

Mill Bay Waterworks District
MBWD Regular Board Meeting Minutes
July 13, 2021
2:00 pm (via virtual meeting)

In Attendance: Brian Young (Chairperson), Brook Adams, Johanna Morrow, David Crowe (Trustees), Jonathan Musser (Engineering), Janelle Kresse (Financial Office Assistant), David Martin (Chief Operator), Kim Vanderkooy (District Administrator)

Call to Order at 2:04 pm.

1. Adoption of Agenda

The District Administrator asked if the HR Committee establishment would be added to the agenda or postponed until August. Chairperson Young stated that it would be added to the August Agenda.

MOTION: 2021-07-13
Morrow/Adams To accept the Agenda.

CARRIED

2. Minutes:

2.1 Regular Meeting Minutes June 8, 2021

Chairperson Young noted that amendments to the minutes were performed prior to the meeting. Chairperson Young asked if there were other errors/omissions to discuss.

No further errors or omissions were discussed.

MOTION: 2021-07-13
Adams/Morrow To accept the Regular Board Meeting Minutes of June 8, 2021, as amended.

CARRIED

2.2 Matters Arising from Minutes

Chairperson Young questioned whether the status of the Trustee Orientation would be addressed in the office report. The District Administrator confirmed that it would.

2.3 Special Meeting Notes – Mill Springs June 22, 2021

Submitted for information.

3. Reports

3.1 Operator's Report & Source Production Report

The Chief Operator reviewed the Operator's Report. See Operator's Report Attached.

The Chief Operator reviewed Item 1 and 2. A discussion was held regarding moving to Stage 3 watering restrictions. The Chairperson questioned when the watering restrictions would increase. The District Administrator stated that it would commence on July 16th and alerts would be sent out. The Chief Operator noted that signage would be installed the following Monday. He continued to note that moving to Stage 3 water restrictions usually adheres to Provincial drought status and/or MBWD static well

levels. Therefore, moving to Stage 3 Water Restrictions on July 16, 2021, is not regarding the District's system's health.

The District Administrator stated that the move to Stage 3 Water Restrictions meant that MBWD Bylaw 269 Drought Conditions Toll Surcharge would be in effect for the August to October 2021 billing period.

The Chief Operator reviewed items 3 and 4. A discussion was held regarding item 4, the vandalism on the communication box for Well 21614 and the homeowners' request to have the splice box replaced due to the damage. The Chief Operator stated that MBWD suppliers have repair kits available that require no move conduit or wires. He further commented that the repair would still cost around two thousand dollars. The Chairperson asked what further action we should take and if the police should be contacted. The Chief Operator stated that MBWD has no concrete evidence regarding the vandal. He continued that the previous repair and security locks installed did not fully protect the box from future vandalism due to the damage on the box, making access to it available if someone were to lift it. He noted the cost incurred for MBWD when he and SCADA technicians reported to the communication box on-site and that computer chips are blown when wiring is tampered with. The Chief Operator recommended that the board incur the expense of the repair. Chairperson Young queried regarding the homeowner's response. The Chief Operator stated that there was no issue. Trustee Crowe asked if there was any benefit to having a concrete box and metal lid and how difficult that might be. The Chief Operator responded that the steps for removal and installation would be substantial with the existing utilities in the same area. He noted that this kind of vandalism had not been seen before, and all other communication boxes are unlocked.

MOTION: 2021-07-13

Morrow/Adams

**To approve the expense for the repair on Well 21614
Communication Box.**

CARRIED

Trustee Crowe asked whether there was identification available to mark the top of the communication boxes. The Chief Operator confirmed that identification would be placed on the communication boxes. Chairperson Young asked whether 1452 and 1453 experienced a problem due to data loss or if there was just a glitch in the recorder. The Chief Operator responded that this was strictly data loss on the tablet; therefore, all consumption was recorded through 784 and 783. Chairperson Young asked to clarify that well data for 1452/1453 were included in 784/783 data for this month's report. The Chief Operator confirmed the data was all-inclusive and noted that the standard is to separate those data points for licensing records.

3.2 Engineering Report

Item A: Water Balance Memorandum was discussed. MBWD's engineer consultant noted that the Memorandum was issued the month prior and has been completed. Chairperson Young noted that there were recommendations that MBWD had not yet implemented to consider. He further noted a lack of funds to develop wells, and that pump tests have already been planned. He questioned MBWD's engineer consultant for clarification on the second recommendation of implementing stricter water usage.

MBWD's engineer consultant stated that the processes implemented by the Chief Operator are what would be looked for in implementing this recommendation, and this response discussed today suggests that there is nothing more required. However, he noted that the area for improvement would be formalizing procedures to mitigate risk when reliant on personnel.

The Chief Operator noted that despite the current weather, MBWD sees lower consumption per capita than it had less than 25 years ago. He continued to state that consumers are starting to understand conservation and stricter water usage.

MBWD's engineer consultant reviewed Item B: Groundwater Licence Applications. He stated that FLNRO numbers calculated are comparable to MBWD calculations to move forward with the consultation utilizing their numbers.

A discussion was held regarding Item C: Noowick Road Watermain Replacement and MOTI approval. MBWD's engineer consultant, the Chief Operator and Chairperson Young discussed the relationship between waiting for a decrease in PVC piping costs and time limits imposed by MOTI approval. MBWD's engineer consultant noted that he is unfamiliar with the process as it has changed recently; he indicated that he did not believe reapplication would be onerous if required. The Chief Operator and MBWD's engineer consultant noted that the PVC cost was minimal to the job; the issue was unavailability. MBWD's engineer consultant stated that there would be updates next month.

Item D: Noowick Well and Item E: Precipitation Monitoring were reviewed. Chairperson Young and the District Administrator reviewed June Board meeting decisions regarding the Noowick Well. As a result, the project is considered on hold.

Trustee Crowe exited the meeting at 2:46 pm

Chairperson Young proposed developing a discussion paper regarding the following steps on the distribution of the precipitation report.

ACTION ITEM: Chairperson Young to complete discussion paper including steps for informing external parties and distributing the Precipitation Monitoring Report.

Trustee Crowe entered the meeting at 2:49 pm (internet communication disruption)

MBWD's engineer consultant stated that Item F: Cross Connection Control and Item G: Manganese blending strategy will be discussed with the Chief Operator and District Administration and will update at the August board meeting. MBWD's engineer consultant asked the Chief Operator for updates regarding Baranti Developments. The Chief Operator stated that there were no updates regarding pipework, and ground clearing was still underway.

The Chief Operator exited the meeting at 2:48 pm.

3.3 Office Report & Action Item Listing

The District Administrator summarized items not addressed in the agenda. The insurance renewal with the inclusion of earthquake insurance was discussed previously outside of a meeting.

MOTION: 2021-07-13
Morrow/Adams

To approve the expense for General Liability Insurance Renewal, including earthquake coverage, of \$23,119.00.

CARRIED

The District Administrator reviewed updates regarding in-person Board Meetings and stated that the MBWD engineer consultant would continue to attend

meetings via conference call. Chairperson Young stated that, given the available space, his preference would be for the in-person attendance of the MBWD engineer consultant. The District Administrator noted that in-person attendance from the engineer consultant imposes significant expense to Mill Bay Waterworks. Chairperson Young asked the Trustees for input regarding this decision. Trustees Morrow, Adams and Crowe stated that they felt a conference call would be sufficient. The District Administrator reviewed set-up processes for in-person meetings. She further noted that Mill Bay Waterworks District Offices would be tentatively opening to the public after the September long weekend.

The Trustee Orientation was discussed.

ACTION ITEM: The Financial Office Assistant to contact trustees to schedule orientation presentation.

4. Special Projects

4.1 Manganese Monitoring Program – Plan investigations ongoing

The District Administrator reviewed the status of the plan investigations. She noted that testing equipment and frequency would be discussed further with MBWD's engineer consultant, Chief Operator and herself. Chairperson Young updated Trustee Crowe on the rationale behind the investigation into the program. Trustee Crowe asked whether the increase in manganese was due to the levels of the system. The District Administrator clarified that it is the change in the aquifers themselves, and new wells drilled into the bedrock are displaying higher levels of manganese. She noted another issue regarding manganese was the Canadian Drinking Water Guidelines implementation of an aesthetic and maximum level. She reviewed the blending program implemented by MBWD Operations and its success. The District Administrator reiterated Chairperson Young's comment regarding developer wells proposed to the District having manganese levels exceptionally close to the aesthetic object levels. Trustee Crowe noted other systems that had managed to remove manganese. The District Administrator stated that the Chief Operator had investigated the introduction of polymer into the system; However, Operations will wait to evaluate long-term effects to ensure no adverse reactions to this application. MBWD Engineer consultant noted that polymer dosing reduces the aesthetic objective but does not remove manganese. Therefore, he continued to report; this does not deal with the health effects rather the aesthetic effects. The project is in an investigative state. No further discussion.

4.2 Noowick Well

Item previously addressed. No further discussion.

5. Developments

5.1 Malahat Properties –General Designation Application still in progress

The District Administrator reviewed Item 10 in the office report and correspondence with Malahat Properties and FLNRO presented for information. No further discussion.

5.2 Ocean Terrace – Meeting to be scheduled

The District Administrator reviewed meeting deferral. Trustee Adams questioned whether the developer had one existing well. The District Administrator clarified

that Ocean Terrace currently has two wells drilled, but the meeting is about one well discussing pump testing to confirm the current yield for the development. Trustee Adams asked if this was a well from Ocean Terrace's previous owners. The District Administrator stated that it was and that MOTI approval stays with the development and transfer from one owner to the next.

5.3 Limona – Revised Report Well 107097 & MOU Collaboration

The District Administrator provided updates regarding Well 107097. In addition, she reviewed Limona Developments testing and licensing applications. She stated that MBWD's Hydrogeologist has reviewed and is satisfied with the current revisions on the licensing application produced by Limona.

The District Administrator presented Limona MOU.

ACTION ITEM: Board of Trustees to provide comments and concerns regarding Limona MOU.

5.4 Mill Springs – Construction, Water License, Water Allocation Meetings

The District Administrator reviewed the construction meeting with Mill Springs Development Engineer Consultant. Further discussion with MBWD's Engineer Consultant, Operations and Administration regarding the specifications and preliminary drawings is required. Trustee Adams questioned whether MBWD was considered one of the approving authorities. The District Administrator confirmed that MBWD is an approval authority. Trustee Adams and the District Administrator discussed Well 611020 chlorination processes. Trustee Adams questioned whether the Blairgowrie Well would be pumped directly to the mainline and go to the reservoir. The District Administrator clarified the drawings presented and that Well 61120 raw water will not be pumped directly into the distribution line.

The Trustee's and the District Administrator discussed Mill Springs Letter of Understanding. Chairperson Young stated that he does not believe there has been a similar case for MBWD regarding the Letter of Understanding. He further noted that he did not find the request unreasonable. Trustee Morrow stated that she was not comfortable committing MBWD to a request five years in the future. The District Administrator referred to comments she had previously made during the Mill Springs Pre-Meeting. She stated that MBWD has never honoured requests to allocate excess water to one developer. She noted that historically developers had been requested to bring benefits to the community to offset the increase of wear on the system and allocate the excess. A commitment such as this poses too much risk to the current users. Trustee Crowe noted that the Letter of Understand restricts MBWD in the future.

ACTION ITEM: District Administrator to respond to Mill Springs Development that the Board of Trustees is not prepared to sign a Letter of Understanding of this nature.

5.5 Hidden Creek/Baranti – no updates

Item previously addressed. No further discussion.

5.6 Mill Bay Marine Group – Feasibility Study Update

MBWD's Engineer Consultant reviewed the revised development plan. He noted that the revisions would have an overall increase in demand. He continued that based on these revisions, an update on water requirements would be requested. He stated that

it is dependent on the developer's final plans whether they require an updated study or not. Trustee Crowe questioned the responsibility of the costs related to the revised study. The District Administrator confirmed that Mill Bay Marine Group would be responsible for any related costs.

ACTION ITEM: MBWD Engineer Consultant to draft response to Mill Bay Marine Group and the District Administrator to send to the developer.

5.7 Brentwood College Privatization of Lashburn Road – Ops Meter Vault Meeting

The District Administrator noted the upcoming meeting with MBWD Operations and Administration on-site meeting; She reviewed the current status on Brentwood College School's Road privatization. No further discussion.

Jonathan Musser exited the meeting at 3:33 pm.

6. Other Business

6.1 HR Policy Manual & Trustee Handbook – Final document for approval

Chairperson Young questioned whether the revisions discussed had been implemented. The District Administrator confirmed all revisions were completed as per the discussions held. The District Administrator informed the Board that two motions are required from the Trustees to be approved; one motion for the Code of Conduct and one motion to the Trustee and Employee Handbook. Chairperson Young questioned the purpose behind separate motions. The District Administrator clarified that MBWD HR Consultant recommended adopting the code of conduct separately due to its importance in the handbook.

Trustee Crowe stated that he would abstain from voting as he had not adequate time to review the document. Chairperson Young noted that Trustee Crowe abstaining would be deemed to be in support.

MOTION: 2021-07-13
Morrow/Adams

To acknowledge and approve the MBWD Trustee and Employee Handbook Code of Conduct.

CARRIED

MOTION: 2021-07-13
Adams/Morrow

To approve the MBWD Trustee and Employee Handbook in its entirety.

CARRIED

6.2 Strategic Planning – TBD

The District Administrator and the Chairperson discussed meeting and scheduling requirements.

ACTION ITEM: The District Administrator to contact Mill Bay Community League and Trustees regarding possible Strategic Planning Meeting dates.

6.3 Meeting Minute Procedure Policy / Governance Bylaw

The meeting minute procedure policy was discussed. Chairperson Young noted contradictions within the document. The District Administrator requested further comments in lieu of approval barring these edits.

ACTION ITEM:

Board of Trustees to submit additional comments to District Administrator and Financial Office Assistant on the Meeting Minute Procedure Policy.

The District Administrator reviewed documents provided regarding board governance. Chairperson Young discussed deferring implementation of the project by two months to ensure other project requests have been completed first. Trustee Crowe stated that he could understand waiting to the next meeting to clear up projects, however not by months. The District Administrator noted that board governance relates to MBWD strategic planning. Trustee Morrow concurred that it should be deferred.

6.4 Trustee Election – July 10, 2021

For information only. The winner of the July 10, 2021, Trustee Election was David Crowe.

6.5 2021 AGM – TBD

The District Administrator reviewed Annual General Meeting preparations. She stated that August 25, 2021, at 6:30, has been tentatively booked, conditional to the Trustee and Accountant availability.

ACTION ITEM:

The District Administrator to contact MNP and Trustees regarding availability for AGM.

6.6 Leak Allowance Applications – Compassionate Request

The District Administrator reviewed a customer's compassion request letter and Administration's supporting documents for an adjustment. The Trustees discussed circumstances surrounding the leak. Trustee Morrow would support the District Administrator's suggestion.

MOTION: 2021-07-13
Crowe/Adams

To approve the compassion request for adjustment allowance for \$4,445.36.

CARRIED

6.7 Safety Advisory Group – Incident Report

The District Administrator reviewed the Chief Operator's visit to the Shawnigan Weir regarding the incident report previously discussed. Trustee Crowe asked whether the incident was reported to animal control. The District Administrator stated that it had not. However, trustee Crowe suggested that this could be reported for the sake of others within the community. Trustee Adams noted that the dog was known within the community. Chairperson Young deferred to the District Administrator and the Chief Operators judgement unless Trustee Crowe was opposed. Trustee Morrow noted she agreed it should be the Chief Operator's decision, as it was himself who was injured. Chairperson Young stated that if there were a reoccurrence, MBWD would follow up.

7. Financials

7.1 Financial Bank Reconciliation Statements

Chairperson Young questioned where the \$9,718.81 was received. The Financial Office Assistant clarified that these funds are developer deposits received. Chairperson Young asked about the purpose of the Plan 24 account and whether MBWD was incurring bank charges on these funds. The District Administrator clarified that this account is used for temporary holding for developer CEC's and these funds are likely the interest accrued before transferring to investment holdings.

Trustee Crowe exited the meeting at 4:23 pm.

She continued that the investment and bank account funds are allocated to their appropriate locations during year-end procedures. Chairperson Young questioned whether there was a possibility of these procedures happening quarterly. The District Administrator clarified that the only transfer currently pending would be the Plan 24 account and reviewed the process the accompanied those remaining funds.

Chairperson Young questioned the General Investment Asset tracking and the proposed expenses that have already been realized this year. The Financial Office Assistant clarified that the expenses had been recognized within the operational funds. However, she continued to note that the expenditures have not been removed from the investment accounts; therefore, the proposed expenses are required to remain until year-end to ensure an accurate depiction of the remaining useable general fund term deposit.

7.2 Accounts Payable

Chairperson Young asked whether the Accounts Payable Listing should include the \$4,200.03 in the cheque total. The Financial Office Assistant noted that this cheque was a reimbursement to a customer who had mistakenly submitted their Property Tax payment to MBWD. Therefore this cheque does not require approval from the board of trustees and the cheque total displayed is correct.

MOTION: 2021-07-13

Adams/Crowe

To approve the accounts payable in the amount of \$82,164.77

CARRIED

7.3 YTD Monthly Comparative Income Statement

Chairperson Young asked if all tax revenue had been collected. The District Administrator noted that the Administrative Assistant has reported that roughly 150 late notices informing customers of their arrears and subsequent penalty have been generated.

8. Correspondence / Information

8.1 MBCL – Covid19 Safety Plan

Chairperson Young asked whether the MBCL Safety Plan presented needed updating. The District Administrator noted that this plan reflects current restrictions and will be updated prior to the September 2021 board meeting. No further discussions.

8.2 Malahat Properties Water Application Correspondence

Item previously addressed. No further discussion.

Chairperson Young asked whether there was other business to address. The District Administrator stated that the Administrative Assistant has contacted the customer regarding the water utility invoice adjustment and has passed on their appreciation and thanks to the Board of Trustees.

9. Adjournment

MOTION: 2021-07-13
Morrow To adjourn.

CARRIED

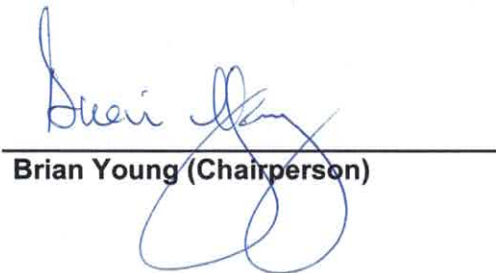
Adjourned 4:24 pm.

Next Regular Board Meeting August 10, 2021, via virtual meeting.

Recorded by Janelle Kresse



A handwritten signature in blue ink, appearing to be 'JK', is written above a horizontal line.



A handwritten signature in blue ink, appearing to be 'Brian Young', is written above a horizontal line.

Brian Young (Chairperson)