

**Union Bay Improvement District
Regular Board Meeting Minutes**

Union Bay Improvement District Boardroom

July 20, 2011

4:30 p.m.

Meeting called to order at 4:30 p.m.

Attendants: Carol Molstad (Chair), Anne Alcock, Cleve Goldswain, Bruce Livesey, Anne Fischer (recording).

1. The agenda was presented and amended by adding item 5.e."Letter from Alan deJersey".

MOTION: 2011-07-20-01

RMS To accept the agenda for July 20, 2011 as amended.

CARRIED

2. Petitions and Delegations

- a. Brian McMahon presented an update regarding the KIP development to the Board. He stated that the first subdivision would be across from Argyle Road. Further he explained that the new sewer treatment plant for the KIP properties could be working in a year. Once the CVRD endorses the KIP-UBID water agreement and plans have been approved by UBIDs engineers, the temporary site for the Union Bay water system, located at McLeod Reservoir, could be operational in 14 weeks. In the village site on the coal hills KIP plans to build seniors housing and a low rise condo complex. The golf course will be completed in 2013 and KIP is proceeding with the marina development. KIP will also donate about four acres for the new Fire Hall. Brian McMahon agreed to take the Board and Committee Members on a tour to these locations. He has also indicated he is willing to meet with the Public Works Committee to discuss the water system.

3. Approval of minutes

- a. Regular Board Meeting Minutes of June 15, 2011.

Motion: 2011-07-20-02

RMS To approve the Board Meeting Minutes of June 15, 2011 as presented.

CARRIED

4. Report from "In-Camera" Meetings and Business arising:

- a. Regular meeting - June 1, 2011

- i. The Board met with CVRD to discuss a number of mutual interests including how to move forward with the KIP project and agreement and establishing a good working relationship.

- b. "In-Camera" meeting June 26, 2011 to deal with personnel and legal matters.

Information brought forward - Appointments to the Fire/Rescue Committee. The Board accepted the Resignation of the Administrator Brenda Fisher as of July 1,

2011. Discussed the legal issue of Bams small claims matter and agreed to negotiate.

The Board also dealt with the litigation with Mary Reynolds. C. Molstad gave background information on how the Board came to make the decision to file an Order by consent dismissing the defamation action. On June 26 the Board also made a motion to rescind any previous commitments made to the plaintiffs regarding indemnification and paying their costs.

- c. "In-Camera" meeting June 27, 2011 to deal with legal matters.
This meeting dealt with the Mary Reynolds litigation as specific wording for resolutions was requested by legal counsel.
- d. "In-Camera" meeting July 9, 2011 to deal with legal matters.
 - i. Information brought forward – Recruiting of a 0.8 FTE administrator for September 1, 2011 or early fall.

5. Correspondence

- a. Auditor's Report – the Board received the Auditor's Management Report including the list of adjusting entries. The Board reviewed a number of issues identified by the Auditor including numerous errors, a need to reconstruct the reserve and capital fund accounts, and inadequate internal controls. The Auditor charged UBID an additional \$4,300 to reconstruct accounts. Despite the Auditor agreeing to reduce the fee by \$4000, the audit is \$5,000 over budget.

Motion: 2011-07-20-03

RMS To accept the Auditors' report and direct the Administration to implement corrective action as the Auditor recommended.

CARRIED

- b. Mary Reynolds letter – This letter asked that the Board clarify how the Local Government Act applies regarding indemnification. C Molstad stated that UBIDs legal counsel concurs with the information provided. That is, that under section 745 and 287 of the LGA the intent of the indemnification provisions is to provide protection to individual members in terms of the costs associated with actions brought against them while in the course of their duties, not meant to allow for payment of claims they have against other people. In its motions, the previous Board agreed to pay legal fees and not seek back those fees from the individual co-plaintiffs.

- c. CVRD letter – establishing a recycling centre in Union Bay.

Motion: 2011-07-20-04

RMS While the Board agrees in principle with recycling, there is no appropriate UBID site available at the moment.

CARRIED

- d. CVRD letter to the Ministry of Community, Sport and Cultural Development seeking clarification from the Ministry regarding the water license transfer - for information only.
- e. Resignation letter from Alan deJersey

Motion: 2011-07-20-05
 RMS To accept Alan deJersey's Resignation.

CARRIED

6. Reports

- a. A. Alcock presented the Fire/Rescue Report. New Committee members were appointed: Hein Vandenberg, Gord MacDonald and Harry Oleson. FF Webster was promoted to Lieutenant and Lieutenant Rainey to Captain. Fire Chief requested the purchase of 5 radio/pagers, also that 6 members of the Fire Department take an air brake course to be able to drive the new truck and that 12 Survivair MK2 packs, which include 30 bottles, be donated or to find a purchaser; recommendations of the Committee to be brought forward to the Board.

Motion: 2011-07-20-06
 RMS To accept the Fire/Rescue Report as presented for information.

CARRIED

- b. C. Goldswain presented the Public Works Report. Lake level is at 14'3" as of July 4th. Turbidity level is under 1ntu and Chlorine level is at 0.9ppm. Water samples for June were negative. Average daily water consumption is 1187m3. 10 of 12 air valves have been rebuilt. The ultra sonic meter indicates a 10% leakage, which is deemed acceptable. The boat belonging to Keith McKay was stolen from the McLeod reservoir during the winter. A replacement boat is needed.

Motion: 2011-07-20-07
 RMS To accept the Public Works Report as presented for information

CARRIED

- c. B. Livesey presented the Finance & Capital Planning Report. Four recommendations to the Board including: 1) To review expenditures surrounding the debit/credit card process, 2) recommend to the Board that they forego their honorariums for the remainder of this year, 3) incorporate a 10% late charge on overdue water toll accounts, 4) engage the Auditor and/or Acting administrator for extra hours to complete adjusting entries to the books by the end of July. The Committee also discussed timing for financial reports and financial implications of a potential water license transfer

Motion: 2011-07-20-08
 RMS To accept the Finance & Capital Report as presented for information.

CARRIED

- d. C. Molstad verbally presented the Strategic Planning report. The Board has met twice with the acting Administrator and started to draft a strategic plan.

- e. C. Molstad verbally presented the Bylaws, Policies and Procedures Committee Report. The Committee has been formed. June Haner, Jack Stevens and John Whitman have been appointed as Community members. The inaugural meeting will be held July 28, 2011.

7. New Business

- a. Future Board meetings at 7 p.m.

Motion: 2011-07-20-09

RMS To change the Board meetings from 4:30 p.m. to 7p.m.

CARRIED

- b. Revision of signing Officers.

Motion: 2011-07-20-10

RMS To authorize Committee Chairs (Carol Molstad, Anne Alcock, Cleve Goldswain and Bruce Livesey) as signing Officers.

CARRIED

- c. Access to the UBID Building.

Motion: 2011-07-20-11

RMS All Trustees will have keys to the UBID building and access to the copier.

CARRIED

- d. McElhanney bill – the Board requested that McElhanney reduce their bill for the Nelson Loop due to errors they incurred.

Motion: 2011-07-20-12

RMS To accept the McElhanney reduction of their bill by \$2,175.84.

CARRIED

- e. Leak allowance request from a landowner – request is for 6 months; Bylaw for leak allowances in place; case has to be further investigated.

Motion: 2011-07-20-13

RMS To table the leak allowance request until further investigation completed.

CARRIED

- f. Recommendations from the Fire/Rescue Committee:

- i. Ordering 5 radios/pagers.

Motion: 2011-07-20-14

RMS To approve retroactively the purchase of 5 radio/pagers.

CARRIED

- i. Approval for 6 members to take air brake course.

Motion: 2011-07-20-15

RMS To approve retroactively for 6 members of the Fire/Rescue Department to take the air brake course.

CARRIED

- ii. Disposal of 12 out-dated Survivair MK2 packs.

Motion: 2011-07-20-16

RMS To donate the 12 out-dated Survivair MK2 packs, including 30 bottles to the "Fire Fighters without Borders".

CARRIED

- g. Recommendations from the Finance & Capital Planning Committee:

- i. Receiving an accurate set of accounting books by the end of July 2011.

Motion: 2011-07-20-17

RMS To increase the acting administrator's hours up to 20 hours to complete the accounting books by the end of July 2011.

CARRIED

- ii. Waive Trustees' remuneration.

Motion: 2011-07-20-18

RMS To waive Trustees' remuneration to the end of the year.

CARRIED

- iii. Incorporate a 10% late charge on overdue water toll accounts.

Motion: 2011-07-20-19

RMS To incorporate a 10% late charge on overdue water toll accounts.

CARRIED

8. Questions from the Audience:

Q: The container on McLeod Road is abandoned and open. Is there a plan in place to dispose the container?

A: Subject will be discussed at the next Fire Committee meeting.

Q: Did the Board not have an accurate set of books of accounts?

A: Adjusting entries have still to be done for the end of last year and this year. This will enable the Board to see a balance sheet. Operating income and expense statements are being produced and reviewed.

Q: Is there an attempt to recoup any legal fees from the lawyers or plaintiffs?

A: Hasn't been dealt with yet.

Q: Who are the 8 plaintiffs involved with the UBID and are they paying their own way?

A: The 8 plaintiffs are former trustees and staff. Thus far, the UBID has been paying the costs of the UBID and the plaintiffs.

Q: What kind of recycling containers and what size?

A: The kind they have at Wal-Mart parking lot.

Q: Who is responsible for the clean-up around the recycling containers?

A: The CVRD has a contract with a company to clean the area surrounding the containers. The landowner would have to contact the contractor.

Q: Alan deJersey's resignation – need position to be filled?

A: Because he has resigned early in his term the Board is required to fill this position. Board needs to find out how to go ahead with a by-election.

Q: Would the Chair read the letter of resignation from Alan deJersey?

A: No. The Board understands Mr. deJersey's reasons for resigning and if someone wanted to know his reasons suggested to contact Alan deJersey personally.

9. Meeting adjourned at 5:47 p.m.

Next regular Board Meeting August 17, 2011 at 7 p.m.

Carol Molstad, Chair

Anne Fischer, recording