

NORTHWEST NANOOSE RESIDENTS ASSOCIATION

The meeting was called to 2010 ANNUAL GENERAL MEETING

SEPTEMBER 6, 2010
NANOOSE COMMUNITY CENTRE

The meeting was called to order by the Chair, Bob DeBuysscher, at 7.05 pm. He welcomed members and visitors, especially those from Madrona Heights and Timberstone, and recognised Frank Van Eynde attending both as a member and as the Alternate Director of RDN Area E. He then introduced his fellow directors;
John Hardman,
Dave Jamieson,
Ken McCready, Secretary,
Don Stewart,
Lewis Vermeulen and
Neil Watson, Treasurer.

He called upon Lewis to provide data on attendance and to indicate if a quorum had been established. There were 17 household with paid up membership present. As this exceeded 10% of the current membership of 97 Households the necessary quorum existed.

Approval of Agenda

Lewis proposed acceptance of the agenda and was seconded by Don Stewart.
Passed unanimously

Approval of September 2, 2009 AGM Minutes

Clair Davies proposed, seconded by Neil Watson, that the minutes be accepted as presented.
Passed unanimously

As there was no Business arising from the Minutes the Chairman moved on to the Reports

Treasurers Report

Neil Watson reported that as of December 31,2009, the NNRA year-end, there were \$2117.79 In the Current Account and \$4674.00 In Term Deposit Account. As at July 31, 2010 (last bank statement received) was \$1,999.83 & \$4,664, respectively.

Frank Van Eynde moved, seconded by Mike Gray, that the Report be accepted.

Passed unanimously

A member questioned the need for the surplus and Neil explained that it acted as a reserve for any unexpected costs such as legal advice needed on any major initiatives that might affect our area. The Past Board has indicated that they wished to use a portion of the funds to hire a person to get the membership mailing lists and automated communication methods organized efficiently. To date no willing or capable individual has been found. A "call to the floor" in this regard also went unanswered. See "New Business" below. Another member commented on the significant reduction in the membership since the days of the sewer discussions. It was further

noted that this could be a by-product of ineffective/inconsistent communication with the membership.

Water Committee

John Hardman reported that the major current issue is the proposed water treatment plant at Red Gap. The RDN has agreed to install the plant without going to referendum. The facility is being designed at present and is intended to purify the water from the wells in the area that supply Fairwinds. It will not affect supplies to our area. The intent is that, once the design is finalised, to present a budget to the Committee of the Whole in November. Funding is anticipated coming from the Fairwinds Corporation plus an annual water levy (on the parcel tax) in our area of \$10-20 plus drawdown on the capital borrowing authority. The plant is intended to be in operation in 2013.

Another major initiative is the development of a water extraction and treatment plant on the Englishman River. This is primarily intended for Parksville but the RDN will use, and fund, 23% of the cost to secure stable supplies for our area and Fairwinds. Cost is expected to be in the \$40 million range and to be operating in 2015. A site is currently being selected and this should be settled by the end of the year. It is expected to supply the area's anticipated needs for the foreseeable future.

Following the referendum last year the RDN is undertaking a study of the groundwater throughout the region. This is being paid for by the \$25 water levy imposed after the referendum.

A member questioned why we are being asked to pay for a portion of both the Red Gap plant and the Englishman River plant? John replied that we will need the Parksville plant to ensure year round supplies of good water, but was uncertain as to how the 23% level was originally established, probably to supply Fairwind's expansion. The RDN will receive a maximum of 23% of the water, but that the usage will be phased in as needed. They are examining how the costs could be stretched out in time.

Another member asked for confirmation that the Proposed Red Gap plant was purely to treat the high levels of iron and manganese in the Red Gap wells? John confirmed that this is the case. Expansion in Fairwinds is tied to the transfer of wells in the ex-Heringa property from Fairwinds to the RDN. The RDN is planning to install a major pump house there to add to Fairwinds supply, but has to await approval by VIHA. This is for the betterment of the water supply to Area E as a whole.

A question was asked as to whether this is all about only a two year gap between the Red Gap plant functioning and the need being met by the Englishman River plant?

Yes replied John.

Another questioner asked about where the borrowing authority funds for bulk water supplies is being used. It is intended only for capital expenditures. It is of concern that the intake project on the river would require the RDN to increase its borrowing authority at some point in the future.

The final questioner said the the Red Gap water quality has always been a problem, isn't the \$1.5 million estimated cost for a two year period redundant?

John replied that the RDN considers it a system cost. There is no apparent benefit to the Madrona area of this plant.

Sewer Committee

John reported that with the defeat of the referendum this is no longer a current project. Your Board has investigated the possibility of incorporation, in the same way as Lanzville, as a way of possibly obtaining grants. For a number of reasons, including costs, the lack of currently available funds from the provincial government and the need for a clear mandate from residents of a clearly self-sufficient community, the Board unanimously agreed not to proceed with this option at present.

A member asked if it was likely that the one hectare requirement would be met across the RDN. Frank Van Eynde replied that it would be very difficult to persuade the directors from some of the other areas. A member pointed out that our area is more of a sub-division than a rural development and that the one hectare rule is not appropriate.

A member stated that the sewer issue was driven by homeowners with failing septic systems, but since the failure of the referendum it has not been evident that many are being replaced, despite the evidence of leakage that can be seen as you walk the shore. No one keeps track of the state of septic systems and the only constraint is if someone reports a suspected failure to VIHA.

Firehall Committee.

Neil Watson, as the area representative on the Board of the Firehall, reported that the RDN has asked for a proposal to be developed to provide a building that will survive an earthquake in order to provide an emergency coordination centre for the area. After much discussion of the type of building needed and the "greenness" or LEED designation, the design is expected to cost less than \$3 million for 10,000 square feet. Once the design is finalised it will have to go to a referendum, probably in November, after public information meetings.

A visitor pointed out that, as a past fireman, the proposal would just provide a shiny new building on a dead-end road, but no new services or training facilities. He predicted the referendum would fail.

New Business

Neil Reported that the Board was interested in more actively engaging members, initially by building and utilising our member database more effectively. He asked members to contact him if they knew of anyone interested in taking on a project of this nature.

Lewis expanded on the idea of member engagement by promoting the idea of resuming the community BBQ as an issue for the new Board to consider.

Election of Directors

The following existing directors allowed their names to stand for re-election;

Bob DeBuysscher
John Hardman
Dave Jamieson
Don Stewart
Lewis Vermeulen
Neil Watson

In addition, following a request for nominations from the floor, Duncan Green allowed his name to be put forward. As seven directors come within the maximum allowed within the By-laws. All the above were declared elected.

In calling for a motion to adjourn the meeting the Chair thanked all past and present Directors for their role in helping to develop the Association and our community.

Motion to Adjourn

Proposed by Frank Van Eynde
The meeting was adjourned at 8.15 pm

There was a brief intermission before Mr. Bob Dendroff of the RDN addressed the members on the topic of "Emergency Preparedness"

Addendum to the Minutes

Nanoose Bulk Water System

In response to the request for more information about the Bulk Water System (intake and water treatment plant on the Englishman River in particular) I can advise as follows:

- 1) The RDN financial officer advises that the total borrowing authority for this project is \$7,731,000. There has been about \$3.2 million drawn against it. In round numbers then there is about \$4.5 million left to borrow against to see the project to completion. The Red Gap water treatment plant will use up \$250,000 to \$500,000 of this money depending on whether there is a contribution from Fairwinds Corp or not. Said contribution is uncertain at the time of this writing. Most of the funds in the past have been spent as our contribution to the Arrowsmith Dam and the NW Bay Road pipeline. The description of the authorization is for capital water projects in Nanoose relating to water intake, treatment and distribution.
- 2) The RDN share of the bulk water project is about 23% (specifically 22.4%). This is split as 14.4% to Nanoose and 8% to French Creek. Parksville has 63% and Qualicum 14% approx.
- 3) The justification for the bulk water project is projected growth in Fairwinds of 2400 additional properties. The current well fields at Wallbrook (Heringa) and Claudet were of course not known at that time. Also development at Fairwinds has slowed. Since there are about 2400 properties in Nanoose this future development would mean a doubling of demand. Also Fairwinds has the highest demand per household in the peninsula. So the thinking is that even the new well fields would not be sufficient for full development at Fairwinds.
- 4) Nanoose share of the current Englishman River supply is between 12 and 14%. However the new plant will supply water at a larger rate. The full design capacity is planned to be phased in over many years. The initial design capacity (in 2015) is currently being decided. Presumably Nanoose will take its contracted 14 to 15 % since we have paid for it and tailor the well output to suit. The RDN as a whole will be taking 23 % as mentioned.
- 5) The point the NNRA put forward at the meeting is that at some point between now and 2015 the borrowing authority will be exhausted as the plant preliminary estimates (design not done at this stage) suggest costs in the \$40 to \$50 million range. If so this leaves a lot of money unaccessed. Another referendum may be necessary. Fairwinds are going to want this plant completed. In any event the borrowings are going to have to be paid and we will be taxed accordingly.