

Northwest Nanoose Residents Association

Annual General Meeting Wednesday, September 2, 2009 Nanoose Place

6:30 p.m. Registration; 7:00 p.m. Meeting

41 paid members in attendance

Head Table:

Lewis Vermeulen, President
John Hardman, Vice President
Neil Watson, Treasurer
Don Stewart, Member at Large

Kathy Stoneedge, Recording Secretary
Guest: George Holme, Area E Representative

1. **Call to Order and Establish Chair**
Chair, Lewis Vermeulen called the Wednesday, September 2, 2009 Annual General Meeting to order at 7:15 p.m. and thanked everyone for attending.
2. **Approval of the Agenda**
MOVED by Diane Hill seconded by Rudi Widdershoven that the Wednesday, September 2, 2009 Annual General Meeting agenda is accepted as presented.
CARRIED
3. **Approval of June, 2008 Annual General Meeting Minutes**
MOVED by Rudi Widdershoven seconded by David Jamison that the minutes of the June 2008 Annual General Meeting are approved as presented.
6. **Committee Reports**
 - 6.1 **Financial Committee** (*Neil Watson*)
Neil Watson reported that the Northwest Residents Association had the following financial report:
As at December 31, 2008: Chequing Account: \$2,152.00; Savings Account: \$2.49; Term Deposit: \$4,565.94.
As at July 31, 2009: Chequing Account: \$2,024.18; Savings Account: \$2.49; Term Deposit: \$4,565.94
 - 6.2 **Water Committee** (*John Hardman*)
John Hardman gave the following report for owners information:
Water Quality:
VIHA and the RDN work together to provide safe drinking water. VIHA monitors compliance with the Drinking Water Protection Act and Regulations. There are 3 sampling points in the NNRA's area. Samples are taken weekly from one point each week to monitor e-coli and coliform bacteria (*4 per month*). Beyond the VIHA testing the RDN performs tests of its own. It looks at bacteria, total dissolved solids, conductivity, salinity,

temperature, pH, iron and manganese. Annually a test for a broader range of substances is done. The RDN website recommends Oxiclean to clean stains on fixtures. The RDN website contains water analyses they have performed. Water quality is good and is not deteriorating. There is some iron and manganese in the water which causes discoloration at times.

Water Supply:

Water supply has been from the Madrona #4, 7 and 8 wells for the most part. These wells are all located on the west side of Northwest Bay Road with #4 well being up by the railroad tracks(untreated) and #8 (treated) on Stone Lake Drive. Well # 7 is now with the RDN and is near Terrien Road. This well is on the Fairwinds Corp property (formerly Heringa property). A number of other wells have been drilled on this property and these are not producing (testing) and belong to the Fairwinds Corp and are linked to residential development at Fairwinds. There is also a 100,000 gallon reservoir in the area. In the May to Oct period the Englishman River supply is brought on at a capacity of 220 IGPM max. as a result of an upgrade to the Craig Bay pump station. This water goes to both Fairwinds and Madrona areas. Also Madrona #7 well is being operated at 80 IGPM. Demand is not growing in the area as a whole. The projected growth is in Fairwinds over time. Demand peaks severely in the summer and hence the need for watering restrictions. Overall supply is adequate and diversified.

Water Issues:

There have been major complaints from the Fairwinds Community about the water quality there. There are relatively large amounts of iron and manganese in their water. The RDN have tried to deal with this issue by shutting down Fairwinds #1 and #2 wells. They have had to restart them this summer due to heavy water usage in Fairwinds. The RDN would like to minimize usage of these wells and use more Englishman River water in the summer (*which they are doing*) and water from the Fairwinds Corp wells in the future and the new well at Claudet Road which is in testing.

Nevertheless the RDN are also looking at a small and modular water treatment plant in the Red Gap area on their land near the Fire hall. This approx. \$1.5 million unit would be charged on some sort of pro rata usage basis. The idea the RDN are floating is that Fairwinds residents would pay maybe \$100/yr while Madrona residents would pay considerably less. A referendum would be needed and it would be in 2010 if the RDN pursue this option. I note here that at times in the winter the pipeline brings water to Madrona from the Red Gap wells (called Fairwinds #1-3 wells). This water is heavy in iron and manganese. I also note that the Bulk Water Solution in 2015 will see winter flows to us and Fairwinds from the Englishman River and no more water coming to us from the direction of Fairwinds. So the benefit to Madrona of a water treatment plant is not large.

The RDN also plan to build a new pump house on the Fairwinds Corp property to handle the increased water distribution needs as a result of the water shuffling to improve water quality in the Fairwinds Community. Details are not yet finalized and they have a backup location on Ballenas if needs be. Likely this would happen in 2010.

This pump house would be modular and sized for the 2015 bulk water delivery.

Water Protection Program:

Currently there is a WATERSMART program underway to educate the public on the use and conservation of water. Nanaimo, Qualicum and Fairwinds are participating. Parksville is doing its own program. The RDN is hiring someone to run the Water Protection Program and they will be on board by October 1, 2009. At that time the program will commence.

There is a \$220,000 grant from the Provincial Government. The RDN is spending some of this money with the mid Vancouver Island Habitat Society on surface and groundwater studies in the ER watershed. The RDN money is for monitoring equipment.

The RDN will also work with the MOE on sampling in the ER as the MOE are doing a new model of the ER watershed.



Question from the Floor: What part is the NNRA playing in the Water Study and what impact does that have on us?

Response: The RDN is launching a \$5.2M study to ensure we will have adequate water resources for the future so that we are not over developing and there is sustainable water supply. 70% of the consumers have not been asked to pay for the study and therefore, we are paying the brunt of the cost. NNRA Board has written to the RDN regarding the taxing discrepancy. NNRA is committed to the Water Smart Program. Ross Pederson stated that we do not have limitless amount of water and that residents need to support the Water Study to ensure we have water in the future.

Question from the Floor: How is the RDN going to handle future development if there isn't enough water?

George Holmes responded: The Development Permits will not be approved if there isn't sufficient water to support the development.

Question from the Floor: Fairwinds has an issue with water. Are they drawing from the same source as our area and are there more of them?

John Hardman responded: There could be a Referendum for a water treatment plant next year to treat RDN wells in the Red Gap area where the iron and manganese problem exists. There are 700 homes drawing on the overall RDN water source in Fairwinds and 300 in our area and more in other areas. Madrona Wells #4, #7, #8 are being used locally to supply the area with water in winter. Fairwinds Corp has additional wells on Northwest Bay Road (the old Heringa property) that they are holding for future development at Fairwinds.

Question from the Floor: There are 20 residents on Bay Drive and Terrien who have individual wells and septic systems. Fairwinds is counting on the water from the Heringa property which is also the underground water source that feeds the 20 individual wells. There is a concern that a large draw from Fairwinds will affect the residents of Bay Drive and Terrien.

Mike Gray asked if the \$2.5M study could be used to include the owners

of Bay Drive and Terrien Road; John Hardman agreed to send further information to Bill Rempel, 1479 Bay Drive and invited residents to meet with him after the meeting to discuss water issues.

6.3 **Sewer Committee** (Neil Watson)

Neil Watson stated that the sewer project has been a 6 year process. The NNRA Board agreed that it is not going to take a position on the sewer initiative but only act as a medium to help 320 owners understand what the RDN is asking them to pay for. As background information he explained that the mandate given to the Board was to explore sewer servicing only with grant support to offset the cost. i.e. pursue sewer by the most economical route. The NNRA got a grant application in play and the RDN applied on our behalf. Rural areas were excluded from the Provincial Governments distribution of grant monies. The Provincial Government wanted the District of Nanaimo to redraft their bylaws to have 1 hectare lot designation and all rural areas had to agree to the new bylaw. The change in bylaw was driven by a fear of subdividing the property and overuse of a sewer system. As the RDN was not able to accomplish the redraft, we were not able to access grant monies.

Neil explained that George Homes opened the door for NNRA Board members to talk directly to RDN staff to try to assist with our issues. On April 16, 2009, 110 owners (representing 320 properties) attended a public information meeting RDN staff asked for a show of hands to go forward with a petition to borrow funds to pay for the construction and operation of a sewer collection system in the Madrona neighbourhood to be treated at the RDN treatment facility in French Creek.

On July 31, 2009 the Regional District of Nanaimo sent a Petition to Establish a Service for the Collection and Treatment of Sewage and to Authorize Borrowing for the Construction of a Collection System to all owners.

The NNRA board then sent out a bulletin advising owners of what the RDN is asking of us and the payment options available for the RDN to borrow \$5.8M for the sewer project. Neil outlined the options:

- Pay Upfront: one time payment \$18,295 (2009 \$); annual operation cost of \$500 (+inflation); plus one time lot hook-up (\$2,600 to \$6,600) OR
- Financed Payment: 20 yr. fixed rate @ 5.85% (today) \$1,685; annual operating cost: \$500 (+inflation) = **\$2,185 property tax levy for 20 years**; plus one time lot hook-up (\$2,600 to \$6,600)

He further explained that in order for this to pass 50% +1 (or 161) of the 320 properties must respond "yes" and those properties must represent greater than 50% of the total assessed value of all 320 properties petitioned. The RDN Board would vote whether there is enough support to go forward with the borrowing bylaw.

RDN staff will act as Scrutineers; George Holmes invited 3 people interested in attending the counting of petitions on September 30, 2009 to contact him

An owner thanked the NNRA Board for the bulletin as it was well explained

and understandable.



Question: If the project is passed, when can we expect the sewer system to be in place?

Response: year 2012

Question: Can the cost of the sewer system be deferred?

Response: The cost of the sewer system is attached to the property tax; people 55 and over qualify for the property tax deferral program; owners would have to pay the hook-up costs.

Question: If the RDN borrows \$5.8 million for 20 years and it isn't enough, what happens then?

Response: Lewis Vermeulen stated that John Finney, RDN informed him that we will be asked to pay for any over runs. It has to be understood that we are being asked to approve the borrowing bylaw.

Question: How does the project get done if it passes?

Response: The project would go out to tender; there would be a guaranteed fixed price from the contractor; if the project comes in over 10% more than was asked for, the RDN would have to come back to the property owners, otherwise it would go ahead.

Question: What happens if the contractor goes bankrupt during the project?

Response: The contractor must post a performance bond to back a fixed contract price; the next contractor in line would be approached to continue the project for the outstanding amount.

Question: Koers Engineering identified six above ground pumping stations were required; what is the noise level, venting, etc.?

Response: The RDN has confirmed that they will be using the same pumping stations used in Sidney. Don Stewart has inspected the pumps but they are not at the design stage at this time.

Question: Can't the Health Department come in and test owner's septic systems and have the offenders deal with systems rather than having everyone support a sewer system to deal with septic problems?

Response: If you have a neighbour with a failed system, call Glen Gibson at the Vancouver Island Health Authority; the complaint will be referred to a certified practitioner/engineer who will work with the owner to rectify the problem.

Question: Has the ocean water been tested in our area?

Response: Ross Pederson explained that NNRA had a contract with the Department of Fisheries and Environment to test the water in this area. Members went out after a rain storm to sample Craig Bay, Wall Beach, Craig Creek, roadside ditches, etc. and the samples were driven up to Courtney. They could not conclusively confirm that the coliform found during testing was human as the government would not pay for the test; therefore, the comparisons were made with bird, seals and animal coliform

comparisons.

Roy McBride: Reported that the Government uses his dock to test mussels each month and their findings have been that the mussels are clear of contaminants. He congratulated the Board for the position they have taken and asked owners to question if a sewer system is the answer. A septic system can be an effective system if it is maintained correctly; systems that do not work properly need to be identified and fixed. He asked owners to question what we are gaining by having a sewer system as it is resulting in as much as 50% more on taxes and consider what that will do for resale value of your property.

Mrs. Bellovics: We had to replace our septic system and what we have learned is that some systems are being abused by too much use of water ie. washing with chemicals, dishwasher, etc. and we have made a conscience effort to conserve water and not waste it.

Question: A member stated that he does not trust the political process or the leadership of the political representatives. The RDN asked for a show of hands at a public meeting to go forward with a petition; but this did not represent all 320 owners; there should have been a referendum over a petition – that is the democratic way to do business; there is no scientific or environmental evidence to support the need for a sewer system. The speaker asked which way the Board would lean if the vote was close?

Response: This was an RDN initiative, not an NNRA initiative and the Board unanimously agreed to take the role of only helping owners make an informed decision regarding the proposed sewer project.

4. **Nomination/Elections of Directors**

Mike Rich thanked the Board of Directors for all their hard work and diligence over the past year and explained that he will be conducting the election of Directors for 2009-2010. The following slate of officers have agreed to let their name stand for re-election:

Lewis Vermeulen
John Hardman
Neil Watson
Ken McCready
Bob Debuyssher
Don Stewart

Mike Rich called three times for nominations from the floor

MOVED by Diane Hill that David Jamison is nominated as Director
David agreed to let his name stand.

MOVED by Diane Hill that Mike Rich is nominated as Director
Mike Rich declined with thanks

Mike Rich declared nominations closed.

MOVED by Neil Watson, seconded by Mike Gray that the motion to decrease the Board from 9 to 6 be amended to now include 7 members

CARRIED

Mike Rich announced that Lewis Vermeulen, John Hardman, Neil Watson, Ken McCready, Bob Debuyssher, Don Stewart, David Jamison elected by acclamation to the 2009-2010 Northwest Nanoose Residents Association Board of Directors.

8. Other Business

8.1 Nanoose Fire Hall (Neil Watson)

Neil Watson reported that the RDN has started the process of replacing the Nanoose Fire Hall which is in disrepair. This RDN initiative will be put to the Area E owners in the form of a referendum for \$3M. The NNRA board is keeping an eye on the process.

9. New Business

9.1 Traffic

An owner expressed his concern for safety on Northwest Bay Road and asked that the NNRA Board get involved. He stated his concerns for traffic turning on to Arbutus, Beaver Creek Wharf Road, and Ballenas Road; that logging trucks are using the road and passing cars; that drivers are over the speed limit resulting in a safety issue. It was suggested that the owner contact the Speed Patrol group for assistance.

9.2 Communications

Ross Peterson thanked the Board for all their hard work and asked that they give serious thought to improve communications as owners do not always go to the website for their information. He asked that they produce at least 3 newsletter each year to keep owners apprised of issues and interesting activities occurring in their neighbourhoods.

Lyndia Terre volunteered to help with communication issues.

Owners were encouraged to visit the NNRA website at www.nnra.ca or email nnra@shaw.ca

9.3 Incorporation Study:

David Jamison asked if NNRA is going to go forward with the Incorporation Study. It was stated that the Board will follow-up after September 30, 2009 petition results.

13. Adjournment

MOVED by Mike Rich that the Wednesday September 2, 2009 Annual General Meeting adjourns at 9:17 p.m.

Please Note: These minutes are in draft form until they

are adopted at an Annual or Special General Meeting.