

North Cedar Improvement District

NOTICE OF ALTERNATIVE APPROVAL PROCESS

IMPORTANT TIME SENSITIVE NOTICE TO ALL NCID WATER RATEPAYERS

The Board hopes that this notice finds you healthy and safe during the COVID-19 pandemic. Because of the pandemic, we cannot hold a public meeting to discuss the important District issues outlined below and, as we need to move forward with these steps, we are utilizing this alternative method of relaying information and obtaining your approval to continue. The Board of Trustees is considering "Water Treatment Plant Borrowing Bylaw No. 489" that would permit the North Cedar Improvement District to borrow up to \$4.5 Million to build the necessary water and fire infrastructure mandated by the Province of B.C.'s regulator, Island Health Authority. The balance of the project will be paid from the District Renewal Reserve Account. The Island Health Authority (IHA) has determined that the water supply is under the influence of groundwater subject to the potential for pathogens, viruses and other disease laden material. In your January 2020 Newsletter the update on major infrastructure stated the Island Health Authority requirements that must be met as follows:

"The level of treatment and disinfection for surface supplies or groundwater under the influence of surface water must ensure a minimum of: • 4 log (99.99%) removal or inactivation of viruses • 3 log (99.9%) removal or inactivation of Giardia Lamblia and Cryptosporidium • 2 refers to two treatment processes for all surface drinking water systems • 1 for less than 1 NTU of turbidity with a target of 0.1 NTU • 0 E. Coli."

In late October 2019 the Board of Trustees met with the Regional Health Officer and staff. It was made clear to the Trustees that the IHA would not tolerate any further delay on having this matter addressed. The original deadline for compliance with the operating certificate was in April 2018. **At this juncture, the regulatory body will tolerate continued use of the water supply without taking further action to enforce their position if there is progress towards having the issues substantially addressed by mid-2021. Those actions could include material financial penalties.**

At the April 2019 Annual General Meeting, the District Engineers had presented their design for a treatment plant that had been five (5) years in the making. At the same time they provided a costing paper that indicated that the construction price was three (3) times that of their original estimate. This design did not include a water reservoir estimated to cost an additional \$2.3 Million. The Board had the design assessed by an independent firm of quantity surveyors (professionals in estimating and monitoring construction costs) in order to determine if the new much higher price was really on par. They determined that the cost of that particular treatment plant design, including reservoir and other relevant infrastructure, would in the order of \$16 to \$17 Million – an amount considered by the Board to be beyond the ability of the ratepayers to sustain. Since that time, the Board directed the District Engineers to find other alternatives that would meet the IHA's regulatory requirements. Both the Board and the District Engineers have worked diligently to address this issue. The more recent 2020 Spring Newsletter highlighted our successful joint efforts to produce a design which addresses the treatment plant to remove the pathogens and viruses as well as the addition of an 880,000 gallon reservoir both **to permit lifting the 2010 moratorium on supply of water to new construction and the Fire Underwriters requirements for fire flows. This infrastructure will meet projected growth requirements for the next 30 years and will not increase taxes beyond the parcel taxes – water and fire services - budgeted for the current 2020 year.**

We are seeking your approval under the ALTERNATE APPROVAL PROCESS that the Province has assented to in the current urgent, time sensitive situation.

- IF YOU APPROVE OF THE BORROWING YOU DO NOT NEED TO RESPOND TO THIS NOTICE
- IF YOU ARE OPPOSED TO THIS BORROWING:

You can obtain an “Elector Response Form” either from the website www.ncid.bc.ca and submit it as directed or for those without digital access, the forms will be available Monday through Thursday at the outside entrance of 2100 Yellow Point Road. If neither of these opportunities meets your needs, please call 250-722-3711 and staff will attempt to find other methods to meet your circumstances.

Deadline for submission of opposition:

The signed Elector Response Form must be delivered by 4:00 pm on Thursday, June 11, 2020. Forms must be received by the Administrator at the North Cedar Improvement District, 2100 Yellow Point Road, PO Box 210, Cedar, BC V9X 1W1 by the deadline to be counted. The Elector Response Form may be submitted by mail or in the mail box at the District office. The Elector Response Form may not be submitted by email or by fax as original signatures are required.

Alternative Approval Process: The only persons entitled to sign the Elector Response Forms are the electors of the North Cedar Improvement District that own property eligible to be connected or connected to the District’s water system. Properties not serviced by water and that do not pay the water parcel tax are not eligible to vote. Eligible electors are persons meeting the following:

- A Canadian Citizen;
- Eighteen (18) years of age or older;
- An owner of land in the improvement district that is connected or eligible to be connected to the water and pays the water parcel tax, and
- A resident of the province for the prior six months; or
- A person designated – in writing – to act as an authorized agent by a board or corporation that owns land in the District. The corporation must be registered in British Columbia and the agent must be qualified in vote in BC. Proof of such must be in the form of a letter from a lawyer or the corporations BC business registration number; or
- A legal representative of an owner of land in the improvement district who has died, become insolvent or insane.

More information about the Alternative Approval Process may be obtained from the District website or contacting J. Bradley, Administrator, at the North Cedar Improvement District at 250-722-3711 or by email at jbradley@ncid.bc.ca.