

# Mill Bay Waterworks District

MBWD Regular Board Meeting Minutes

June 8, 2021

2:00 pm (via virtual meeting)

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

Call to Order at 2:02 pm.

## 1. Adoption of Agenda

**MOTION: 2021-06-08**  
**Morrow/Tokarek To accept the Agenda.**

**CARRIED**

## 2. Minutes

### 2.1 Regular Board Meeting Minutes May 11, 2021

Chairperson Young discussed errors/omissions. In addition, Chairperson Young, Trustee Tokarek and the District Administrator discussed changes for the title of heading 8.2.

No other errors or omissions were discussed.

**MOTION: 2021-06-08**  
**Tokarek/Adams To accept the Regular Board Meeting Minutes of May 11, 2021, as amended.**

**CARRIED**

### 2.2 Matters arising from minutes

Chairperson Young questioned whether the status of Well 21614 would be addressed in the operator's report. The Chief Operator confirmed it would.

### 2.3 Meeting Minute Policy Review

A discussion was had on comments regarding the meeting minute policy draft.

**ACTION ITEM:** The Board of Trustees are to submit feedback regarding the policy to the District Administrator.

### 2.4 Safety Advisory Group Annual Meeting Minutes May 19, 2021

The District Administrator reviewed the Safety Advisory Group Annual Meeting Minutes.

**MOTION: 2021-06-08**  
**Tokarek/Adams To accept the Safety Advisory Group Annual Meeting Minutes of May 19, 2021, as information.**

**CARRIED**

### 3. Reports

#### 3.1 Operator's Report & Source Production Report

The Chief Operator was on holiday. Therefore, no formal operator's report is attached.

The Chief Operator updated the status of Well 21614 previously addressed in the May Operators Report. He stated that a new communication logger had been installed; however, an issue remained with communication from the wellhead. Operations was able to determine that the issue was the result of the vandalism of wires within a splice box. Trustee Adams and the Chief Operator discussed possible causes for the vandalism. Chairperson Young questioned whether to contact Shaw or if other further action was required. The Chief Operator stated that no other action was required as the issue is unlikely to occur again, and it is doubtful Shaw Cable systems would accept blame. The Chief Operator noted that there is a better understanding of the issue moving forward. He continued that this would therefore not require SCADA Technicians for assistance and that operations are often present in this area for monitoring.

The Chief Operator commented that during his holidays, the relief operator Scott McCartney performed well.

Trustee Adams questioned the phone call he received the week before regarding an alarm on the chlorine room door. The District Administrator clarified that the call was received due to improper protocol followed by Telus (Formerly Price's) Alarm Systems. Trustee Adams questioned whether the company acquisition required any further action. The District Administrator stated that everything remained the same. Trustee Morrow noted the company change over may include changes in fee structure.

The Chief Operator stated that there were no updates regarding Hidden Creek/Baranti Phase Two.

#### 3.2 Associated Engineering

Item A: Water Balance Memorandum was reviewed. MBWD's engineer consultant noted that Engineering and Operations discussed spare inventory, which resulted in a different approach to mitigation options for repair turnaround. The alternative method is to ensure planning for expedited delivery of parts in urgent scenarios. The Water Balance Memorandum is waiting on peer review signatures to deliver the final memorandum. No further questions.

MBWD's engineer consultant reviewed Item B: Ground Water License Applications. He stated that the quantities proposed by FLNRO are acceptable, and we are currently waiting for their comments.

MBWD's engineer consultant stated that some of the water balance deficit could be attributed to the lack of information regarding sustainable yield on wells as they had not been tested "in living memory". It was suggested that pump tests could be completed periodically to retrieve this data. MBWD's engineer consultant also noted that there is no efficiency to be gained by completing these tests simultaneously. However, he stated that some wells could be rated at a higher yield than is recorded in the Water Balance Memorandum and other documents, and this information may assist in reducing the deficit.

The District Administrator summarized item 11 of the Office Report and the discussion she had with MBWD's hydrogeology consultant regarding the pump tests. They identified four wells that would be beneficial to begin the tests. The discussion also included other factors, such as weather conditions, time of year and health of the other

wells, that may impact how many wells to test each year. The District Administrator noted that the Board of Trustees has not included this additional pump testing in the current operating budget and may present a financial risk if approved to begin the program in 2021. However, it may be possible to create some flexibility to budget for one test in 2021 and include the remaining wells in future years. The District Administrator requested the Trustee's opinion regarding the financial risk and the importance of retrieving more accurate data by performing the pump tests.

Trustee Tokarek clarified that the cost estimate was \$15,000 - \$20,000 per well for each pump test. He questioned what was included in a 'full program' and if tests should be performed every 5-10 years or if there was an industry best practice to complete the well tests.

The Chief Operator noted that an initial 96-hour pump test is performed when a well drilled. Any additional pump tests after original construction would only be due to depreciation in the volume of the well or pump wear. He continued that it is not typical for full pump tests every ten years unless financial resources are abundant. It was clarified that MBWD's hydrogeology consultant only has baseline operational data to determine whether there are declines or room for increase.

MBWD's engineer consultant stated that based on the number of wells MBWD operates that 2-3 tests every ten years ongoing would be reasonable. The Chief Operator noted that most of our wells have had sustainable testing. He continued that MBWD's hydrogeology consultant's recommendations were to perform 1-hour tests if a decline were detected. Those tests would produce a modicum of data to review to discover potential issues.

Chairperson Young questioned if the recommendation were to perform a full pump test on the four wells that MBWD has limited data on, as indicated by MBWD's hydrogeology consultant, over the next two years. MBWD's engineer consultant confirmed this recommendation and noted it would be a proactive approach.

Chairperson Young questioned the financial impact being roughly \$40,000 a year for two years to complete the project and where these funds would be drawn from and noted the possibility of utilizing excess funds.

The District Administrator confirmed the price estimate covered testing two wells per year and stated that the reserves were not excess funds. She continued to note that she would recommend completing one pump test for 2021 only from a financial standpoint. The Chairperson questioned whether the Trustees were satisfied with this approach. Trustee Tokarek stated that he felt it was reasonable and asked whether it would make sense to perform all data collection in one year. The Chief Operator stated that, given MBWD employee constraints, it would be difficult to complete these tests within a year. MBWD's engineer consultant reviewed the steps regarding the pump tests and clarified that it was not 'simple'. He noted that MBWD has been operating without this information and its collection is not critical to continue operations. Instead, it assists in planning.

The District Administrator and MBWD's engineer consultant discussed the potential scheduling of the pump tests. Trustee Tokarek questioned whether the data quality would be less valuable if all the tests were not completed within the same time frame. MBWD's engineer consultant clarified that data collection over a few years would not be considered a significant amount of time and operationally if there are no issues present that we rely on old data.

The Chief Operator and Chairperson Young discussed Well 778. The Chief Operator noted that there has never been a full industry standard pump test on that well; however,

it was not urgent. Trustee Tokarek questioned whether the Chief Operator would have sufficient time in his work plan to complete these tests. The Chief Operator discussed the delay of other projects but confirmed he would be able to complete the tests.

The Trustees agreed to the recommendation of one pump test in 2021, and the remainder to be scheduled in 2022-2023 budgets.

**MOTION: 2021-06-08**  
**Adams/Morrow**

**To approve the additional pump testing program to commence in 2021, testing one well.**

**CARRIED**

MBWD's engineer consultant reviewed that Item C: Noowick Road Watermain Replacement requires further follow-up with MOTI. Further discussion would be deferred and addressed by the District Administrator.

MBWD's engineer consultant provided updates on Item E: Precipitation Monitoring. He noted the finalized document would be available soon. Chairperson Young requested that the document not be circulated to external parties until the Trustees have reviewed the final report and distribution strategy has been determined.

MBWD's engineer consultant reviewed Items F: OHS Procedures and G: Cross Connection Control.

The District Administrator and MBWD's engineer consultant discussed Item H: Manganese blending strategy and Item 12: Manganese monitoring program. The District Administrator noted that MBWD's hydrogeology consultant had received comments from the Chief Operator regarding the previous testing and that MBWD's hydrogeology consultant would be included in finalizing procedures from now on. MBWD's engineer consultant stated that the costs involved in a detailed monitoring program would be presented in two months. Chairperson Young questioned whether the consensus was that MBWD needed to engage in manganese monitoring. MBWD's engineer consultant confirmed that to understand the effectiveness of the blending program, the level of manganese from developer wells would need to be monitored. The District Administrator noted Limona and Mill Springs wells are close to the aesthetic objective levels for manganese, and the Chief Operator has already adjusted blending in Well 21614. She further commented that bringing on additional high manganese level wells will impact our ability to blend successfully, and this may not be able to be balanced with operations only. The District Administrator strongly suggested looking into requiring a treatment plant from these developers or updating engineering specifications to include treatment as a requirement for new developers.

MBWD's engineer consultant noted that developers would dispute the aesthetic objectives of 20 ug per litre as the maximum requirement is less than 120 ug per litre. He suggested that operations produce a limit for manganese levels somewhere between these two numbers. Trustee Tokarek questioned whether these levels were a federal standard that was recently introduced. MBWD's engineer consultant confirmed they were introduced recently as part of the Canadian Drinking Water Guidelines. He further commented that this regulation was due to studies showing adverse effects of higher manganese levels, particularly in infants. Trustee Tokarek questioned whether these standards could increase in the future. MBWD's engineer consultant confirmed they could and suggested not positioning MBWD close to the maximum levels for manganese. The Chief Operator stated that reaching maximum levels will include involvement from Island Health and requirements for treatment, at which point expenses related to treatment would be the sole responsibility of MBWD and not developers. He further noted that an increase in manganese would correlate with an increase in customer complaints. MBWD's engineer consultant noted that customers often tolerate

issues during flushing. The Chief Operator stated that taste, colour, or odour could be affected by manganese or iron.

MBWD's engineer consultant had no further updates regarding Baranti Developments.

*Jonathan Musser and David Martin exited the meeting at 3:12 pm.*

### 3.3 Office Report & Action Item Listing – items to be addressed throughout the meeting.

The District Administrator summarized items not addressed in the agenda. The completion of the Asset Management Course and additional training was discussed. Chairperson Young congratulated the Financial Office Assistant and District Administrator on the completion of the Asset Management Course. The Financial Office Assistant updated the Trustees regarding the Trustee Orientation PowerPoint. Trustee Tokarek and Trustee Adams will receive the outline before the presentation.

## 4. Special Projects

### 4.1 Manganese Monitoring Program

Item previously addressed. No further discussion.

### 4.2 Noowick Well

Chairperson Young noted the District Administrator's briefing presented to the Board. He posed to the Board whether the Noowick Well should be taken further and how to allocate the water produced by this well. The District Administrator discussed her concerns on cost estimates and the assessed yield of the well. Chairperson Young, Trustee Adams and the District Administrator discussed costs and construction relating to Well 13286 to compare the potential well construction. Chairperson Young suggested placing the project on hold for infill development or until further information is gathered regarding the water balance. Trustee Tokarek questioned the reduction in cost estimates. The District Administrator explained that Associated Engineering had based this estimate on previous projects, and they were unaware of contributions from the Chief Operator that would reduce costs.

## 5. Developments

### 5.1 Malahat Properties

The District Administrator presented correspondence from MBWD's legal counsel (Ridgway and Company). She confirmed that as an Improvement District, MBWD is unable to hold covenants. However, MBWD's legal counsel stated that MBWD could apply to the Surveyor General with Land Titles to allow covenants. The District Administrator noted that Malahat Properties lawyers had contacted her with regards to developing a covenant. She continued that, as per her correspondence with MBWD's legal counsel, MBWD cannot take over previously held covenants or enter into new ones at this time. She reviewed the proposal to apply for a general designation and the one-time fee of \$500.00 plus applicable legal consultation expense. Trustee Adams questioned if the general designation would be for future covenants but not Malahat Properties. The District Administrator stated that it would be for Malahat Properties and allow for future covenants in general. She noted that the application is not specific to Malahat Properties. Chairperson Young questioned whether this would be to create a new covenant. The District Administrator confirmed MBWD would enter into two covenants with Malahat Properties. One covenant would cover the properties within the District's boundaries, and the second covenant would replace the current covenant between Malahat Properties and the CVRD. The CVRD will deregister their covenant

once MBWD registers the two new covenants. Trustee Adams questioned what the recommendation was and if there would be any resistance. The District Administrator stated the recommendation is to move forward with a general designation from the Surveyor General, which has been approved for other Improvement Districts.

**MOTION: 2021-06-08  
Morrow/Adams**

**To approve the application for general designation to hold covenants as per the recommendation from MBWD's legal counsel.**

**CARRIED**

5.2 Ocean Terrace

The District Administrator reviewed Ocean Terrace's meeting request. The District Administrator and Trustees discussed Ocean Terrace's further testing requirements and the required tie-ins to the Malahat Properties development. The District Administrator suggested the Trustees don't need to attend the meeting as this was for information gathering purposes. Chairperson Young authorized the District Administrator's attendance without a Trustee present.

5.3 Limona

No further updates.

5.4 Mill Springs

The District Administrator reviewed the schedule for upcoming Mill Springs meetings and questioned the Board whether they would like to meet prior to the meeting for preparation. Chairperson Young suggested meeting beforehand. The pre-meeting was discussed.

**ACTION ITEM:**

The District Administrator to schedule a pre-meeting for June 22<sup>nd</sup> at 9:00 am for the Board of Trustees to prepare for meeting with Mill Springs.

The District Administrator reviewed discussions with the Mill Springs development consultant regarding a meeting between FLNRO, MBWD's hydrogeology consultant and Mill Springs development. The District Administrator questioned whether the Trustees would like her to be included in this meeting or if representation from MBWD's hydrogeology consultant was sufficient. Chairperson Young and Trustee Adams discussed and agreed that the District Administrator should be present. Chairperson Young questioned whether the Trustees should be involved as well. The District Administrator stated that she and MBWD's hydrogeology consultant would be sufficient representation for MBWD as this was an information gathering session.

5.5 Hidden Creek/Baranti

No further updates

5.6 Brentwood College & Marine Group

No further updates.

5.7 Brentwood College Privatization of Lashburn Road

The District Administrator updated the Trustees regarding the access agreement presented by Brentwood College School. She noted that MBWD's legal counsel did not

consider the agreement presented to be adequate. She continued that MBWD's legal counsel would prefer two agreements, a statutory right of way and a transfer of works agreement. The District Administrator reviewed her conversation with Brentwood College School. Brentwood College School was informed that all legal expenses incurred by MBWD would be charged back. It was discussed and finalized that Brentwood College School's legal counsel will take on the task. Legal counsel from both parties will communicate to ensure all requirements are included in the agreements

5.8 HR Policy Manual & Trustee Handbook

Meeting has been scheduled for June 9, 2021, at 10:00 am. No further discussion.

5.9 Strategic Planning

Meeting has been scheduled for June 14, 2021, at 9:30 am. Chairperson Young noted that all staff, including Administration and Operations, should be in attendance. The District Administrator pointed out that Operations would not have back-up during the scheduled meeting and would have to manage these restrictions on the Chief Operator's availability.

5.10 First Aid Certification

Item previously addressed. No further discussion.

5.11 HR Committee

The terms of reference for the HR Committee were presented. Chairperson Young invited questions or concerns from the Trustees. Trustee Morrow suggested leaving the terms of reference as a draft document to be finalized by the HR Committee. Chairperson Young suggested holding off filling positions until the Trustee Election as well. The District Administrator agreed.

5.12 Trustee Election

Chairperson Young presented the idea of including specific experience required for new trustees. Trustee Morrow suggested using her previously developed trustee requirements for other boards she has served. The District Administrator summarized the responsibilities of a trustee located on MBWD's website and noted that Trustee Election Packages have already been prepared. Chairperson Young pointed out that there should be specifics regarding the experience required of a trustee for the next election. The Annual General Meeting was discussed. The District Administrator suggested that at the July Regular Board Meeting, there would be more clarity regarding meetings and COVID-19 restrictions.

**MOTION: 2021-06-08**

**Tokarek/Morrow**

**To defer scheduling the 2021 Annual General Meeting until the July 13, 2021, Regular Board Meeting.**

**CARRIED**

**ACTION ITEM:**

District Administrator to contact MNP regarding Annual General Meeting availability.

**6. Financials**

6.1 Financial Bank Reconciliation Statements

Information Only. No further discussion

6.2 Accounts Payable

**MOTION: 2021-06-08**  
**Morrow/Adams**

**To approve the accounts payable in the amount of \$77,854.19**

**CARRIED**

6.3 YTD Monthly Comparative Income Statement

Trustee Morrow questioned whether there were any line items of note. The Financial Office Assistant noted no specific budget items of note, but there is uncertainty in Operations budgeting due to the transition period. The District Administrator added that extraordinary expenses were of note and clarified that it is difficult to budget for unforeseen circumstances.

**7. Correspondence**

7.1 Ridgway Correspondence Lashburn Rd Agreements 12May21

Item previously addressed. No further discussion.

7.2 Ridgway Correspondence Malahat Properties Covenants 27May21

Item previously addressed. No further discussion.

7.3 BC's Restart Plan

Submitted for information only. No further discussion.

**8. Adjournment**

**MOTION: 2021-06-08**  
**Adams**

**To adjourn.**

**CARRIED**

**Adjourned 4:34 pm.**

**Next Regular Board Meeting July 13, 2021, via virtual meeting.**

**Recorded by Janelle Kresse**

  
**Brian Young (Chairperson)**  
**Kim Vanderkooy (District Administrator)**