



CHAPTER 10

An Act respecting the Société québécoise d'assainissement des eaux

[Assented to 18 June 1980]

HER MAJESTY, with the advice and consent of the National Assembly of Québec, enacts as follows:

DIVISION I

DEFINITIONS

1. In this act, unless the context indicates otherwise,

Interpre-
tation:

“municipality”;

“municipality” means a municipal corporation, by whatever law governed, the Communauté urbaine de Montréal, the Communauté urbaine de Québec, the Communauté régionale de l’Outaouais, or an intermunicipal management board established under the Municipal Code or the Cities and Towns Act (R.S.Q., c. C-19);

“water purification works”.

“water purification works” means sewer interceptors, sewage treatment plants, diffusers, effluent outlets and subordinate installations.

DIVISION II

ESTABLISHMENT AND COMPOSITION OF THE CORPORATION

Establishment.

2. A body hereinafter called the “corporation” is established under the name of “Société québécoise d’assainissement des eaux”.

Powers.

3. The corporation is a corporation within the meaning of the Civil Code, and has all the powers of such a corporation in addition to those conferred on it by this act.

- 4.** The head office of the corporation is at the place fixed by the Government.
- Head office.
- Notice of the location or any change of location of the head office shall be published in the *Gazette officielle du Québec*.
- Notifi-
cation.
- 5.** The affairs of the corporation are administered by a board of directors of seven members appointed by the Government, two of whom must be members of the council of a municipality.
- Board of directors.
- The members of the board of directors are appointed for a term of not over five years.
- Terms.
- 6.** The Government shall designate, from among the persons that it appoints under section 5, the chairman and vice-chairman of the board of directors and the president of the corporation. The president of the corporation is also the managing director.
- Chairman and president.
- 7.** The Government shall fix the remuneration, the social benefits and the other conditions of employment of the president of the corporation.
- Remuneration.
- The members of the board of directors of the corporation other than the president of the corporation are not remunerated. However, they are entitled, in accordance with the norms fixed by the Government, to an attendance allowance and to reimbursement of their justifiable expenses in the exercise of their functions.
- Expenses.
- 8.** At the end of their terms, the members of the board of directors of the corporation remain in office until they are reappointed or replaced.
- Continuance in office.
- 9.** Except in the case of the chairman of the board of directors or the president of the corporation, any vacancy occurring during a term is filled for the remainder of the term of the member to be replaced, following the mode of appointment provided in section 5.
- Vacancies.
- 10.** If the office of chairman of the board of directors is vacant or if the chairman is unable to act, the vice-chairman shall act as chairman until a new chairman is appointed or for as long as the chairman is unable to act.
- Replacement.
- 11.** If the office of president of the corporation is vacant or if the president is unable to act, the Government may appoint a person whose remuneration, social benefits and other conditions of employment it shall fix, to exercise the duties of the president for the remainder of his term or for as long as he is unable to act.
- Replacement.

- 12.** The president of the corporation is responsible for the administration of the corporation within the scope of its by-laws.
- Administration.
- He shall exercise his duties on a full-time basis.
- Full-time duties.
- 13.** Neither the chairman of the board of directors nor the president of the corporation may, under pain of forfeiture of office, have any direct or indirect interest in any undertaking causing his personal interest to conflict with that of the corporation. However, such forfeiture is not incurred if such an interest devolves to him by succession or gift, provided he renounces or disposes of it with all possible dispatch.
- Conflict of interest.
- Every other member of the board of directors having an interest in an undertaking shall, under pain of forfeiture of office, disclose it in writing to the chairman of the board of directors and abstain from participating in any deliberation or decision involving the undertaking in which he has an interest.
- Disclosure.
- 14.** Four members of the board of directors, including the chairman or the vice-chairman, are a quorum. If votes are equally divided, the chairman, or, if he is absent, the vice-chairman, has a casting vote.
- Quorum.
- Casting vote.
- 15.** The corporation may appoint a secretary and any other employee necessary for its operations.
- Employees.
- The secretary and the other employees of the corporation are appointed and remunerated in accordance with the scales and standards and the staffing plan established by by-law of the corporation.
- Remuneration.
- 16.** The by-laws of the corporation come into force upon approval by the Government.
- By-laws.
- 17.** The minutes of the sittings of the board of directors, approved by the board and certified by the chairman of the board of directors or by the secretary, are authentic, as are documents or copies emanating from the corporation or forming part of its records, if certified by the secretary.
- Authenticity.

DIVISION III

OBJECTS AND POWERS OF THE CORPORATION

- 18.** The objects of the corporation are, in accordance with this act,
- Objects.
- (1) to design, construct, improve, enlarge and put into operation water purification works for the needs of the municipalities

and to carry out rehabilitation work on the municipal sewerage systems;

(2) to carry out studies in respect of the rehabilitation of the municipal sewerage systems; and

(3) to carry out other studies in matters of sewerage and water purification prior to entering into an agreement contemplated in the third paragraph of section 21.

Program. **19.** The corporation shall carry out its objects within the scope of a water purification program elaborated under section 2 of the Environment Quality Act (R.S.Q., c. Q-2) and approved by the Government.

Cooperation. **20.** The corporation may associate or contract with any person in order to carry out its objects.

Convention. **21.** In no case may the corporation carry out the objects contemplated in paragraph 1 of section 18 unless the municipality requests it to do so and has previously entered into a convention to that effect with the Government.

Contents. The convention must in particular describe the water purification works or the rehabilitation work on the municipal sewerage system to be carried out, and set forth the financial obligations of the parties.

Agreement. The corporation must then enter with the municipality into an agreement contemplating the whole or a part of the water purification works or the rehabilitation work on the municipal sewerage system described in the convention entered into under the first paragraph.

Transfer. **22.** The agreement contemplated in the third paragraph of section 21 must in particular provide that the water purification works constructed, improved or enlarged and the lands acquired for those purposes will be transferred to the municipality in accordance with the conditions fixed by the parties.

Transfer by notice. Notwithstanding the first paragraph, the Government, after the conclusion of the work or after the water purification works are put into operation, as the case may be, may authorize the corporation to transfer to the municipality the ownership of the property it has acquired for the purposes of the water purification works, by depositing a notice in the registry office containing a description of the property or, in the case of moveable property, by serving such a notice on the municipality.

Financial obligations.

23. Entry into an agreement under the third paragraph of section 21 entitles the corporation to demand the execution in its favour of the financial obligations determined by the parties under the convention contemplated in the first paragraph of section 21, up to the amount stipulated in the agreement for the water purification works and the rehabilitation work on the municipal sewerage systems entrusted to the corporation under the agreement.

Absence of convention.

24. Notwithstanding section 21, the corporation may carry out the objects contemplated in paragraph 1 of section 18 if the Minister of the Environment requests it to do so under the powers conferred on him by section 113 of the Environment Quality Act.

Studies.

25. The corporation shall carry out the studies provided for in paragraphs 2 and 3 of section 18 only if the Government requests it to do so and undertakes to defray the cost.

Communication.

The Minister shall transmit copy of the studies to the municipalities concerned.

Temporary operation.

26. The corporation may operate water purification works that it constructs, improves or enlarges, until a municipality takes responsibility for them, where the Minister of the Environment so requests under the powers vested in him by section 113 of the Environment Quality Act.

Duration.

The Minister may confer a mandate on the corporation under this section for up to one year, and may renew it under the same conditions.

Sums paid to the corporation.

27. In the cases contemplated in sections 24 and 26, the sums recovered from a municipality by the Minister of the Environment under section 113 of the Environment Quality Act are paid to the corporation.

Acquisition.

28. The corporation may acquire by agreement or expropriation any immovable or real right required to carry out its objects.

Public tender.

29. The corporation must award its contracts by public tender in the cases and according to the conditions prescribed by government regulation.

Regulations.

30. The Government may make regulations

(1) to establish conditions respecting contracts entered into by the corporation and fix the cases where it must award them by public tender;

(2) to prescribe the minimum content of agreements contemplated in the third paragraph of section 21;

(3) to prescribe the nature of the expenses of the corporation to be capitalized and the terms and conditions of allocating those expenses between water purification works, rehabilitation work on municipal sewerage systems and studies carried out by the corporation and determine the maximum term of amortization of its loans.

Coming
into force.

The regulations made pursuant to this section come into force on the date of their publication in the *Gazette officielle du Québec* or on any later date fixed therein.

DIVISION IV

FINANCING

Loans.

31. The corporation may, with the authorization of the Government, contract loans by notes, bonds or other titles of indebtedness, at such rate of interest and on such other conditions as it may fix.

Allocation.

32. The sums received by the corporation under sections 23 and 27, except the sums received for the operation of the water purification works, and the sums received under section 25 for the repayment of the debt service are allocated to the repayment of the capital of, the payment of interest on and, where applicable, to the contributions to the sinking-fund of its loans.

33. The Government may

Financing.

(1) undertake, on such conditions as it may fix, to fill the temporary needs of the corporation for liquid assets in such a manner as to enable it to ensure, at maturity, the repayment of the capital, the payment of the interest and, where applicable, the contributions to the sinking-funds in respect of loans contracted under section 31;

(2) authorize the Minister of Finance to advance to the corporation any amount deemed necessary to carry out this act, at such rate of interest, for such period of time, not exceeding two years, and on such other conditions as it may fix;

(3) authorize the Minister of Finance, on such terms and conditions as it may fix, to establish a working fund not exceeding \$500 000 on behalf of the corporation for the expenditures necessary to carry out the objects of the corporation;

(4) guarantee, on such conditions as it may fix, the payment in capital and interest of any loan or other obligation contracted by the corporation.

Consolidated revenue fund.

34. The sums required for the application of section 33 are taken out of the consolidated revenue fund.

Consolidated revenue fund.

35. All investment interest and other revenues in the form of profit received by the corporation are paid into the consolidated revenue fund every year.

DIVISION V

ACCOUNTS AND REPORTS

Fiscal period.

36. The fiscal period of the corporation ends on 31 March each year.

Annual report.

37. The corporation must, within four months of the end of each fiscal period, make a report of its activities for the preceding fiscal period to the Minister of the Environment. The report must contain all the information that may be prescribed by the Minister.

Tabling.

38. The Minister of the Environment shall table the report of the corporation before the National Assembly within thirty days of his receiving it. If he receives it while the National Assembly is not sitting, he shall table it within thirty days following the opening of the next session or, as the case may be, within fifteen days of resumption.

Additional information.

The corporation must in addition furnish to the Minister of the Environment any information that he requires on its activities.

Development plan.

39. The corporation must submit its development plan to the approval of the Government.

Form and tenor.

The Government shall fix the form and general tenor of the development plan and the time when it must be submitted.

Audit.

40. The books and accounts of the corporation shall be audited each year and also whenever so ordered by the Government, by the Auditor General or by an auditor designated by the Government. The report of the auditor must accompany the annual report of the corporation contemplated in section 37.

DIVISION VI

FINAL PROVISIONS

- 41.** Notwithstanding any incompatible provision of any general law or special act, a municipality may enter into a convention and an agreement contemplated in section 21, and may do so without calling for public tenders.
- 42.** Notwithstanding section 27 of the Act respecting the Commission municipale (R.S.Q., c. C-35), only the convention contemplated in the first paragraph of section 21 requires the approval of the Commission municipale.
- 43.** The corporation may also enter into an agreement contemplated in the third paragraph of section 21 with a municipality that has concluded a memorandum of agreement with the Government before the coming into force of this act respecting the conception, construction, improvement, enlargement or implementation of water purification works or the carrying out of rehabilitation work on the municipal sewerage system.
- Such a memorandum of agreement is deemed to be a convention contemplated in the first paragraph of section 21.
- 44.** This act does not prevent a municipality from consulting, in respect of a convention contemplated in the first paragraph of section 21, the electors who are owners of taxable immoveables, in accordance with article 358a of the Municipal Code, or the owners, in accordance with section 351 of the Cities and Towns Act, as the case may be.
- 45.** The president and the employees of the corporation are subject to the Act respecting the Government and Public Employees Retirement Plan (R.S.Q., c. R-10).
- 46.** The Minister of the Environment is responsible for the carrying out of this act.
- 47.** For the purposes of the fiscal laws the corporation has the privileges and immunity of a mandatary of the Government.
- Notwithstanding any provision of a general law or special act inconsistent herewith, the corporation is exempt from all municipal and school taxes. The corporation must, however, pay municipal or school taxes in respect of immoveables that it owns except those that are to be transferred to a municipality pursuant to section 22.

Termination.

48. The corporation shall not undertake the construction, improvement or enlargement of water purification works or carry out rehabilitation work on the municipal sewerage systems contemplated in paragraph 1 of section 18 after 31 December 1990.

Coming into force.

49. This act comes into force on the day of its sanction.