

NORTH CEDAR IMPROVEMENT DISTRICT

MINUTES OF THE JUNE 11, 2015 **BOARD OF TRUSTEES MEETING**

TRUSTEES PRESENT:

Trustee Loos, Chairperson
Trustee Anderson
Trustee Jean Louis
Trustee Merkel
Trustee Murdoch
Trustee Rosato-Taylor

STAFF:

Heather Sarchuk, Administrator
Boyd Hunter, Deputy Fire Chief

PUBLIC: - None

1. CALL TO ORDER

Chairperson Loos called the meeting to order at 7:02 p.m.

2. APPROVAL OF AGENDA

15.250 MOVED by Trustee Murdoch **SECONDED** by Trustee Merkel
To approve the agenda as presented.

CARRIED

Trustee Anderson asked the Chair if they could add late items to the agenda.

Trustee Rosato-Taylor reported that she has one late item to be added to the agenda.

Chairperson Loos reported that the Agenda has already been approved, but what kind of late items are they.

Trustee Rosato-Taylor reported that she would like to add a conversation around hiring a consultant to help us come up with a water strategy plan, and to help us work better together as a group. She finds that the Board is very dysfunctional, and does not feel very comfortable most of the time while attending meetings, and does not feel welcome. She stated that she does not know why certain things change, after we vote on things initially. She advised that rather than going away angry we need a little work, and she has met someone who she believes is outstanding and has the qualification. She then summarized his qualifications and work experience.

Chairperson Loos asked Trustee Rosato-Taylor what her other item was that she wanted to add to the agenda?

Trustee Rosato-Taylor stated this is it, it has two pieces to it.

Chairperson Loos reported that it will be discussed at the incamera portion of the meeting.

Trustee Anderson reported that he had put an email out in regards to the moratorium, and he would like to put some discussion around the table on that. He asked if that would be better put to incamera or if that should be on the main agenda.

Chairperson Loos asked Trustee Anderson if he had copies for everyone.

Trustee Anderson reported that he emailed all Trustees a copy. He stated that he has a copy if we need to make copies, and that he has hi-lighted some of the points to put out for discussion.

Chairperson Loos asked what section on the agenda it deals with.

Trustee Anderson stated that it has to do with the moratorium, development in the community and our need to be proactive to address these items.

Trustee Jean Louis arrived at 7:05 p.m.

Discussion for Trustee Anderson is to be brought up under section 6.(A)(v) or as part of 6.(A)(iv).

3. **TRUSTEE COMMITTEES**

(A) Appointment of Trustees to Committees

(i) Committee Structures

Chairperson Loos asked the Trustees if they were interested in any of the positions. He reported that the Finance committee is looking for a Vice Chair and a Trustee. He stated that he had appointed himself as a Trustee for the Finance Committee.

The Trustees had a discussion regarding the committee positions.

Trustee Anderson reported that he is currently working with other Trustees for a submission to the Take 5 publications and felt that it would be appropriate if he was on the P/R and Advertising committee.

Chairperson Loos stated that prior to any publications, it must have Board approval.

Chairperson Loos appointed the following to Committee positions:

Finance – Vice Chair - Trustee Merkel

Finance – Trustee – Trustee Loos

P/R and Advertising – Trustee – Trustee Anderson – New Position

4. **ADOPTION OF MINUTES**

(A) May 14, 2015

There was a discussion regarding how a Vice Chair is elected when two Trustees had already left the meeting.

Trustee Rosato-Taylor requested that this item be brought to the July regular Board meeting for further discussion when the Chair is back from vacation to take him to task.

15.251 MOVED by Trustee Merkel **SECONDED** by Trustee Jean Louis

To approve the minutes of the May 14, 2015 Board of Trustees Meeting as presented. **CARRIED**

(i) Post AGM Take 5 Submission

The Administrator was directed to add this to the next Board agenda, Trustee Jean Louis and Trustee Anderson will be working together on the submission.

(ii) List of Board Motions

15.252 MOVED by Trustee Merkel **SECONDED** by Trustee Murdoch
To receive and file the list of Board motions.

CARRIED

5. STAFF REPORTS

(A) WATERWORKS

(i) Waterworks Report

No report submitted.

(ii) Wilkinson Road Listing

Chairperson Loos gave a summary of events for the new Trustees and asked if there was any discussion.

The Trustees had a discussion regarding the Wilkinson Road Property and the email from the realtor. They also discussed the location and what the selling price should be. They also discussed if this property would be better suited as a park.

15.253 MOVED by Trustee Anderson **SECONDED** by Trustee Merkel
That a letter be sent to the Area "A" director and the Parks and Recreation Manager at the RDN, to see if they would be interested in swapping and/or a purchase agreement for the Wilkinson Road property as park land.

CARRIED

15.254 MOVED by Trustee Merkel **SECONDED** by Trustee Anderson
To receive and file the email from the realtor.

CARRIED

(iii) Services/Subdivision

15.255 MOVED by Trustee Merkel **SECONDED** by Trustee Rosato-Taylor
To receive and file the Water Service Connections Pending List.

CARRIED

(iv) District Water and Secondary Suites

Trustee Anderson asked about the District's leak detection equipment and how it functions.

The Administrator summarized what she knew and suggested that he speak to the Level III contractor for further information on how it works etc. She also advised that previous operations staff were trained on how to use it. The previous operations staff went out regularly looking for leaks, no leaks have been found.

Trustee Anderson requested a copy of the owner's manual for the Leak Detector Equipment. He also asked to speak about the moratorium and questions raised by Trustee Jean Louis regarding secondary suites. He stated that at the AGM we recognize that is a sensitive topic within the community. He reported that the interesting thing is if we go back through the data, from 2009 we are no closer to resolving this issue, six years later, you can understand why they are upset. He reported in response to Trustee Merkel's email he responded on June 3rd, that the greater concern is ensuring we have pressure and that pressure is also a factor in our ability to maintain the supply.

Chairperson Loos stated that from our meeting with Joe Woolls the District needs to be concerned about fire flows not storage and volume.

Deputy Fire Chief Hunter reported that the District's fire trucks can suck the District's water system dry which can cause all kinds of problems, once we start pulling air, the trucks shut down. He stated if the volume is there we can jack the pressure up where ever we are connected.

Trustee Anderson stated so if we were to double our reservoir that we have on Barnes Road, we would effectively, we would be doubling the volume that is available for firefighting and effectively giving us the ability for the pressure to last twice as long if the volume is doubled.

Deputy Fire Chief Hunter stated the volume is also dependent on the size of the main in the ground. He reported that if your pipe is four inches, you can have a million gallons behind it, but it is only what is coming through the flow that is at that pressure.

Chairperson Loos reported that the district has a distribution system that is also the using system, and when the wells come into play they don't even get a chance to fill the reservoir, and they don't produce enough volume on their own to create fire flows, they never have.

Trustee Anderson stated one of the things that has been raised, because of a leak and the reservoir drops, if there was a fire we would not have the ability to fight it. He reported that what he understands from this is that the volumes we have that would be impacted by a leak, that the minute we can double those volumes then the reservoir becomes more important than either but if we look into the depth of the reports it says we want to also have supply. He stated that he believes if we could concentrate on getting the second reservoir up to the same height, not exceeding the existing reservoir because we would cause more pressure which would cause more problems, same height gives us equal pressure but double the volume. He reported that with double the volume, we would be in a situation that all we would have to do is ensure that we have the volumes of water that can keep both reservoirs topped up as opposed to just one reservoir. He then went on to explain to the Trustees what he saw on the SCADA. He stated if we are able to ensure the volume of water and can keep both reservoirs topped up, we can go back to our engineer to reconsider the opportunity of the moratorium, which seems to be a logical approach to explore, so that we can proactively begin to address the issue that has been outstanding for six years.

Chairperson Loos reported that you won't be able to fill it during the day as people are drawing water off of the mains before it goes to the reservoirs. If you mirror the other reservoir, they won't drop as fast because you have two tanks, but they will still drop and you will still have problems with the size of the water mains, such as Woobank Road.

Trustee Anderson reported that what Mr. Woolls was saying about SCADA, is we just turn the pumps on for a certain period of time in order to draw from the well to fill the reservoir, therefore we could work with those pumps to feed two reservoirs if needed. This will give us more volume of water to meet the needs of some of the community that are seeking the ability to develop by addressing that moratorium if we had the volume. He stated that his whole point of the email was that there are multiple ways that we can address the source of water. He said that one of the ways is that we can have an educational campaign where we could potentially get people to reduce their consumption by 20% in terms of the amount they use. He gave an example that if you had four families that reduce their water consumption by 20% then effectively you can add another family to be connected to the system.

Chairperson Loos reported that it is not just education it is enforcement as well that is going to cost you more.

Trustee Anderson said he would give an example on that problem, if you recognize that we have tiered rates for water, when you use up the first level it is at a cheaper cost when you go into a higher tier now you pay a premium. Nothing motivates somebody more than having to pay a premium. He stated let's assume Chairperson Loos that your property is now going to be assessed at commercial rates for water, you would be thinking about how long you are in the shower, you would be thinking about how many times you flush the toilet, whether you want a grey water system etc. because your cost for water is much more expensive. He reported if we look at the tiered rate system and we think outside the box, we turn around and double the second tier, so that the cost for those people who are wasteful with their water are now going to be very expensive and it is going to hit them very hard in the wallet. He stated that we could even turn around to the first tier and actually reduce that, thereby saying for all of you who are conserving water, you are actually going to get a benefit, your rate might even go down but those who insist on cheating and using more water, you are going to pay a premium. That is a motivator that you use to get people to conserve, which is similar to hydro.

Chairperson Loos recommended that this go to Operations finalize how you want to do it in operations for presentation to the Board because right now we are just discussing it. Operations Committee should take that to the point on how you want to finalize it, and approach that to make it a viable solution.

Trustee Merkel reported that it would need to go to Finance to as that is where we decide what the tiered rates are.

Trustee Anderson stated that one of the nice things about this idea is if you put this out to the community, maybe this is where the take 5 article comes in, put that out in the community that we are looking for ways to encourage conservation, if you say to people, this is what we are going to do to motivate you, now you can contact us and we will provide you with education on what you need to do to reduce your water consumption. He reported an interesting thing that he came upon on his desk the other day is a timer that goes on your shower. He stated it regulates the amount of water you use in your shower, this is being promoted in California it costs \$199.00 US. He reported that those who are putting it on are having it paid for in five months by a reduction in the cost for their water. He stated that is just one of the multitude of different options that we have including things like rainwater harvesting, grey water recycling, and drip irrigation for our vegetable gardens, as opposed to overhead sprinklers. He reported that there is so much we can do to reduce from a conservation perspective to get people to reduce, which would mean we would continue to have volume. He reported that he has no problem taking it to operations to develop a strategy but I feel at times in order to get a sense that people welcome this sort of approach, he needed to put it on the table to see how people respond if it is favourable he has no problem putting together a strategy and working with the rest of the Board.

The Trustees had further discussion regarding the news and water shortages everywhere.

Trustee Jean Louis stated that one of the things he wants to put out there is that in 2011 we did not have any money, we had \$5,000 in our operating bank account. He reported that the District had to borrow money from the fire protection function to meet its obligations. He reported that we are trying to build our accounts, all of these projects are excellent projects, but we need to know at what pace we need to move so that we don't find ourselves in this same situation again. He stated that water conservation is a great thing, but at this time, we do not have any technology that has been implemented yet and he stated that the minute people start conserving water we have a shortfall in our budget. He reported that we have to find a way that while they are conserving water, we find a way to increase our water tolls that is necessary to maintain the system which is a challenge. He reported that he is very supportive for conservation, and doubling the second tier but you also have to have an understanding that there is a complexity to this as well.

Trustee Merkel reported yes there is a water plan, it doesn't exactly state what is going to happen each year, and it says what we need over a period of time we took thirty years. And in the budget Trustee Jean Louis has built in a plan over thirty years to do all of this work.

Chairperson Loos stated we know we need extra storage, we know we need to produce more water, we know we need to get it to the storage sites, and we know that we have infrastructure that is failing. We have pricing on what it cost to put in the reservoir.

Trustee Rosato-Taylor asked Chairperson Loos if this was his business, his home, his decision, and you had to make a decision today, what you would do.

Chairperson Loos replied that he would go through with the VIHA recommendations first, which is treatment, filtration, because without that we don't have anything.

Trustee Anderson stated that there are different ways to generate money. He reported that it is \$12,000 a connection if we lifted the moratorium, every property that gets connected has to pay the \$12,000, then you start to get their monthly utility and paying into it.

The Administrator reported that when you collect your CEC's go into the reserve account, only a portion of that money can be used for certain projects, it stays in that account.

Chairperson Loos stated that Joe Woolls has told us that even if you had the new reservoir for storage, if you add more people, you are adding more strain to the system.

Trustee Anderson stated for the Board to correct him if he was wrong, but he asked if there wasn't a conversation put forward by the Area "A" Director, Alec McPherson that he was able to access money's that could be used to build a reservoir through gas tax. The question to the amount was in question I know, but I believe he indicated that there was money he could access through the RDN and that they could be used to support NCID.

Chairperson Loos stated that all he could suggest is that Trustee Anderson go see him and make sure you have a written documentation on RDN letterhead, what kind of money they are going to give. Anybody can throw numbers around that really doesn't match what is available.

There was further discussion regarding discussions that some Trustees had with the Area "A" Director regarding filtration and not having to comply with Island Health.

Chairperson Loos stated it needed to go to operation in conjunction with finance to figure out where we are going to go with this and what the total costs are going to be. He suggested that it go back to operations.

Trustee Rosato-Taylor stated that she is agreeing with everything that has been said. She asked if there was any validity to what Trustee Anderson is saying which is creating a bit more education piece and increasing these rates to help build more money. She stated that she understands that we can't take the moratorium off as this will not get us ahead but if we do increase the rates that will give us more money. She stated that everyone understands that we are in a water crisis.

Further discussion ensued regarding taxes and reactions to raising taxes.

Trustee Jean Louis stated that this is only one part of the discussion has to do with lifting the moratorium for new development, the second part is secondary suites, there is no reason to have any issues with this. The people that already have their water on their properties they can use the water as they please. At the end of the day when the RDN approved the secondary suites we didn't have any objection to it, therefore you cannot come back and tell those who want secondary suites that they cannot have secondary suites.

- 15.256 MOVED** by Trustee Anderson **SECONDED** by Trustee Jean Louis
To send this item to a joint committee meeting with Operations and Finance. **CARRIED**

(B) FIRE PROTECTION AND STREET LIGHTING

- (i) Fire Chiefs Report

- 15.257 MOVED** by Trustee Jean Louis **SECONDED** by Trustee Merkel
To receive and file the Fire Chiefs Report. **CARRIED**

- (ii) Junior Firefighter Program

- 15.258 MOVED** by Trustee Merkel **SECONDED** by Trustee Jean Louis
To approve the implementation of the Junior Firefighter Program. **CARRIED**

Deputy Chief Hunter left at 8:18 p.m.

(C) ADMINISTRATION

- (i) Treasurers Reports

- 15.259 MOVED** by Trustee Jean Louis **SECONDED** by Trustee Merkel
To receive and file the Treasurers Report. **CARRIED**

- (ii) Tax Sale Date

- 15.260 MOVED** by Trustee Merkel **SECONDED** by Trustee Jean Louis
To accept the Treasurers recommendation to set the Tax Sale Date for Tuesday, September 22, 2015 at 7:00 p.m. **CARRIED**

- (iii) Take 5

- 15.261 MOVED** by Trustee Merkel **SECONDED** by Trustee Jean Louis
To receive and file the Administration Report regarding Take 5 submissions. **CARRIED**

6. COMMITTEE/PORTFOLIO REPORTS

No Committee/Portfolio Reports.

- (ii) Points of Interest
 - (a) Automatic Response Agreement

15.270 MOVED by Trustee Merkel **SECONDED** by Trustee Jean Louis
To receive and file the information received.

CARRIED

- (b) Asset Management

Trustee Anderson reported that he has a question on this. He stated the Manager of Energy and Sustainability has actively been working in the RDN to promote all kinds of development and sustainability. He reported that Federal and Provincial levels of government are doing what they can to support that and Mr. Midgley speaks of a green Municipal fund. He stated that he is very curious to know more about the extent of what that Municipal fund is in the context if we were going to go into a green initiative or trying to encourage conservation of our water users in NCID would we potentially be able to access funding for students for instance.

Chairperson Loos asked Trustee Anderson if he would like to approach this then.

Trustee Anderson responded that Chairperson Loos has asked him earlier to approach Alec McPherson about funding for the reservoir

Chairperson Loos asked Trustee Anderson if he could draft something up that can come back to the Board for them to agree to have sent out from the District.

Trustee Anderson responded that he could do that or he could address it to Chris Midgley referencing this and telling him something about the initiatives we were thinking of exploring.

Trustee Rosato-Taylor stated that we are lucky as we are taking advantage of Trustee Anderson's knowledge in this area. She said that these are the stories you tell the community, that we can be proud of, look we can't take the moratorium off because we want to protect your home in case there is a fire but what we have done is this, this and this.

15.271 MOVED by Trustee Merkel **SECONDED** by Trustee Jean Louis
To receive and file the information received.

CARRIED

- (c) Development Charges – Nanoose Bay

15.272 MOVED by Trustee Jean Louis **SECONDED** by Trustee Merkel
To receive and file the information received.

CARRIED

(C) VI & COAST CONSERVATION SOCIETY

- (i) May 12, 2015 Email Received

15.273 MOVED by Trustee Anderson **SECONDED** by Trustee Merkel
To receive and file the information received.

CARRIED

- (ii) May 23, 2015 Email Received

15.274 MOVED by Trustee Anderson **SECONDED** by Trustee Rosato-Taylor
To receive and file the information received.

CARRIED

(D) SMART TEAM

- (i) Nanaimo Chamber – Letter of Support

15.275 MOVED by Trustee Jean Louis **SECONDED** by Trustee Merkel
To receive and file the information received.

CARRIED

9. QUESTION AND ANSWER PERIOD

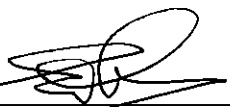
No Questions

10. ADJOURN AND MOVE IN-CAMERA

15.276 MOVED by Trustee Merkel **SECONDED** by Trustee Jean Louis
To adjourn the meeting at 9:13 p.m. and move to in-camera.

CARRIED

July 9/15
Date



Chairperson of the Board of Trustees

Heather Jarчук

Administrator to the Board of Trustees