

MINUTES

Annual General Meeting

Saturday, April 20, 2019, 1:30 pm

The Hacienda, 2778 Vancouver Blvd, Savary Island, BC

Present: Chair Dale Gregory, Trustee Bryan Miles, Trustee John Revitt, Operator Courtney Robertson, Administrator Janine Reimer, and 16 additional SSID property owners.

Documents for attendees: Agenda, Draft Minutes of 2018 AGM, 2018 Financial figures, 2019 Budget.

1. Opening Remarks

Chair Gregory welcomed all present and introduced the Board, Operator, and Administrator.

2. **Approval of the Agenda** Moved Trish Wray, 2nd Pascal Simon. Carried.

3. Approval of AGM Minutes of April 14, 2018.

Item-3 title 2016 amended to read 2017; item-5 \$100 amended to read \$100,000.

..... Approval as amended, moved Kay Lutz, 2nd Doug Ellerbeck. Carried.

4. Chair's Report Chair Gregory

Chair Gregory read from his report, attached, which was a short summary of events leading to the current status of the nitrates issue. He said the Improvement District had been directed by the Drinking Water Officer to engage a hydrogeologist to provide a Wellhead Protection Plan, and to create a bylaw to enforce it. SSID spent a year researching and preparing a bylaw, and attempting to implement the recommendations of the hydrogeologist, until government advisors and lawyers raised concerns that caused trustees to put the bylaw on hold. The Chair expressed that the trustees and staff continue to pursue a means to ensure prevention of increased nitrates in the water..... Report attached

5. Financial Report Administrator Janine Reimer

2018 had higher costs than 2017 in these categories:

Capital Costs, due to generator enclosure being \$15,000 more than the Wellhead Protection Plan;

Revenues, due to higher tax rate, and more lost discounts and repairs;

Travel, due to accounting allocation change;

Professional fees, due to legal fees associated with a draft bylaw;

Maintenance, due to electrical fees to fix the alternating switch for the pumps;

Nitrates tests, due to more testing;

Fuel, due to higher price of fuel per litre, and re-fuelling schedule.

2017 Salaries were higher than 2018 due to the Wellhead Protection Plan. Report attached

6. Budget 2019 Trustee Miles

Trustee Miles reviewed the budget, and noted the contribution to reserves as a product of the asset renewal levy, set at \$50 per property in 2019, and subject to change in future years. He explained that the asset renewal fund is currently underfunded to meet the future replacement of the aging infrastructure.

Trustee Miles talked about the gates valves expense that never materialized, due to the Operator having maintained the valves. He said that SSID will also start replacing its water meters at about \$700 each including labour, and fix hydrants as required.

He noted the \$5,745.00 surplus would be reviewed by trustees at year end as to whether it would be added to the reserves or to operating funds..... same as Financial report above

6. Five-Year Plan 2019 – 2023 Trustee Miles
Trustee Miles first reviewed the projects already completed in 2019, including the integration of Generator-2 into the automated signalling system, and the lighting and workspace upgrades to the storage shed. He said that in 2019, meters would be replaced at about 5 or 6 per year, and there may be a need to re-key the District security system.

Projects for next year, 2020, will include a secondary access portal for the upper tank, for safety, and the installation of a protective chainlink fence around Well-2. Trustee Miles said that it's possible the Official Community Plan will be revisited by the local government, and that there could be impacts for the Improvement District. Meter replacement and the contribution to the reserves will continue.

Projects for 2021 through 2023 include an assessment of the condition of the Well-1 pump and screen, the possible relocation of Well-1; and the start of hydrant assessment and replacement.

Question: How are these projects reflected in the budget?

Trustee Miles said the yearly budget shows Capital Costs, with \$6,000 allocated for 2019.

Question: What projects other than meters and hydrants are funded by the asset renewal levy?

Trustee Miles explained that all SSID assets were part of the asset management plan that SSID has been developing yearly for about 10 years through the WaterWorth program. He said SSID pays about \$2,500 per year for consultants who are forecasting specialists, and who provide SSID with the estimated service lives and costs that are used in the forecasting spreadsheet.

The Chair added that it was SSID's asset renewal fund that covered the cost of fixing the tank in 2009, rather than the property owners being issued a special levy that year to cover the \$100,000.

Trustee Miles said that the renewal fund was held partly in a savings account and partly in a locked-in interest bearing account, and that the amount in savings is sometimes used for temporary transfers to operations.

7. Operator's ReportOperator Courtney Robertson
The Operator read from her report detailing work completed since the 2018 AGM, including the excavation, inspection and bentonite seal on Well-1; gate valves maintenance; generator-2 automation; and hydrant maintenance and unidirectional system flush. She also reported on the water main break that occurred in November 2018, explaining the sequence of events leading to the completion of repairs that day.

The Operator explained that the meters replacement schedule would be based on meter age, with repair work and the highest odometer readings being the priority. She listed the specific meters to be replaced in 2019 as lot numbers 137, 173, 80/81, 147, and 201.

She reported that total consumption of SSID water in 2018 was 5,705 cubic metres, which is 1,255,210 imperial gallons. She said the highest month of water use was August, with 150 residences consuming 1750 cubic metres that month. The Operator noted the 2018 water use was slightly down from the 2017 total consumption of 5,792 cubic metres. The highest month of water use in 2017 was August, with 145 residences consuming 1550 cubic metres that month. Report attached

8. Election of TrusteesAdministrator

The Administrator called for nominations for a trustee to serve the 2019-2022 term. Trustee Miles nominated John Revitt, and John accepted. The Administrator asked twice more for nominations from the floor. There being none, John Revitt was acclaimed as trustee for the 2019-2022 term.

9. Trustee Remuneration

Chair Gregory asked that someone make a motion:

THAT the trustee remuneration be nil again this year Moved Trish Wray, 2nd Kay Lutz.

There was discussion of whether the trustees should be paid. Trustee Miles explained that the trustees don't want to be paid, and that trustee expenses are covered by SSID. Trustee Revitt said that the work done by Trustees Gregory and Miles had been extensive, and that the ongoing work was more than one might expect. The Chair said the work had been interesting, but that he had been Chair for 15 years, so would resign when his term is up, and that others should give some thought to becoming a trustee.

The Chair asked if all in favour of the motion Carried.

10. Appointment of Review AccountantAdministrator

The Administrator said that instead of an audit, SSID had engaged a review from accounting firm Del Mistro Dunn in Powell River.

She asked that someone make a motion:

THAT Del Mistro Dunn be appointed Review Accountant for SSID in 2019.

..... Moved Steve Strenja, 2nd Pascal Simon. Carried.

11. Discussion

There being no further scheduled items, the Chair asked if there were any questions.

Question: What is the status of SSID's nitrate issue?

The Chair said that our nitrates levels had come back down. Trustee Miles said that nitrates were being tested monthly, and were currently sitting at about 4.5 mg/L for Well-1 and 2.5 for Well-2, which is on a scale showing 10 mg/L as being the maximum allowable concentration.

Question: Is the chlorine flush done annually? How is the amount of chlorine determined?

The Operator said that the flush is scheduled annually, but in 2018 was done a second time because coliforms were found in small numbers, so were flushed out. She said the amount of chlorine applied to

the system is calculated to result in 5 ppm at the tap. Trustee Miles said that the system flush has the added bonus of bringing chlorine through the residential pipes.

Question: How long does a septic system last?

Chair Gregory explained that it depends on the system and its ongoing maintenance. Trustee Miles said that old systems may not be up to the standards that are required of new septic systems that must now be installed by a qualified practitioner. He said that it costs about \$700 to have the tank pumped. The Administrator added that while septic system maintenance is good practice, it does not stop nitrates production, as nitrates are a product of urine when it's in the dispersal field. She said a well-maintained field can denitrify the nitrates before they sink to the aquifer.

Comment: Copper Strenja offered to send a list of flowers that use nitrates, to be planted on septic fields.

Question: Are outhouses permissible? Do we know how many are in the District?

Trustees said SSID doesn't know the numbers. The Administrator said that the Drinking Water Officer would not approve of a new outhouse, but he will also not enforce an outhouse's removal.

Comment: SSID can stipulate that there be no outhouses in the District.

The Administrator said that a regulation about outhouses could be considered a land-use bylaw, and while regional districts might be able to write that kind of legislation, Improvement Districts cannot. SSID is looking at its water use bylaw to see if there is a way to protect the water through that bylaw.

Motion to adjourn..... Jorg Lutz.
Adjourned 2:45 pm