

MINUTES

Annual General Meeting

Sunday, August 3, 2025 10:07 am – 12:17 pm

Hacienda, 2778 Vancouver Blvd, Savary Island, BC

Present: Trustee Chair Bryan Miles, Trustee Lee Davis, Trustee Brent Brucker, Administrator Janine Reimer, and 21 others, for a total of 25 attendees.

1. **Opening Remarks** Chair Bryan Miles
The Chair welcomed the attendees, and introduced the trustees and administrator.
2. **Approval of the Agenda** Moved Alain Bouffard, 2nd Stuart Tobe. Carried.
3. **Approval of Minutes of 2024 AGM** Moved Alain Bouffard, 2nd Stuart Tobe. Carried.
4. **Chair's Report** Chair Bryan Miles
Bryan reported that the loss of Neil McLean and Darren Claydon in an accident in April had impacted SSID and the community, professionally and as friends. He explained Neil's importance as SSID's Electrical Consultant in helping the Trustees solve automation issues.

Bryan reported on the Upper Tank project. He explained that corrosion had been discovered on the underside of the tank, and discussed the subsequent events including treating the area with rust inhibitor and rust paint, and engaging an engineering feasibility study to recommend options for replacing the tank. A second inspection of the tank had indicated it might need replacement by the year 2040. Five options were presented to the AGM attendees, ranging in estimates from \$500,000 to \$2.5 million. It was noted that the favoured option was an on-ground 10,000-gallon tank with booster pumps powered by batteries and solar, at an estimated cost of 1,464,000.

SSID learned from this experience that a more aggressive buildup of Reserves would be necessary to ensure sufficient funds were available for addressing major unanticipated incidents that fall outside the Asset Management schedule.

Bryan said a lithium-ion battery and bank of solar panels had been installed to provide a more reliable power source for the Thomson automation system in the pump house. He announced that SSID was also actively investigating an electronic solution to automatically start the well pumps in early evening, to pre-empt night-time generator noise. The setup would have to be tested to confirm its compatibility with the automated float switches.

He said a new metal roof had been installed on the valve chamber.

He reported that the Drinking Water Officer had ordered SSID to engage a hydrogeological study called GARP to report on the risk of viruses entering the drinking water supply. The study was estimated at \$13,000, which prompted the DWO to offer SSID two alternative options. He said that

SSID would probably not pass the GARP test anyway, so could instead proceed straight to remedial action, either by posting a permanent Water Quality Advisory or by installing an automated Chlorine Injection system. More to come later in the meeting.

Bryan reported that SSID was no longer directly involved in the Wharf Fire Protection Project because of additional requirements that fell outside the scope of the initial concept, but noted the project would continue under SIVFD / qathet direction.

He said that SSID's water-use data gathered over decades had been helpful to the qRD's recent groundwater study, and that the authors at GW Solutions had acknowledged SSID's considerable contribution.

SSID had sent a letter to the qathet Regional District last October, explaining that if the Tetra Tech slope hazard study were to be included in the new OCP, it could result in SSID's inability to replace water system infrastructure at the tank farm.

Water consumption for 2024 was 1,373,784 gallons or 7.9 percent below 2023. Water Consumption from January to June 30, 2025 was at 12.8 percent higher than at June 30, 2024.

In closing, Bryan thanked SSID staff and trustees.

5. Operator's Report..... read by Trustee Brent Brucker
Brent read and explained aspects of System Operator Kerby Fisher's Report:

The operator had replaced old Air Release Valves with new, and expected that they would reduce the occurrences of harmless bubbles in the drinking water. He had asked that anyone with bubbly water advise the administrator.

The operator had serviced the 13 fire hydrants twice in the year, and had done his annual inspection of the water tanks.

He had conducted a water-pressure test that proved the lower tank water pressure to be inadequate for supply to the upper system residents.

He had continued the yearly exercise of isolation valves, which had made all but one previously stiff valve fully operable.

He oversaw the regular technical service on both generators, and continues working to resolve irregular fuel system failures of the past year.

He noted that with the new lithium battery and solar panels, the frequency of battery charging and associated generator run time in the winter months should be significantly reduced.

He said that water samples were taken monthly from 8 sample stations, and had been clear of E.coli and coliforms. Nitrates testing had been done quarterly and showed no notable change. A full

spectrum analysis of other components in the water had been done twice and as usual exceeded the guidelines for Canadian drinking water quality.

In June, the engineering inspection company Acuren inspected the Upper Tank.

Annual flushing of the water system was completed twice, to keep the water system as clean as possible.

The operator had noted that since contracted by SSID in 2021, he had found the water system to be in reasonably good operating condition for its age. The asset renewal program and continued maintenance of the system should continue to ensure that property owners are provided excellent quality drinking water.

6. Upper Tank, GARP, Five-Year Plan

6a. Upper Tank Chair Bryan Miles

Bryan reported that a tank inspection in 2023 indicated the bottom plates of the tank had a problem area that had corroded to less than half its original steel thickness. The corrosion was removed, and the corroded area treated with a rust inhibitor and rust paint. A second inspection in June this year 2025 determined that the corrosion appeared to have been arrested, and that the tank should last 15 years or more, to the year 2040. Even so, every 5 years, a tank inspection would be required, the next being 2030.

If in 2040, or other time, the tank is determined to be no longer viable, a new tank will be needed, meaning SSID will have to have enough funds on hand to install a new tank. It is expected that the new tank will be installed on ground rather than on the 55-foot steel tower. An on-ground 10,000-gallon (or possibly 15,000) tank with a battery bank and solar is estimated to be \$1.5M in 2040. To save for that possible replacement, a special assessment would be \$400/lot/yr for 15 years, starting 2026. This would be addressed further in the Asset Management discussion later.

6b. Groundwater at Risk of Pathogens Trustee Lee Davis

Lee said the Drinking Water Officer had told SSID that because we have nitrates in our water system, we also are at risk of having viruses. She said nitrates travel in pathways from the septic systems of the well catchment zone, and that viruses would use these same pathways.

Viruses cannot be detected through water testing. They are indicated when people feel sick. Viruses can be killed by continuous chlorination, or if not chlorinating, a permanent water quality advisory is required, to keep all water users aware of the potential health hazard.

Lee read through some pros and cons of getting a GARP assessment. She said the assessment can only inform us whether the water is at risk, but because viruses can't be detected through testing, we won't know if pathogens are present. It could be that the assessment will show SSID water to be not at risk of pathogens, in which case no chlorination or signage is needed. But the assessment is only true at the time it is assessed; it is not an indicator for the future, so could be required again. And as the Drinking Water Officer said, it is more likely that SSID would be assessed as at risk of

pathogens, so it may be better to invest the estimated \$13,000 assessment cost in a chlorination system.

Lee reviewed the pros and cons of an automated chlorine injection system. She said it was guaranteed to kill all pathogens so the water could not cause illness, and was recommended by SSID’s water system operator. However, some people do not like to taste or shower with chlorinated water. And there would be a cost to install the injection system, which is another automated procedure requiring specialized maintenance.

Lee said that a permanent water quality advisory would be better for people who prefer no chlorine. There would have to be signage in the District, and property owners would have to advise visitors and renters of the potential risk of illness. The water quality advisory signage would not change the possibility of people getting sick if pathogens were to enter the system.

6c. Five-Year Plan Bryan Miles
Bryan summarized the projects of the Five-Year Financial Plan, with a focus on this year and last. He said SSID had taken a one-year break in 2025 from its fire hydrant replacement program, and would resume again next year. He said this year we’d replaced the air release valves, and installed a new valve chamber roof, and upgraded the pumphouse electronics. We got another tank inspection, which confirmed the previous findings. Last year we had engaged a feasibility study for upper tank replacement options, and this year we researched the costs of those and other tank options. We would continue research on solar options via grants, and as every year, would maximize the contribution to the asset renewal fund.

7. Financial Statements, Budget, Asset Mgmt Plan

7a. Financial Statements 2024 Janine Reimer
The administrator had provided a hardcopy spreadsheet of line items for reserves, revenue, expenses, and annual surplus, for the years ended 2023, 2024, and projections for 2025, in budgeted figures and actuals. She said the financial statements were posted to the SSID website, and 2 hardcopies were available at the entry desk.

In comparing the year ended 2024 to the 2023 year end, the administrator said the Reserves Fund was \$128,468; \$7,300 lower than 2023 because of more capital expenses in 2024. Total Revenue at the end of 2024 was \$142,343; \$19,000 more than the previous year, mainly because of the tax increases and also income from 3 new connections. Cash expenses totalled \$132,863; \$20,600 more than cash expenses in 2023. The largest expenditure difference was \$14,806, for the upper tank feasibility engineering study. Generator maintenance was \$3,700 higher than in 2023 as SSID dealt with several generator fails, insurance jumped \$2,600 from the previous year, and maintenance labour was up \$2,100. The balance of revenue minus cash expenses was \$9,480, or \$1,600 less than in 2023. After deducting the accumulated amortization, there was an annual deficit of \$12,142.

7b. Budget at June 30, 2025 Janine Reimer
The administrator reviewed the 2025 second quarter figures. She said the Reserves Fund was \$140,888, which is \$2,800 more than reserves at second quarter 2024. Revenues were \$155,559,

which was up by \$17,000 mainly from tax income. Cash expenses were \$67,206, with the main differences from 2024 being the upper tank inspection.

7c. Asset Management Plan and Special Assessment Janine Reimer

The administrator referred to the Financial Model poster of the 25-year forecast of asset replacements. At the year 2040 was the upper tank replacement as a peak expenditure representing \$1,464,000. She explained that to raise enough money for the expenditure, SSID would have to collect a Special Assessment of \$400 per lot per year for 15 years, on top of the other projected taxes that are already increasing at \$85 per year under the current tax plan. She said that the Special Assessment would fall somewhat short of the projected amount needed, but that additional reserves funds accumulated by that time could make up the difference, or the Special Assessment might need to be adjusted higher at some point in the 15-year assessment period. The Chair added that there was a significant contingency of 35 percent built into the estimate, and might be more than needed.

The administrator added that the increase of \$400 per lot had been discussed as a reasonable figure for affordability, and that a Payment Plan would be available for 8 monthly installments of the undiscounted payable by year end.

11. Appointment of the Accountant

The Chair called for a Motion THAT SSID re-appoint DMD as the accountant for 2025.

.....Moved Alain Bouffard, 2nd John Revitt. Carried.

12. Trustee Election Chair Bryan Miles

The Chair nominated Lee Davis for the three-year term vacancy.

..... Moved Bryan Miles, 2nd Alain Bouffard. Carried.

Bryan called three times for other candidates from the floor. There being none, Lee Davis was acclaimed for the new term.

13. Trustee Remuneration Janine Reimer

The administrator said that at the 2023 AGM, a Motion had been passed to remunerate the trustees \$600 per year to acknowledge the work involved. She called for a Motion THAT the trustee remuneration be continued through the next year.

.....Moved Alain Bouffard, 2nd John Revitt. Carried.

14. Adjournment.....Moved Chair Bryan Miles.

Adjourned 12:17 pm.