



MINUTES

Trustee Meeting

June 28, 2018, 3pm

At Miles residence and on conference.

Present:

Trustee Chair Dale Gregory, Trustee Bryan Miles, Trustee John Revitt, Administrator Janine Reimer.

On conference: Operator Courtney Robertson.

Attended by conference at 3:30 by JP Joly of Econics.

1. **Approval of the agenda** as amendedMoved D.Gregory, 2nd B.Miles. Carried.

2. SCADAX

Operator Robertson reviewed the benefits of a SCADAX system custom-designed to monitor and alarm SSID's waterworks, and she summarized the cost structure. She also commented that our system does already have predictability and redundancy.

Trustee Miles expressed interest in the system as a future consideration, but advised that it is too costly for the Improvement District at this time. Trustee Revitt said he agreed, as did the Operator.

..... No action to purchase SCADAX at this time.

3. **Approval of the minutes of June 11**deferred to next meeting

4. Asset Renewal Fund

Trustee Miles presented onscreen his spreadsheet outlining future asset replacement projects in 5-year groupings. The groupings also showed the required amount of tax or other funding for the projects for each 5-year period. The spreadsheet will provide guidance in tax planning.

Trustee Revitt suggested that SSID take on funding partners by supporting other neighbourhoods with water for fire fighting, and in return receiving funds for system upgrades, such as hydrant replacement. This would show the Powell River Regional District that SSID is benefitting the fire department, so the PRRD might be more willing to apply for grants on SSID's behalf.

[At this point, JP Joly entered the conference call.]

JP Joly said that North American infrastructures are crumbling, and the ratepayers don't understand what it takes to get water to their homes. He said that SSID's 10 percent rate increases are a good start, with 12 percent being even better.

Trustee Miles said that some other water systems have 2 tax lines — O&M and Asset Renewal. He said that maybe SSID could try that.



JP stressed that communications with the ratepayer is important. He said he would send a link regarding communications planning for helping ratepayers understand the tax increases.

Trustee Revitt said that SSID having a healthy asset renewal fund might carry the risk of making the PRRD interested in absorbing the District. Trustee Miles said regional districts are generally too busy already to absorb water systems.

JP suggested that Trustee Miles' spreadsheet numbers be entered into the WaterWorth software.

JP said that SSID's tax rate works out to about \$36 per month, and is inexpensive compared to water service in other communities. He suggested more increases if SSID is not getting pushback. Trustee Miles explained that the District is comprised of a wide disparity of incomes, and that there's a point at which the increases will become a hardship for residents that are struggling. JP said that some municipalities have affordability rates, or low fixed income rates, for that reason.

There was some discussion of the first 5-year group of asset renewal projects in Trustee Miles' spreadsheet. Trustee Miles said that gate valves would be first, and would be this year, then piping and meters. Trustee Revitt said that SSID should not limit itself by getting specific about which projects in which years, and suggested we explain the 5-year asset renewal period in our communications to ratepayers. JP agreed that a 5-year plan changes every year. He said that we should present the plan at the AGM, but explain that it is fluid, that SSID will do what is necessary and adapt when required.

When discussing hydrant replacement, Trustee Revitt said that as the hydrants are replaced, they could be standardized with PRRD hydrants.

There was discussion of introducing a project levy in addition to the tax rate. Again, JP recommended communications. He said that SSID should distill the message down to basic concepts of being prepared for asset renewal, without gouging the ratepayer.

JP said that borrowing is also an option, and suggested that SSID start setting up a relationship with the bank, in preparation of a future requirement for funds.

JP said that there could be 2 groups of assets: those being routinely replaced, such as gate valves; and the big-ticket items.

JP said that he would reach out to SSID again in November, and that in the meantime, we should input the 5-year projects into the WaterWorth modelling software.

[JP Joly left the conference call.]

5. Next Meeting.

Scheduled for July 26 at the Miles' residence.



6. Adjournment.....Moved Chair Gregory.
5:23 pm