

BOWEN ISLAND MUNICIPALITY

Minutes of the **Regular Cove Bay Water System Local Management Committee Meeting** held on Thursday, April 10, 2008 at 7:15 p.m. in the Council Chambers of the Bowen Island Municipal Hall, 981 Artisan Lane, Bowen Island, British Columbia.

Amended May 8, 2008
MW

COMMITTEE IN ATTENDANCE

Bill Hamilton
Dennis Dallas
Wolfgang Duntz
David McEachern
John Rich
Ken Shirley

REGRETS

Doug Berry

STAFF IN ATTENDANCE

Joanne Cunday – Director of Finance
Brad Hawthorn – Director of Engineering & Operations

OTHERS IN ATTENDANCE

Gayle Ferguson – Minute Taker

CALL TO ORDER

The Vice Chair called the meeting to order at 7:30 p.m.

ADOPTION OF AGENDA

It was Moved and Seconded

That the agenda for the Cove Bay Water System Local Management Committee meeting of April 10, 2008 be approved as amended.

CARRIED

ADOPTION OF MINUTES

It was Moved and Seconded

That the minutes of the regular meeting of the Cove Bay Water Local Management Committee held November 8, 2007 be adopted.

CARRIED

The Committee reviewed the notes from the regular meeting of the Cove Bay Water System Local Management Committee held February 14, 2008.

BUSINESS ARISING FROM MINUTES

Recommendation re:
Cunningham Rivard Appraisal
of Elements

Discussion took place regarding the exact footprint of land to be appraised for the legal rights of way issue, which resulted in an amendment to include lands for the existing dam and

its access:

It was Moved and Seconded

Whereas the Cove Bay Water System Local Management Committee wishes to resolve the outstanding issue of the legal status of the rights of way for the water system supply main and the existing dam and access thereto;

And whereas the Director of Engineering and Operations has provided the Committee with a course of action to follow in order to obtain the legal rights of way;

And furthermore, whereas the next step in the process is to engage the services of a professional land appraiser;

Therefore be it resolved that Council approve the engagement of Cunningham & Rivard Appraisers Ltd. in the approximate amount of \$3,000, plus disbursements and taxes to be charged to the 2008 Cove Bay Water System budget line item for Consultants and direct staff to issue a purchase order for this service.”

CARRIED

NEW BUSINESS

2008 Draft Budget

Staff highlighted the following issues from the 2007 and 2008 budgets:

2007 Operating Results

- Surplus of \$20,027;
- Expenses deferred – over budget approximately \$17,000;
- Revenues – capital expenditure charges collected from developer must be held until used for capital works needed as a result of growth;
- End of 2007 capital reserve fund at \$858,000;
- Surplus Fund (working Capital) at \$283,000.

2007 Capital expended

- Meters at 60% complete – approximately \$74,000 remaining for the meter project;
- Safety Access Upgrades – under-expended by \$18,000 and project is complete;
- Portable generator over budget;
- Grafton Lake Watershed Study project is not complete;
- SCADA sites – remote monitoring is now at all pumping stations.

2008 Operating Budget

- No rate increases being proposed. Transfers in from savings are to fund capital projects;
- Administration – amount for Cunningham Rivard Appraisers , \$3,000;

- Salaries, conferences, cell phones, vehicle charges based on number of users;
- Liability insurance has decreased;
- Renewed contract 6.3% increase from previous year. Cove Bay share based on proportional amount of time spent on the Cove Bay system is 40.2%;
- Contribution to Reserves – agreed in 2007 to increase – now at \$47,000;
- In 2012 line item for parcel taxes represents amount of debt service if money was borrowed in 2010 for filtration plant – \$352 per lot based on 640 lots.

Capital Projects 2008

- Meter Reading Software Implementation – provisional quote \$15,000;
- High Zone Replace Control Panel – approximately \$17,000;
- Rechlorination facility – may not be required.

The Committee requested staff to add a line item “Provisional Sum” of \$30,000 for dam repairs to be put in capital expenditure for 2009.

It was Moved and Seconded

That the [2008 Five Year Financial Plan](#) for the Cove Bay Water System as amended be approved. CARRIED

Discussion followed regarding rates for institutions and the need to have meter reading data before making any change to the present system of billing.

Funding Strategy for Cove Bay Water Treatment Plant

The Director of Engineering and Operations commented on the following issues related to his memo ‘*Funding Strategy for Cove Bay Water Treatment Plant*, dated February 19, 2008:

- After examining all the funding options, the conclusion reached by the Director was that it would be best to create a development cost charge (DCC) and set a rezoning value in addition to grant funding. DCC would be about \$3,300 per unit. Special assessments do not appear to be a feasible means to collect funds;
- Rationale for memo – the Memo was written as a direct response to a request from the Committee on how to pay for a filtration plant;
- Density – the Memo ignores density issues and is not

related to the *Official Community Plan* or the Snug Cove Master Plan recommendations.

Members of the Committee noted:

1. If existing users benefit from a treatment plant, they should pay less than newcomers;
2. The Management Committee does not want to be seen as facilitating development. Rather the Committee wants Council to recognize that in developing the Cove there is a cost and the developer has to pay;
3. Public Process – the Public should be given more information regarding the cost and the amount of development needed to reduce rates;
4. Information related to treating water in home versus a water treatment plant should be given to the Public.

The Committee agreed to review and further discuss the funding strategy document at the May 8, 2008 meeting.

Next Meeting

Thursday, May 8, 2008

ADJOURNMENT

The meeting adjourned at 9:50 p.m.