

KEMP LAKE WATERWORKS DISTRICT

Annual General Meeting – April 25, 2018

Present:

Trustees and Administrator: Kevan Brehart, Joanne Hemphill, Richie Birch
Debbie Anderson

Property Owners: Rosemary Jorna
Sid Jorna
Bob Phillips
Heather Phillips
Paul Schoemaker
James Gaston
Trevor Emsley
Cameron McGowan
Daniel Peiser

Visitor: Martine Skillen standing in for Harald Wells Seaside Park

Kevan called the AGM meeting to order at 7:32pm. He welcomed all and thanked them for attending. Kevan introduced the head table and asked all to introduce themselves. Kevan asked all to read over the minutes from the 2017 AGM meeting. Kevan asked if there were any questions or errors with the minutes. There were none. Bob Phillips motioned to accept the minutes as presented and Sid Jorna seconded the motion. All in favour.

TRUSTEE'S REPORT

- Kevan read over and discussed the Trustees Administration and Operating Annual Report. (see attached or website after the meeting.) Kevan thanked all operators and board members and their families. Kevan asked if there are any questions about the report and there were none at this time.

FINANCIAL REPORT

- Kevan asked all to look over the auditor's report and asked Debbie if there were any changes that need to be explained this year. Debbie pointed out that the only changes were that the district has started to spend the reserve fund on the engineering costs for the Kemp Lake Water District Source Replacement Project. Bob Phillips asked if we have ever been questioned about our financial reporting. Kevan replied no and mentioned that the report is filed with the Ministry every year as well as Debbie works alongside with the auditors as well. Sid Jorna motioned to accept the auditor's report as presented and Trevor Emsley seconded the motion. All in favour.
- Kevan asked all in attendance to have a look at our budget for the 2018 year and if there are any questions. There were none at this time.

ELECTION OF TRUSTEE

- Kevan mentioned that his term was up this year and turned the floor over to Richie Birch. Richie asked if there are any nominations at this time. Bob Phillips nominated Kevan Brehart which he

accepted to run again. Richie asked if there are any nominations a second time then asked a third and final time. There was none therefore by acclamation Kevan Brehart will run again for another 3 year term.

- Bob Phillips motioned for no increase in the honorariums this year. Honorarium will still stay as \$5,000.00 for chair and \$3,000.00 for both trustees. Heather Phillips seconded the motion. All in favour.

PROJECT: KEMP LAKE WATER DISTRICT SOURCE REPLACEMENT(CRD Connection)

- Kevan started the discussion about the project and where the district stands at this time. The trustees have prepared a Notice to Public, Elector Response Form, as well as a draft Borrowing Bylaw which is needed to go forward with this project. The notice will be going in the Sooke News Paper in the next 2 week editions. Thirty days after the last notice is published is the deadline for the response form to be dropped off. In the meantime there will be an open house which the trustees will invite the engineer, VIHA, and Bank Rep to. The copies of the elector response form will be located at the JDF building on Otter Point Rd where the drop off box will be located as well as the districts web site. We would like to get this project started by the end of June beginning of July. We have our operator lined up for that time period.

QUESTIONS

- Heather Phillips asked if both land owners get a vote. Kevan replied that there is only one form per property and both owners have to be in agreement. No renters can sign this form.
- Rosemary Jorna asked if there is a split vote with property owners that the same property then what happens. Kevan replied that they need to agree or it is not valid.
- Kevan noted that the elector response form is only for borrowing the money not the project approval.

BORROWING FOR PROJECT

- Joanne shared the terms financing the borrowing bylaw 194. Joanne mentioned that the borrowing will be with RBC and the loan will be paid back with the taxes not the tolls. Kevan mentioned that the district can write more than one tax a year if needed to cover costs within the district.

QUESTIONS

- Bob Phillips asked if the trustees knew what the taxes over 25 years would be. Kevan replied that this may be available at the open house.
- Trevor Emsley asked if you have a well and did not use the water would you still have to pay. Kevan replied, yes because you are still in our boundary and are subject to the taxes and the renewal reserve fee. We have some property owners that have wells but still pay the tax as well as the RRF. Trevor also asked about the excess use from leaks, fire etc. Kevan replied that all property owners will share in that cost.
- Bob Phillips asked if the trustees knew of what the cost may be per gallon when the connection is completed. Kevan replied that this will be in the cost evaluation at the open house.
- Sid Jorna asked what would be done if people object to borrowing money. Kevan replied that the project will go ahead anyway. This issue is only about borrowing the money. It's either pay now or pay later the project will be a go ahead.

PROJECT

- Kevan shared that the completed and valid elector response forms will be counted after the 30days, which will bring us to June 8, 2018. Kevan mentioned that our systems operator will do the work because we have had other bids and their cost are substantially larger.

QUESTIONS

- Heather Phillips asked if the road will be better than before and if the district was approached to complete upgrades with other projects at the same time. The district has not been approached by other projects alongside the connection at this time.
- Bob Phillips mentioned that other people might say that it will be cheaper if the CRD do the project. The cost for them to do the work would cost the district a lot more. Kevan mentioned if there are any questions about the project the web page has a connection for comments.
- Rosemary Jorna asked if no for borrowing then the ministry mentioned that the district can tax more or invoice for full payment now per property. Joanne replied if needed all property owners need to be aware that this is a possibility. The district did have another contractor give cost to do the project and they came back with almost double the expense.
- Trevor Emsley asked why there is no referendum. Joanne replied that the ministry recommended that the AAP process was appropriate in this case.
- Heather Phillips asked if the district would get a better rate because we are a larger customer. Kevan replied that the CRD sees us as a developer wanting them to service our property therefore the district is treated like everyone else that is supplied water by CRD.
- Kevan mentioned that the CRD has just received the plans for this project and is happy to take a look at for approval with a cost of \$1,000.00.
- Bob Phillips mentioned that maybe try to reclassify the rate further down the line in time.

Kevan asked if there are any further questions at this time. There are none. Kevan again thanked all for taking the time to attend.

Meeting adjourned at 8:45pm

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Trustee's Report for Year 2017

ADMINISTRATION

- **Taxes and Tolls.** Tax rates were raised by \$5 per category. Tolls were raised by \$.05 to \$0.80 per 100 gal. There was no increase to the Renewal Reserve Fund.
 - Tolls, taxes, and renewal reserve fund rates are assessed yearly in anticipation of upcoming needs - primarily infrastructure upgrades and renewals as well as capital planning.
- **Insurance.** Aon Reed Stenhouse Inc. is providing coverage for August 2017 to August 2018 at a cost of \$ 9,647.00
- **KLWD Emergency Plan.** The Plan was reviewed and updated in 2017 in accordance with Ministry guidelines.
- **Workplace Bullying and Harassment Policy.** This policy was reviewed and re-adopted in 2017 per Worksafe BC regulations.
- **Environmental Health Officer/Water Stewardship.** We continue to maintain regular communication with our EHO (VIHA) and Ministry officials on a variety of issues: watershed environment and management, and water supply, water quality and testing.
- **VIHA 4-3-2-1 Drinking Water Treatment for Surface Water Policy and Connection to CRD Water.** The plan to connect to CRD water via pipeline along West Coast Road is required to achieve compliance with the Ministry of Health's "Drinking Water Treatment Objectives (Microbiological) for Surface Water Suppliers in British Columbia". In 2017 following notification of the unsuccessful grant applications, the Board instructed the engineering firm WSP to review the project and provide an updated cost analysis. At end of year this report was still pending.
- **CRD.** A Community Works Fund grant of \$30,000 was received from the CRD in support of the above project, which was used towards engineering costs.
- **OTHER**
April 2017. J. Hemphill attended the Coastal Water Suppliers Association Annual Conference and AGM in Nanaimo BC.

OPERATIONS

Pump house:

- By the end of last year the district was supplying water to the equivalent of approximately 475[2016-465] residences through 230[2016-229] meters.
- We pumped approximately 21.1(21,110,011) million gallons last year versus approximately 26.8 million the year before, approximately an 21% decrease.

Activities:

- Replacement of old meters continues.
- Installed 1 new service.
- Repairs/maintenance on the main pumphouse including a new LMI chlorine pump.
- Work continues on leak detection. The specialized leak detection equipment we purchased a couple of years ago continues to be paying off with a number of leaks located and repaired. Nine minor water leaks and 1 major leaks repaired reduced our water loss by over 1 million gallons.

Development completed within the district:

- There were no significant developments completed within the district this past year.

Development under way within the district:

- There is currently no significant development underway within the district.

Water Quality:

- All of our water reports for E-Coli the last year have been good.
- There were four incidences of above normal Total Coliform counts scattered throughout the year. The resampling results were fine.
- We are continuing to take water samples into the lab for testing approximately every week.

Operator Certification:

- Our operators continue to maintain their **Environmental Operators Certification** through on going education and training when available.

In Closing

Thanks again to Roy Anderson and his crews for all their hard work this year. I'd like to thank my fellow board members, Joanne and Richie as well as our Chief Administration Officer, Debbie, for their support and efforts during the last year, and last but by no means least, thanks to our families for giving up family time and allowing us to be active in the district affairs.

General Statistics for Year Ending December 2017

Properties on assessment roll:	302
Properties tax exempt (parks, waterworks):	8
Number of meters:	230
Domestic Units serviced by water:	474
Commercial Units serviced by water:	1
Estimated population:	474 x 3 = 1422

Year End Pump House Statistics (Imperial Gallons)

	2017	2016
Total:	21,110,011	26,884,998
Maximum day: (Aug 4)	130,214	131,894
Minimum day: (Nov 11)	24,100	27,452
Daily average for year:	57,836	73,657

Year End Distribution Statistics (Imperial Gallons)

	2017	2016
Total distributed	12,557,932	13,390,224
Average per unit	26,438	28,249

- We distributed approximately 12.5(12,557,932) million imperial gallons of water last year, down about 8% from approximately 13.4(13,390,224) in 2015.
- Of the water pumped, 8,552,079 gallons (*year before 11,303,545 gallons*) was unaccounted for. This is an approximate 24% decrease in water loss from last year.

2016 Property Assessment Breakdown

By Assessment Category

Category	Description	Number	Units
1	Single dwelling unit.	260	260
2	Two dwelling units.	17	34
3	Three dwelling units.	4	12
4	Four dwelling units.	3	12
5	15 Unit mobile home/trailer park.	1	15
6	32 Unit mobile home/trailer park.	1	32
7	105 to 110 unit Co-operative campground.	1	109
8	One business/commercial unit.	1	1
9	Two or more business/commercial units.	0	0
10	One industrial unit.	0	0
11	Two or more industrial units.	0	0
12	Vacant Lot.	14	0
13	Public agency.	8	0
15	Five dwelling units.	0	0
	TOTALS	310	475