



**To: Residents and Property Owners - RM of McKillop No. 220**

**Date: April 12, 2018**

**Re: Sun Dale Development**

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As some residents and/or property owners have become aware, on-site utility services consisting of water and wastewater utility systems servicing the Sun Dale subdivision development have become compromised by a number of operational and maintenance issues. The Developer of Sun Dale and owner/operator of the utility services, Sun Dale Recreation Ltd., has also indicated to both the Rural Municipality and the Sun Dale residents that it intends to cease operation of the utility service effective May 1, 2018. In this regard, the Rural Municipality can advise as follows:

1. The on-site water and wastewater utility services within Sun Dale remain the property of the Developer, and the Developer's responsibility with respect to compliance with all regulatory and statutory requirements for safe and compliant services;
2. The Rural Municipality's role in respect of the servicing of Sun Dale has been to ensure that the designed and designated services are constructed and completed by the Developer so as to ensure services are provided to the development, and the Rural Municipality's records indicate that the construction and installation of these services and works was certified completed on October 15, 2009;
3. From and after completion the operation, maintenance, repair, replacement, and funding of all of the foregoing through utility rates, fees and charges paid by the residents/owners as consumers, falls to the owner and operator of the utility services and the fee-paying consumers;
4. While very disappointing, the recent decision of the Developer, and the operations and maintenance of the utility services to date, have placed the residents of Sun Dale at risk;
5. The Rural Municipality has been working with the Developer in good faith, alongside the Water Security Agency, in order to assist and support safe and compliant utility operations;
6. The Rural Municipality intends to continue to endeavor to assist and support the utility services during this interim period, until an appropriate replacement owner/operator assumes ownership and responsibility; and
7. The Rural Municipality will be working with the stakeholders in the Sun Dale water and wastewater utility services, in particular the Developer, the Sun Dale residents, and the Developer's lender/first mortgagee, in order to facilitate a long term and sustainable servicing solution.

We look forward to updating you further as this matter progresses.