

DEEP BAY WATERWORKS DISTRICT
ANNUAL GENERAL MEETING – APRIL 14, 2009

Annual Report from the Chair of the Board of Trustees – Joyce Bartram

Who are we? We are an improvement district – an autonomous local government body responsible for providing both waterworks and fire protection service to the residents between Deep Bay and Bowser. The Improvement District is administered by an elected board of 7 trustees, each elected for a 3 year term by the eligible landowners. At our first meeting following an AGM, the trustees elect their Chairperson for the coming year. It is the Board's mandate to administer the running of the waterworks and the volunteer fire department to the best of their ability. The Improvement District's Board of Trustees is governed through the provincial Local Government Act administered by the Ministry of Community Services in Victoria who approve most of our bylaws.

A Little History. Deep Bay Waterworks District was established in 1972, with the original lines having been built even prior to that. Approximately 80% of the system was constructed using Asbestos Cement (AC) pipe and the remainder is Polyvinyl Chloride (PVC) pipe. Since 1972 the customer base has grown at approximately 3% per year to approximately 585 water service connections. In the past 4 years alone we have increased by 60 homes. Because the system has been built in phases over more than 4 decades, there are some areas needing infrastructure renewal. Some mains that were adequate 35 years ago do not meet today's standards. Such is the case of the 4" AC pipes which don't meet "fire flows", that is, they don't meet fire protection standards, and consequently are slated for replacement. The Board is proceeding with the preparation of engineered drawings for the upgrading of the 4" Longview and Shoreline Road replacements. Although our existing reservoir built in 1975 is sufficient for our current needs, safety improvements are required this year.

Our service area extends from Henry Morgan Road in the east bordered by the Strait on the north, through Deep Bay area and including the large undeveloped portions of DL 86 in the west – approximately five square kilometers. Water supply is provided by 7 deep wells. Water from these wells is pumped directly into the distribution system and is not treated. As instructed by the Vancouver Island Health Authority, the Improvement District submits water samples from the system for bacteriological indicators from 2 locations twice per month. Samples are also tested for chemical and physical parameters yearly. Test results have not raised concern and our water is pristine. Although the recent Boil Water Advisory for the Bowser Water District has caused some of our customers concern as we use the same aquifer, the two systems are not connected.

Prior to the installation of residential meters in 2004/2005, water usage in the peak summer month of July was as high as 4 m³ (889 gal) per connection per day. By 2006, with metering completed, that same high water usage for the month of July was down to 1.7 m³ (380 gal) per connection per day – a drop of more than 50%. This was due to a variety of factors including leak detection and weather conditions but most of all, customer awareness. Water consumption for

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the past year has remained low with 28.5 million gallons less water being pumped than 4 years ago. This is half of what we used to pump prior to metering. The Improvement District's water toll structure is now based on a tiered metered rate with revenue collected quarterly to fund operating costs, administration and maintenance that benefit current users. As well the Improvement District charges a Parcel Tax which collected funds for capital upgrades to the current system and a Fire Protection Tax which covers the operation of the Fire Department. Both Parcel and Fire Protection Taxes are on a flat rate as opposed to being based on property assessments. The water billing is based on a tiered system – the more water you use, the more you pay. This is the standard way of funding waterworks operations and promotes sustainable use of water. You may now pay all Deep Bay Waterworks District invoices electronically at most Credit Unions, CIBC, Scotia Bank and Bank of Montreal.

The ratepayers have paid for several engineering reports over the past few years which have enabled the trustees to make informed decisions based on expert opinion. These reports have been placed as resource materials at the Bowser Library. They include the Water System Evaluation (engineering report 2008), the Ground Water Study by Pacific Hydrology Consultants (2007), the Drought Management Plan (2005) and most recent the Water Main Pipe Condition Evaluation (2008).

Our volunteer fire department members continue to provide excellent service to the ratepayers and to the community at large. In 2008 there were a total of 114 callouts. We currently have 12 members that are Level 3 First Responders and 13 members that are Level 1 Fire Fighters. All these volunteers give unselfishly of their time. It is the responsibility of the Improvement District to ensure that the equipment we provide them meets their needs. Their service to the community is invaluable.

We will be electing two trustees at the 2009 AGM to replace outgoing trustees Ian Birtwell and Doug Webb who will not be seeking reelection. I would like to express the Board's and the residents' appreciation to each of these individuals for their expertise and hard work during their terms. We are sorry to see them go.

In closing I would like to express my sincere gratitude to the Deep Bay Volunteer Fire Department, to the Trustees and to the Staff for another year of hard work and dedication, making the difficult decisions which must be made during the daily administration of this Improvement District. We will strive to work hard in the coming year to keep the system in a healthy position both financially and operationally.

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Operator's Report 2008

2008 saw 20 new customers added to the system for a total of 585 connections as of December 31, 2008.

A total well failure occurred at Well 5 when the main electrical panel became home to hundreds of ants. A large number of ants were electrocuted across the controls wired to the reservoir.

More vandalism activity than other years, still a steady problem around the office and fire hall. Locks were tampered with and doors to the building pried and bent. RCMP attended three times.

Garbage dumping behind the wells seems to have slowed down. The RDN has hired a new Zero Waste Compliance Officer (Maude Mackey, toll free: 1-877-607-4111). If you see a dumper, get as much info as you can and pass onto the RDN. We all need to help protect our aquifer area.

During a power outage the stand-by generator is started and feeds power to Well 1 as well as the building (office and fire hall). Well 1 will keep the reservoir full. In December the Fire Department had a large structure fire shortly after a long outage and it was good that the reservoir was full.

All fire hydrants were taken apart and rebuilt & lubed with food safe grease. All hydrants this year were also physically numbered so the fire department can turn in the number if they use one so it can be checked. We now have 18 hydrants that will take the fire department's 4 inch hose. Another 4 will be converted this year at a cost of about \$1,500 per hydrant. The fire trucks' pump likes a 4 inch supply of water.

Kopina had two repairs to the 4 inch main on Shoreline, one on the hill, and one at the bottom. On Longview, two ¾ inch service lines from the main to the meter box were replaced. Longview also had one line to meter box that had an old repair that failed.

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Water usage 2008

The following is the average daily water usage per household.
(Imperial Gallons - IMPG)

Year / Month	2005	2006	2007	2008
January	149	105	109	104
February	142	90	104	173
March	159	105	110	190
April	172	130	112	113
May	338	135	241	190
June	326	370	326	262
July	514	380	278	352
August	678	346	256	278
September	322	210	236	189
October	193	1263	97	95
November	188	117	102	112
December	119	159	98	99
Total	3300	2273	2069	2157
Average	275	189	172	180

It should be pointed out that the figures shown above are taken from the meters at the wells. They do not reflect the amount of water lost through leakage in the water system, which averages 5 – 10%

Jim Dennison
Maintenance Operator

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Fire Chief's Report 2008

To our volunteers who put in many hours of training and responding to calls at all hours, I thank you. The community should be very proud of you. We are one of the few volunteer halls that have a full roster of members and that's because you are all such wonderful dedicated people.

To our volunteers' families who see their loved ones called upon at very awkward times we owe you a big thank you for your loyal support.

Every year we would like to see visible house numbers but it doesn't seem to happen. Please take the time to post your house address so we can promptly serve your needs.

Fire hydrants have to be visible. We feel its better if you trim your own plantings blocking hydrants and it saves us from having to get it done.

Again the Bowser Legion gave us a donation of \$1000. This money is put aside to eventually purchase a thermal imaging camera. Please support them, they sure support us!

During 2008 our good record of no structure fires was shattered. A structure fire call was received in the middle of the night and our new rapid intervention truck was quickly dispatched with two members aboard. They had the fire out before we arrived in the big truck. It was the first test of our new truck and we were pleased.

The next night there was another structure fire. This started as a chimney fire but quickly spread to the roof. Our new truck was quickly there and the two members were able to knock the flames down. It was quite a challenge because of the wind and the high roof but all went well.

Later in the year, one of our members living on Thompson Clarke East came home late and smelled smoke. He drove around and found a large house trailer on Faye road in flames. The roof had already caved in and it took five hours to have it completely out. We also had a structure fire in an attached garage. Our rapid intervention truck was on scene but we chose to not use it until back-up arrived as we were very concerned about what we would find when we forced the door open. The fire was quickly put out but the house suffered smoke damage as the fire was smoldering for some time until a concerned citizen noticed it.

We are a fire department first and train steady for when we may be called on. 2008 was another busy year for the department. First responder calls were up, but fortunately we now have 12 government licensed first responders and one officer in charge of the group. These members attend additional practices over and above our regular Monday night training. I am very proud of our very highly

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trained and dedicated first responders. Within the group is one full time paramedic and we have two more that have completed their training plus one more going to start. Our level of training has never been higher (this also included the fire side of training). 2008 saw several more members receive their level 1 fire fighting and also the start program. There were a lot of weekends people were away taking training. It's hard to believe in our small community that we have such a dedicated group with an excellent mix of ages.

Calls for 2008:

33	First Responder
14	Fire
60	Motor Vehicle Incidents
<u>7</u>	<u>Miscellaneous</u>
114	Total

This doesn't include officer calls for many minor items such as burn complaints, smoke complaints, burn permits and illegal fires.

George Lenz stepped down as the deputy 2nd in command during the election for officers for 2009. George has served this community for a lot of years in his officer position. I was very proud of him. We share the same idea – the most important part of a call is to get there safely and to all come back safely. George is still in the department but didn't feel he has the time to commit to the officer position. There are not many calls George has missed in all the many years he has served.

The position of assistant chief, which was held by Dave Nixon for many years, has also changed. Dave is another long time member and is still a member of the department. Dave brought years of good advise and it has been a pleasure to have you in the position you served for many years. Thank you.

The new officers roster is:

- Jim Dennison, Chief
- Clayton Neuwirth, Deputy
- Jim McLean, Assistant Chief
- Norma Kilpatrick, Captain in Charge, First Responders
- Donna Rix, Administrator
- Margaret Furnell, Administrator

To my new officers, welcome aboard and with the help of the community we will have a quiet wild fire season. Please read the signs (top of Gainsburg and top of Jamieson). To our Captain, thank you for all the many extra hours you put in. You should be very proud of the First Responders.

There are two members who though they don't go out on calls, are absolutely indispensable. Margaret Furnell & Donna Rix really keep the department

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running. Margaret and Donna are the ones that stay at the hall when members are out on a call and look after the ever growing pile of paper work that needs to be completed for our callouts. They do a tremendous job organizing the department and myself.

I would like to recognize two people who put in many hours working in the fire department trucks as their donation to the community:

Renie Bruhn does work from brake jobs to installing light bars. Renie plays an important job in keeping all the equipment running and is often called upon with short notice and bad weather.

Jim McLean has put in very many hours organizing and building shelves, brackets and other items to totally organize the trucks and van. Jim built a large slide out in the rear of the rescue van to enable us to get at our equipment faster and to keep it better organized.

These two people have saved the department hundreds of dollars and I thank you very much.

Finally, the Deep Bay Fire & Rescue team would like to thank the District's Board of Trustees for their continuous support and fine leadership for providing us with the tools to do a safe job.

Jim Dennison
Fire Chief

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Finance Committee Report

The work of the finance committee in 2008 consisted of monitoring the budget vs actual expenses, and preparing the 2009 budget.

During the preparation of the 2009 budget there were two topics that required the most research and consideration: the assignment of the parcel tax revenues to the renewal reserve fund, and the new quarterly rate structure introduced this past January. These changes were presented to the ratepayers at the Information meeting held on September 16, 2008 and at the budget meeting on October 21, 2008. Information provided by ratepayers helped the finance committee to make sound decisions regarding the future of the water system and fire protection for all homeowners in our district.

Several new financial policies were introduced in 2008; the most significant one being the policy governing the way the Improvement District:

- a) Protects and controls the use of all tangible capital assets.
- b) Provides accountability over tangible capital assets.
- c) Gathers and maintains information needed to prepare financial statements.

As the chair of the finance committee I wish to acknowledge the valuable contributions of the members of the committee, the trustees and the staff of the Improvement District. The work done by the finance committee is integrated with all other committees and staff. The tremendous level of cooperation and support is greatly appreciated.

Claire Hilscher
Chair of Finance Committee

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Bylaw Committee Report

A total of 5 bylaws have been passed since our last Annual General Meeting in April of 2008. These bylaws can be viewed at the Improvement District Office.

The Bylaws approved by the Ministry in Victoria are as follows:

1. **Bylaw 201**-Comprehensive Capital Expenditure Charge (water)
2. **Bylaw 202**-Deep Bay Waterworks District Meeting Procedures. (Adoption of the general guidelines outlined in the Small Government Act for Improvement Districts)
3. **Bylaw 203**-For the fixing of tolls and other charges payable to the District and the terms of payment thereof, and for providing a penalty to encourage prompt payment thereof.
4. **Bylaw 204**-A bylaw for imposing taxes upon lands in the District and to provide for imposing a percentage addition to encourage prompt payment thereof.
5. **Bylaw 205**-A bylaw to establish a renewal reserve fund for replacement, upgrading or renewal of existing works. (The source of funding of this fund has been fixed to include all monies from Parcel tax, plus to the extent available monies from Sale of improvement District land, Current Revenue, General Revenue Fund Surplus or as otherwise provided in the Local Government Act from time to time.)

We currently have no bylaw's pending approval in Victoria. We also have no Bylaws to be submitted to Victoria under the exempt from registration with the inspector Ministerial Order in Council which came into effect on January 1, 2009.

The Improvement District Bylaw deregulation initiative and the order in council No 847 dated November 27, 2008 and Ministerial Order no. M297 dated December 2, 2008 came into effect on Jan. 1 2009. All bylaws in the following categories that are passed by a Board of trustees after Jan. 1, 2009 will be exempt from registration with the inspector. Bylaws in this category will now come into force and effect immediately upon them being passed by the improvement district Board of Trustees. An original copy of all bylaws in these categories must be filed in the inspector's office immediately after passage by the improvement district.

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| • Agreement | • Miscellaneous Charge |
| • Assessment | • Renewal Reserve Establishment and Disbursement |
| • CEC Disbursement | • Tolls |
| • Connection Charge | |

All other Bylaws still require registration and do not come into force and effect until registration occurs.

Ian MacDonell
Chair, Bylaw Committee

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Environment and Emergency Committee Report

Monitoring water and its quality.

- The regular monitoring of the quality of the aquifer water provided by the Deep Bay Water District is viewed as an essential and obligatory component of sound water management.
- Over the last year we again had water analyzed at two discrete periods in the hydrological/seasonal cycle. This was carried out because it is important to determine if there are any seasonal changes that may occur and also to provide baseline information in the event of an environmental emergency that could impact water quality with implications to the health of consumers.
- A broad suite of analyses was undertaken on water samples taken at the low and high aquifer period in early spring and late fall. The samples were analyzed through the services of North Island Laboratories and included determinations of inorganic and organic constituents. Specific attention was focussed upon potential contaminants such herbicides, pesticides, and hydrocarbons.
- As in previous analyses no detectable quantities of these contaminants were found in the water.
- The aquifer water is of very high quality. It is pristine and uncontaminated and has remained this way over a number of years. The groundwater does not require the addition of contaminants for disinfection purposes, or other treatment such as filtration, before consumption. Safeguarding the source and supply of this water are of paramount importance now and for the future.
- We are grateful to Bowser Waterworks District who decided to co-operate in the water sampling analysis project and have timed their sampling to coincide with ours so that we obtain more information on the quality of local aquifer water provided to the community.
- At the time of writing this report (April) we are awaiting the results of analyses on water samples that were collected recently. The results will be assessed in relation to previous analyses and to determine if any differences exist between the results obtained by Bowser Waterworks District and ourselves. Compilation of the information will occur and a discussion of the results with the Bowser Waterworks District. It is our intention to place all the information in one document so that it is easy to understand and analyze.

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- It is recommended that the seasonal and consistent sampling of the aquifer water supply be carried out for another 3 years to provide a sound information base. By gathering sufficient information we will be able to more accurately assess and identify any significant differences over time and between the seasons and hydrological regimes. It is expected that Bowser Waterworks will continue to co-operate in this co-ordinated and co-incident sampling for mutual benefit.