

Union Bay Improvement District
REGULAR BOARD MEETING MINUTES

Wednesday, November 16, 2011
Union Bay Improvement District Office
6:57 PM

Venue: Activity Room, at UBID Administrative Office

In attendance: Trustees: Carol Molstad (Chair), Bruce Livesey, Cleve Goldswain,
Anne Alcock, and Alan Webb. Staff: Ruth Sauder

1. Adoption of the agenda

Motion 2011-11-16-01 for approval as circulated.

RMS

CARRIED

2. Petitions and delegations – none

3. Approval of minutes

a. Minutes of October 19, 2011 Special General Meeting

Motion 2011-11-16-02 to endorse the Minutes of the Oct. 19th, 2011 Special General Meeting as circulated.

RMS

CARRIED

b. Minutes of October 19, 2011 Regular Board Meeting

Motion 2011-11-16-03 to adopt the Minutes of the Oct. 19th, 2011 Board Meeting as circulated.

RMS

CARRIED

4. Report from In-Camera Meetings, Planning Meetings and Business Arising:

a. Regular Meeting – October 19, 2011

i. Honoraria Committee.

Alan Webb is now a Trustee. That left one person on this committee. Joe Lidster and Bob Leary have volunteered to be on that committee.

- ii. Strategic Plan – tabled at October meeting –for approval
An amendment to the current plan is proposed under 'critical issues' to note the need to secure full and unencumbered title to the UBID Admin. Property (the Old School).

Motion 2011-11-16-04 to adopt the Strategic Plan as amended.

RMS

CARRIED

- b. In-camera Meeting – October 31, 2011 to deal with personnel and legal matters
 - i. Information/decisions brought forward
- c. In-camera meeting – November 4, 2011 to deal with personnel matters
 - i. Information/decisions brought forward
- d. In-camera Meeting November 7, 2011 to deal with personnel and legal matters
 - i. Information/decisions brought forward

Personnel Issues -

Since the issues spanned all the in-camera meetings the Board will report on them as a group. Discussion of the Fire Chief's performance review in the first year of his 3 year contract. His performance appraisal will be handled by the administrator.

Also, the administrator's draft performance appraisal was discussed. At the end of her probationary period the Chair will be meeting with the administrator to review her performance appraisal.

The newest Trustee, Alan Webb, was appointed as the technical liaison person between UBID and KIP regarding technical matters for the Water Treatment Plant.

Bob Leary has been appointed to the Public Works Committee.

Legal Issues –

We are finalizing our response to the Ombudsman's letter. Our understanding is that upon receipt of our letter this will allow the Ombudsman's Office to complete their investigation and issue his final report.

We've sent a letter to the CVRD stating that we do not intend to transfer our Water License Assets to the CVRD as proposed by the MDA between KIP and the CVRD. This issue dates from 2007. We understand that there has never been a willingness by any of UBID's Boards to transfer the Water License Assets to the CVRD. Since May the Board has been consulting with landowners, clarifying the

government's position, and investigating the implications of such a transfer. We are currently seeking to work with all parties to resolve this issue without delaying the KIP project.

The final issue is the defamation lawsuit. Although we withdrew as a plaintiff from the lawsuit, it is a complex and sensitive issue. We've been waiting on a legal opinion to review our options, strategies and the risks of alternate actions. Possibly by our Dec. 3rd meeting we will be able to tell you more about the decisions we're making.

5. Correspondence

- a. None

6. Reports

- a. Administration and Financial Report – Ruth Sauder

Motion 2011-11-16-05 To accept the administrator's report for information.

RMS

CARRIED

- b. Fire/Rescue Report – Anne Alcock

Motion 2011-11-16-06 To accept the Fire/Rescue Committee report for information.

RMS

CARRIED

- c. Public Works Report – Cleve Goldswain

Motion 2011-11-16-07 To accept the Public Works Committee report for information.

RMS

CARRIED

- d. Finance & Capital Planning Report – Bruce Livesey

Motion 2011-11-16-08 To accept the Finance Committee report for information.

RMS

CARRIED

- e. By-laws, Policies and Procedures Report – Carol Molstad

Motion 2011-11-16-09 To accept the By-laws, Policies and Procedures Committee report for information.

RMS

CARRIED

7. New Business

- a. 2012 Budget

- i. Approve the budget

Motion 2011-11-16-10 To accept the 2012 Budget as presented.
RMS CARRIED

ii. Approve By-law # 238 Fire Protection & Street Lighting (Tax Authority)

1st Reading

Motion 2011-11-16-11 To accept Bylaw #238 as read and presented.
RMS CARRIED

2nd Reading

Motion 2011-11-16-12 To reconsider and finally pass Bylaw #238 as read and presented.
RMS CARRIED

iii. Approve By-law # 239 Taxation By-Law (Parcel Taxes)
Discussion – The bylaw includes a \$10 per annum increase in the parcel tax.

1st Reading

Motion 2011-11-16-13 To accept Bylaw #239 as read and presented.
RMS CARRIED

2nd Reading

Motion 2011-11-16-14 To reconsider and finally pass Bylaw #239 as read and presented.
RMS CARRIED

b. Request to Finance & Capital Planning and PW Committees to draft a capital plan for water works

Motion 2011-11-16-15 To refer to the Finance and Public Works Committees a request to begin work on a Comprehensive Capital Plan for water works infrastructure repair and replacement.
RMS CARRIED

Discussion – the 5 year Capital Plan prepared by engineers in 2004 and 2009 was not fully implemented and we need to incorporate additional elements to include infrastructure beyond just water pipes.

c. Recommendation from Bylaws Committee for legal opinion

Motion 2011-11-16-16 To refer our proposed Conflict of Interest policy to a lawyer for legal review.

RMS

CARRIED

d. Chimney Brushes

Motion 2011-11-16-17 That the issue be referred to the Administrator and the Fire Chief to determine whether this activity comes within UBID’s stated purposes, and to investigate whether there could be potential liability issues arising out of taking on this activity, and to report back to the Board with recommendations regarding same.

RMS

CARRIED

e. Approval of DAF water treatment system and for KIP to proceed with final drawings

Motion 2011-11-16-18 To accept Alan Webb’s Report and investigation of the proposed Corix Water Treatment Plant, and to approve 350 gal. per minute single train DAF Corix unit w/ 2 filters as contained in the aforesaid Report for design and construction, in accordance with the terms of the Water Infrastructure Agreement and the Report Recommendations for the single unit, and to advise Kensington of this approval.

RMS

CARRIED

f. Recommendation from PW Committee for road trip to water treatment plants

Motion 2011-11-16-19 That the Board approve a Public Works Committee/Dan McGill day trip to Telegraph Cove and Coal Harbour, and possibly to Port Hardy, to see like Water Treatment Plants operating in like circumstances, and to obtain input and advice from other operators about operation of the type of Corix DAF Water Treatment plant we have approved to proceed to the design and construction of the Phase 1 WT Plant.

RMS

CARRIE

8. Questions from the audience

Q. The members of the Board campaigned on openness and accountability and that the community is going to be involved in decision-making. Are the decisions regarding the defamation lawsuit going to be made by the Board in private or are you going to involve the community in those decisions.

A. The Board are elected and mandated with the authority to make these types of decisions.

Q. What provisions are being made with respect to the use of Volunteers to do much of the Fire Hall Drainage project?

A. We have spoken to our insurance agent. We have insurance in place to protect us if Volunteers do harm to a 3rd party in the course of engaging in the project. It won't be possible to get insurance coverage for injuries to themselves. So, if they want to participate in this construction project they will need to provide UBID with a waiver form.

Q. Would the Board be willing to encourage our Area Director, Bruce Joliffe, to meet with the community to discuss the Kensington development?

A. Yes, we could ask him to do that. People from the community could also request him to do that.

Q. The use of the Duty Officer Truck by the Fire Chief. When the Fire Chief is outside of the community I assume we have another person in the community who is the 'Acting' Fire Chief. Why isn't the vehicle left in Union Bay for use by the Acting Chief?

A. During the week the Chief is the assigned Duty Officer. We are aware of the concern in the community about the use of the Duty Officer Truck and we are reviewing the situation.

Q. What Kensington proposes to build isn't what anyone wants anymore, and it is going to cost us the taxpayers. Development costs get offloaded to existing taxpayers, can we drag our feet on this development?

A. In regard to taxes in Union Bay our portion of the taxes/utilities had not increased in the past 3 years. UBID has never had the primary jurisdiction over approval of this

development, it is the CVRD and the MDA that has the jurisdiction over approval of this development.

Q. Transfer of the Water License. If the Regional District is responsible for providing the water and we find that Kensington is going to need additional water would the RD become responsible to provide additional water?

A. UBID has 2 Water licenses, the Langley Lake license and the license to have a dam and store the water in the lake. What transferring those licenses to the CVRD would do is that then the CVRD would control the source of the water. They would not control the distribution, that would remain with UBID. Once the CVRD has the water license they would charge us bulk rates for the water. This cost would be in addition to the existing and ongoing costs of UBID distributing the water. In our view there is no advantage to giving up our water licenses. If we find we don't have enough water there would have to be a conscious decision to join the Regional Water Strategy. But our preliminary studies of Langley Lake lead us to believe that there is enough water for the Union Bay community even with planned development.

Q. Are you reconsidering the issue of becoming a municipality?

A. That is not on our agenda at this point.

Q. Why are you raising the parcel tax by \$10.

A. In order to put away more into our Capital funds, so that we can do more Capital planning regarding water.

Q. The community should be making the major decisions of UBID. How do I know that you're not going to spend money and leave us like the previous Board.

A. It is the Board's responsibility to make UBID decisions. We have a Strategic Plan, a Budget and we're working away at issues.

Q. The approval the Board has given to KIP re. the Water Treatment Plant, do you think it is his intention to start construction?

A. We can't answer with respect to Kensington's intentions. We are simply clearing the way so that he is able to start fabrication of the plant.

Q. If Kensington adds on another 250 homes to the existing base will there be enough water capacity? And if there is enough water for 850 homes will the Plant have the capacity to handle 250 more new homes coming on-line?

A. The work we've done suggests that there is sufficient water available at current usage levels for 850 homes. That is Phase 1, and the Water Treatment Plant that is being approved is the Temporary Water Treatment Plant being built for Phase 1. When we get into more homes being built there will be a Phase 2 and a permanent larger Water Treatment Plant built to include the smaller Phase 1 plant.

Q. If the CVRD doesn't accept us not transferring the Water License does that mean Kensington is dead in the water? And do you have an alternative plan if Kensington doesn't go ahead.

A. No. We are working with Kensington, the CVRD, and the Ministry, through these issues and expect them to be resolved. We're not planning at this point for Kensington not to proceed.

Q. The previous Board didn't read out the By-laws more than once as you have done tonight. Does that mean that they did them wrong?

A. They did read the by-laws out twice as required.

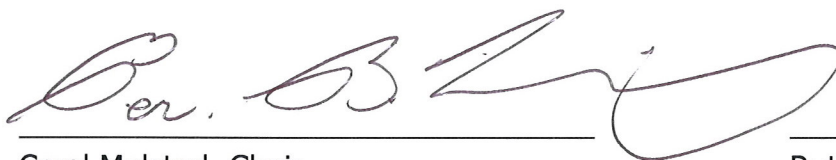
Q. Did any of this Board interfere and have Bob Leary not run as a Trustee, because he was told it would split the vote?

A. This is not appropriately a question for the Board.

9. Adjourned at 8:30 pm.

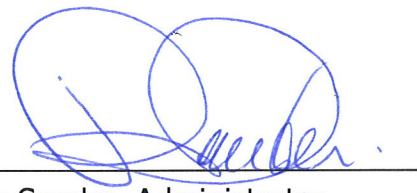
Special General Meeting scheduled for December 3, 2011

Next regular Board meeting scheduled for December 21, 2011



Carol Molstad, Chair

BRUCE LIVESEY,
ACTING CHAIR in Carol Molstad's
absence.



Ruth Sauder, Administrator