

FOURTH SESSION
THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

Bill 92

**An Act respecting the Société québécoise
d'assainissement des eaux**

First reading
Second reading
Third reading

M. MARCEL LÉGER
Ministre de l'environnement

L'ÉDITEUR OFFICIEL DU QUÉBEC

1980



EXPLANATORY NOTES

The object of this bill is to establish the Société québécoise d'assainissement des eaux (the corporation).

The objects of the corporation are

(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 municipal sewerage systems and other studies concerning municipal sewerage and the treatment of the sewage of the municipalities.

The corporation will carry out its objects within the scope of a water purification programme elaborated under the Environment Quality Act and approved by the Government.

The corporation may carry out its objects respecting water purification works only at the request of a municipality that has previously entered into a convention to that effect with the Government.

The corporation may, however, carry out its objects at the request of the Ministre de l'environnement in his administration of the Environment Quality Act.

The affairs of the corporation will be administered by a board of directors of seven members appointed by the Government, including two from the municipal administration sector.

The works of the corporation will be financed principally through loans contracted by it, which will be repaid by the Government and the municipalities concerned, although the Government will insure repayment.

The corporation has until 31 December 1990 to undertake water purification works and rehabilitation work on the municipal sewerage systems.

Bill 92

An Act respecting the Société québécoise d'assainissement des eaux

HER MAJESTY, with the advice and consent of the Assemblée nationale du Québec, enacts as follows:

DIVISION I

DEFINITIONS

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

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

DIVISION II

ESTABLISHMENT AND COMPOSITION OF THE CORPORATION

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

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.

Notice of the location or any change of location of the head office shall be published in the *Gazette officielle du Québec*.

5. The affairs of the corporation are administered by a board of directors of seven members appointed by the Government, including two from the sector of municipal administration.

The members of the board of directors are appointed for a term of not over five years.

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 managing director of the corporation.

7. The Government shall fix the remuneration, the social benefits and the other conditions of employment of the managing director of the corporation.

The members of the board of directors of the corporation other than the managing director 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.

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.

9. Except in the case of the chairman of the board of directors or the managing director, 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.

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.

11. If the office of managing director is vacant or if the managing director 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 managing director for the remainder of his term or for as long as he is unable to act.

12. The managing director is responsible for the administration of the corporation within the scope of its by-laws.

He shall exercise his duties on a full-time basis.

13. Neither the chairman of the board of directors nor the managing director 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.

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.

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.

15. The corporation may appoint a secretary and any other employee necessary for its operations.

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.

16. The by-laws of the corporation come into force upon approval by the Government.

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.

DIVISION III

OBJECTS AND POWERS OF THE CORPORATION

18. The objects of the corporation are, in accordance with this act,

(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.

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

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

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.

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.

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

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.

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

24. The corporation shall carry out the studies provided for in paragraphs 2 and 3 of section 18 only if the Ministre de l'environnement requests it to do so.

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

25. The corporation may operate water purification works that it constructs, improves or enlarges, until a municipality takes responsibility for them.

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

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

28. 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.

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

29. 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.

30. The Government shall pay to the corporation, out of the consolidated revenue fund, the sums required to repay as and when the payments become due the capital of and interest on any loan contracted under section 29.

The Government must subtract every amount paid to the corporation by a municipality pursuant to an agreement contemplated in the third paragraph of section 21 from any amount payable under the first paragraph.

31. The Government may

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

(2) authorize the Ministre des finances 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 Ministre des finances, 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.]]

32. The corporation must use the sums of money that it obtains under sections 29 and 30 to attain the objects contemplated in section 18. Third persons are not bound to see that this section is observed, and it may be invoked neither by them nor against them.

[[**33.** The sums required for the application of section 31 are taken out of the consolidated revenue fund.]]

34. The sums received under the first paragraph of section 30 or under an agreement contemplated in the third paragraph of section 21 are allocated to the repayment of the capital of and payment of interest on the loans of the corporation.

35. All the administrative expenditures and other expenses incurred by the corporation to carry out its objects are capitalized in the cost of the water purification works, the rehabilitation work on the municipal sewerage systems and the studies that it carries out under section 18.

[[**36.** 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

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

38. 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 Ministre de l'environnement. The report must contain all the information that may be prescribed by the Minister.

39. The Minister shall table the report of the corporation before the Assemblée nationale within thirty days of his receiving

it. If he receives it while the Assemblée nationale 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.

The corporation must in addition furnish to the Ministre de l'environnement any information that he requires on its activities.

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

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

41. 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 38.

DIVISION VI

FINAL PROVISIONS

42. 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.

43. The managing director 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).

44. The Ministre de l'environnement is responsible for the carrying out of this act.

45. 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.

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