 738 of the Act, in the same manner as local governments.

### **Cost recovery**

As improvement districts are self-governing, it is up to the receiver to decide how any costs reasonably borne by them would be recovered (i.e. through tolls/taxation), consistent with improvement district legislation and the Letters Patent.

### **Transitional resources**

Ministry staff will provide you with a copy of Lund's Letters Patent and a summary list of all their bylaws registered with the Ministry. Original Letters Patent and bylaws should be available from Lund directly. In addition to Part 17 of the Act, Lund's Letters Patent and bylaws, the [Improvement District Manual](#) and [Trustees Handbook](#) are valuable resources.

As improvement districts are small organizations, former trustees and current staff can be invaluable for guidance and corporate memory. I understand that Harold Robertson, outgoing chair of Lund's Board of Trustees, is willing to advise the receiver during the transition period.

I trust that this information will assist you as you transition to your new role. Ministry staff are available to offer guidance at any point during the receivership. Arielle Guetta, Senior Planning Analyst, can answer questions related to improvement districts and the role of the receiver. Ms. Guetta can be contacted by phone at 778 698-3216 or by email at [Arielle.Guetta@gov.bc.ca](mailto:Arielle.Guetta@gov.bc.ca).

Sincerely,



Tara Faganello  
Assistant Deputy Minister  
Local Government Division, Ministry of Municipal Affairs

pc: Harold Robertson, Chair, Lund Waterworks District  
Shelley Cherry, Corporate Administrator, Lund Waterworks District  
Al Radke, Chief Administrative Officer, qathet Regional District  
Arielle Guetta, Senior Planning Analyst, Local Government Division, Ministry of Municipal Affairs