

"Amended" INAUGURAL MEETING – OPEN AGENDA

A. CALL TO ORDER AND ELECTION OF CHAIR

The inaugural meeting is chaired by the Corporate Officer until such time as the Chair has been elected. The Chair will call the meeting to order and respectfully acknowledge the Qualicum First Nation on whose traditional territory this meeting takes place.

The Corporate Officer shall call for nominations for the position of Chair. The trustee with the highest number of votes shall be declared elected as Chair and assume the position of Chair.

B. TRUSTEE ELECTION

1. DBID Election Vote Tally

Motion:

THAT the Election Vote Tally be received for information.

2. Message from the Chair – Election Thank You

Motion:

THAT the Election Message from the Chair be received for information.

C. ADOPTION OF MINUTES

Motion:

That the Board approve the September 16, 2025 Regular Open Session minutes as circulated.

D. ITEMS COMING OUT OF CLOSED SESSION

None

E. INTRODUCTION OF LATE ITEMS

F. BUSINESS ARISING FROM THE MINUTES and UNFINISHED BUSINESS

None

G. PETITIONS and DELEGATIONS

None

H. CORRESPONDENCE

1. MNP Audit 2025, Engagement letter and Audit plan

Recommendation:

THAT the Board of trustees accept the MNP Engagement letter and audit plan for 2025 and authorize the Administrator to sign and return to MNP.

I. REPORTS

1. September 2025 - Water Operator's Report

Recommendation:

THAT the September 2025 Water Operator's Report be received for information.

2. September 2025 - Fire Chief's Report

Recommendation:

THAT the September 2025 Fire Chief's Report be received for information.

3. September 2025 - Fire Chief's Replacement of 8-2 Report

Recommendation:

THAT the Fire Department be authorized to proceed with replacement of rescue truck 8-2 in 2026 or sooner if the right truck comes available for the right price, subject to final approval by the Board after the truck and final price is known.

4. September 2025 - Financial Reports

- a. Total cheques issued for Water Department for September 2025:
\$23,674.43
- b. Total cheques issued for Fire Department for September 2025:
\$11,631.98

Recommendation:

THAT the September cheque registers be received for information.

5. Quarterly Financial Reports

Recommendation:

That the Quarterly Financial Reports for the period ending September 30, 2025, be received for information.

J. RESOLUTIONS

None

K. NEW BUSINESS

1. Snow and Ice Clearing Contract

Recommendation:

THAT the Deep Bay Improvement District enter a contract with Echo Valley Earthworks for snow and ice removal based on snow clearing on a 2" trigger, and salting as required when temperatures dip below 0 degrees at \$100 per application.

AND THAT the Board authorize the Administrator to execute the agreement.

2. DBID Committee Appointments

Recommendation:

THAT the Board review the current Deep Bay Improvement District committee membership and adjust as required.

3. DBID Financial Signing Authorities

First Credit Union

Recommendation:

THAT the Board of Trustees add Lisa Sharcott as an Authorized Signatory for the Deep Bay Improvement District accounts with the First Credit Union.

RBC Dominion Securities

Recommendation:

THAT the Board of Trustees add Lisa Sharcott as an Authorized Signatory for the Deep Bay Improvement District accounts with RBC Dominion Securities.

4. Water Conservation Level

Recommendation:

THAT the Board approve moving to Level 1 based on the RDN Water Conservation Levels for the Deep Bay Improvement District.

5. RDN Referral on Zoning Amendment PL2023-101 85 Henry Morgan Drive

Recommendation:

Direction to be provided by the Board.

L. QUESTION PERIOD

M. ADJOURNMENT

THAT the Board adjourn into closed session pursuant to section 90(1)(c), 90(1)(k), and 90(2)(c) of the Community Charter to discuss matters that are related to employee relations and other human resources matters, and the approval of minutes for a closed session of a committee or Board meeting, if necessary.

October 4, 2025

Deep Bay Improvement District 2025 Trustee Election

Voting held September 17 & October 4, 2025

Results for the election of three (3) trustees, terms effective October 21, 2025.

Candidate	Votes	Result
Koch, Diane	141	Elected to 3-year term expiring 2028
McHenry, Edward	101	
Sharcott, Lisa	124	Elected to 2-year term expiring 2027
Thompson, Colin	146	Elected to 3-year term expiring 2028
Ballots Counted	233	
Spoiled	0	
Total Ballots Cast	233	

John Marsh
Returning Officer

October 15, 2025

Message from the Chair - Election Thank You

I would like to take this opportunity to thank ALL the residents of the DBID for taking the time to vote in our Trustee Elections that took place on October 4, 2025.

Two hundred and thirty-three of you voted and each vote mattered. I urge each one of you to keep abreast of the ongoing business of your Improvement District. We have stepped forward in the right direction, however, there still remains several hills to climb.

On behalf of the Board, Diane Koch and myself, Colin Thompson, we sincerely want to thank each and every one of you for your support. The vote count of that support speaks for itself, and we are most grateful.

Additionally, we welcome Lisa Sharcott to our team and look forward to getting to know her as we work together on our board.

Finally, thank you Edward (Tedd) McHenry for your interest, and for putting your name forward as a candidate.

We remain yours sincerely,

Colin Thompson
DBID Trustee

OPEN SESSION MINUTES

PRESENT:

Craig Kerstens, Acting Chair
Alissa Woodward
Diane Koch
Christo Kuun

REGRETS:

Chair Thompson
Suzanne LaRoy

STAFF:

John Marsh – Administrator
Janine Sibley - Assistant Admin

GUESTS: 5

A. CALL TO ORDER

The meeting was called to order at 7:00 PM.

The Administrator respectfully acknowledged the Qualicum First Nation on whose traditional territory this meeting takes place. Administrator Marsh noted that the Chair was absent, and as per the Meeting Procedures Bylaw asked for a volunteer to Chair the meeting. Trustee Kerstens volunteered to act as Chair for the meeting.

B. ADOPTION OF MINUTES

August 19, 2025 Regular Open Session minutes

MOVED by Trustee Koch

SECONDED by Trustee Kuun

THAT the Board approve the August 19, 2025 Regular Open Session minutes as circulated.

CARRIED

C. ITEMS COMING OUT OF CLOSED SESSION

None

D. INTRODUCTIONS OF LATE ITEMS

1. Existing lease for the Reservoir, to be added to New Business K2
2. To grade the road up to the Reservoir, to be added to New Business K3

MOVED by Trustee Koch

SECONDED by Trustee Woodward

THAT the Board accept the two late items to be added to the agenda.

CARRIED

E. BUSINESS ARISING FROM THE MINUTES + UNFINISHED BUSINESS

1. RDN Development Process in DBID

MOVED by Trustee Koch

SECONDED by Trustee Kuun

THAT the Staff Report on the RDN Development Process in DBID be received for information.

CARRIED

2. DBID Policy for Signing of Cheques & Agreements

MOVED by Trustee Koch

SECONDED by Trustee Kuun

THAT the September 16, 2025 Policy for Signing of Cheques & Agreements, Policy Number 09-01-01 be approved by the Board.

CARRIED

3. DBID Trustee Elections Update

MOVED by Trustee Kuun

SECONDED by Trustee Woodward

THAT the 2025 Trustee Elections update be received for information.

CARRIED

F. PETITIONS AND DELEGATIONS

None

G. CORRESPONDENCE

1. Archaeological Permit Process

MOVED by Trustee Koch

SECONDED by Trustee Kuun

THAT the September 9, 2025, email from Diana Cooper from the Archaeology Branch of the Ministry of Forests be received as correspondence in.

AND THAT staff be authorized to contact a consulting archaeologist to assist DBID with the next steps for getting a permit to dig up the area where the water leak is located on Burne Road near the intersection of Crome Point Road.

CARRIED

H. REPORTS

1. August 2025 - Water Operator's Report

MOVED by Trustee Koch

SECONDED by Trustee Kuun

THAT the August 2025 Water Operator's Report be received for information.

CARRIED

2. August 2025 - Fire Chief's Report

MOVED by Trustee Koch

SECONDED by Trustee Kuun

THAT the August 2025 Fire Chief's Report be received for information.

CARRIED

3. August 2025 Financial Reports

- a. Total cheques issued for Water Department for August 2025: \$15,445.01

- b. Total cheques issued for Fire Department for August 2025: \$21,302.22

MOVED by Trustee Kuun

SECONDED by Trustee Koch

THAT the August 2025 cheque registers be received for information.

CARRIED

4. 2026 Budget Review Process

MOVED by Trustee Koch

SECONDED by Trustee Woodward

THAT the 2026 Budget Process Report be received by the Board.

CARRIED

I. BYLAWS

None

J. RESOLUTIONS

None

K. NEW BUSINESS

1. Draft of the October 2025 Pipeline newsletter.

MOVED by Trustee Koch

SECONDED by Trustee Kuun

THAT the Draft of the October 2025 Pipeline newsletter be approved by the Board adding additional information regarding the introduction of regularly scheduled flushing procedures and advising that chlorine will be introduced during the flushing procedures to ensure clean water pipes.

CARRIED

2. Existing Lease for the Reservoir.

MOVED by Trustee Kuun

SECONDED by Trustee Koch

THAT the Board direct staff to apply for an increase of the existing lease no 105472 to ensure there is sufficient area to construct a new reservoir adjacent to it.

CARRIED

3. To grade the road to the Reservoir.

MOVED by Trustee Kuun

SECONDED by Trustee Koch

THAT the Board direct staff to have the Gainsberg Road extension, which is used to access the reservoir, be properly graded to allow operational vehicles to drive to it.

CARRIED

L. QUESTION PERIOD - Questions were asked by members of the gallery in relation to the following topics:

- Location for a new reservoir
- Candidate information
- Budget question regarding reservoir remediation
- Byrne Road water leak, minor water loss

M. ADJOURNMENT

MOVED by Trustee Kerstens

SECONDED by Trustee Koch

THAT the Board adjourn the meeting.

CARRIED

The meeting be adjourned at 7:52 pm

Chair of the Trustees

Corporate Officer

October 8, 2025

Diane Koch
Deep Bay Improvement District
5031 Mountain View Road
Bowser, BC V0R 1G0

Dear Diane Koch:

This letter will confirm the arrangements discussed with you regarding the services MNP LLP ("we" or "MNP") will render to Deep Bay Improvement District (the "District") commencing with the fiscal year ending December 31, 2025.

Our responsibilities

We will audit the consolidated financial statements of Deep Bay Improvement District for the year ended December 31, 2025.

Our audit will be conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we will plan and perform our audit to obtain reasonable, but not absolute, assurance that the consolidated financial statements taken as a whole are free of material misstatement, whether caused by fraud or error.

Our responsibilities, objective, scope, independence and the inherent limitations of an audit conducted in accordance with Canadian generally accepted auditing standards are detailed in Appendix A, which forms part of our mutual understanding of the terms of this engagement.

Management's responsibilities

The operations of the District are under the control of management, which has responsibility for the accurate recording of transactions and the preparation[and fair presentation] of the consolidated financial statements in accordance with Canadian public sector accounting standards. This includes the design, implementation and maintenance of the system of internal control relating to the preparation and presentation of the consolidated financial statements.

Appendix B, which describes in detail management's responsibilities with respect to this engagement, forms part of our mutual understanding of the terms of this engagement.

Reporting

Unless unanticipated difficulties are encountered, our report will be substantially in the form illustrated in Appendix C.

Fees and expenses

Our fees and expenses are discussed in detail in Appendix D.

MNP LLP

Suite 400 - 345 Wallace Street, Nanaimo BC, V9R 5B6

T: 250.753.8251 F: 250.754.3999

Other matters

We will, as permitted by the Code of Professional Conduct, provide additional services upon request, in areas such as taxation, leadership and human resource management, communication, marketing, strategic planning, financial management and technology consulting.

Our standard terms and conditions, included as Appendix E, form part of our mutual understanding of the terms of this engagement. In the event that you choose to terminate this engagement based on the terms outlined in Appendix E, we reserve the right to notify all financial statement users of the change.

These terms will continue in effect from year to year, unless changed in writing.

We believe the foregoing correctly sets forth our understanding, but if you have any questions, please let us know. If you find the arrangements acceptable, please acknowledge your agreement to the understanding by signing and returning the engagement letter to us.

It is a pleasure for us to be of service to you. We look forward to many years of association with you and Deep Bay Improvement District.

Sincerely,



MNP LLP

Chartered Professional Accountants

RESPONSE:

This letter correctly sets forth the understanding of Deep Bay Improvement District.

PLEASE SIGN HERE

Officer Signature

Title

Date

Appendix A: Our Audit Responsibilities, Objective, Scope and Limitations

The following details our responsibilities as auditors and the objective, scope, independence and inherent limitations of an audit conducted in accordance with Canadian generally accepted auditing standards.

Our responsibilities, objective and scope

Our audit will be planned and performed to obtain reasonable assurance that the consolidated financial statements taken as a whole are free of material misstatement, whether caused by fraud or error. If any of the following matters are identified, they will be communicated to the appropriate level of management:

- Misstatements, resulting from error, other than immaterial misstatements;
- Fraud or any information obtained that indicates that a fraud may exist;
- Material uncertainties related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern;
- Any evidence obtained that indicates non-compliance or possible non-compliance with laws and regulations has occurred;
- Significant deficiencies in the design or implementation of controls to prevent and detect fraud or misstatements; and
- Related party transactions identified that are not in the normal course of operations and that involve significant judgments made by management concerning measurement or disclosure.

The matters communicated will be those that we identify during the course of our audit. Audits do not usually identify all matters that may be of interest to management in discharging its responsibilities. The type and significance of the matter to be communicated will determine the level of management to which the communication is directed.

Furthermore, we will consider the District's system of internal control over financial reporting for the purpose of identifying types of potential misstatement, considering factors that affect the risks of material misstatement, and determining the nature, timing and extent of auditing procedures necessary for expressing our opinion on the consolidated financial statements. This consideration will not be sufficient to enable us to render an opinion on the effectiveness of controls over financial reporting nor to identify all significant deficiencies in the District's system of financial controls.

Independence

The Code of Professional Conduct require that we are independent when conducting this engagement. We will communicate to the Board of Trustees any relationships between the District (including related entities) and MNP that, in our professional judgment, may reasonably be thought to bear on our independence.

Further, we will confirm in writing our independence with respect to the District.

If matters should arise during this engagement that can reasonably be assumed to have impaired our independence, we may need to withdraw from this engagement.

Audit limitations

An audit involves performing procedures to obtain audit evidence regarding the amounts and disclosures in the consolidated financial statements. This includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation, structure and content of the consolidated financial statements, including disclosures.

Appendix A: Our Audit Responsibilities, Objective, Scope and Limitations *(continued from previous page)*

It is important to recognize that an auditor cannot obtain absolute assurance that material misstatements in the consolidated financial statements will be detected because of factors such as the use of judgment, selective testing of data, inherent limitations of controls, and the fact that much of the audit evidence available is persuasive rather than conclusive in nature.

Furthermore, because of the nature of fraud, including attempts at concealment through collusion and forgery, an audit designed and executed in accordance with Canadian generally accepted auditing standards may not detect a material misstatement due to fraud.

While an effective system of internal control reduces the likelihood that misstatements will occur and remain undetected, they do not eliminate that possibility. Therefore, we cannot guarantee that fraud, misstatements and non-compliance with laws and regulations, if present, will be detected when conducting an audit in accordance with Canadian generally accepted auditing standards.

The audit of the consolidated financial statements and the issuance of our audit opinion are solely for the use of the District and those to whom our report is specifically addressed. We make no representations of any kind to any third party in respect of these consolidated financial statements and we accept no responsibility for their use by any third party. If our name is to be used in connection with the consolidated financial statements, you will attach our independent audit report when distributing the consolidated financial statements to third parties.

We ask that our names be used only with our consent and that any information to which we have attached a communication be issued with that communication unless otherwise agreed to by us.

Appendix B: Management Responsibilities

During the course of our audit, you will be required to provide and make available complete information that is relevant to the preparation and presentation of the consolidated financial statements, including:

- Financial records and related data, including data relevant to disclosures made in the consolidated financial statements;
- Copies of all minutes of meetings of the Board of Trustees;
- Access to personnel to whom we may direct our inquiries;
- Information relating to any known or possible instances of non-compliance with laws, legislative or regulatory requirements (including financial reporting requirements);
- Information relating to all related parties and related party transactions; and
- Allowing access to those within the District from whom the auditor determines it necessary to obtain audit evidence.

Management's responsibility with respect to fraud and misstatement includes:

- The design and implementation of internal control for its prevention and detection;
- An assessment of the risk that the consolidated financial statements may be materially misstated;
- Disclosure of situations where fraud or suspected fraud involving management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the consolidated financial statements, have been identified or allegations have been made; and
- Communicating your belief that the effects of any uncorrected consolidated financial statement misstatements aggregated during the audit are immaterial, both individually and in the aggregate, to the consolidated financial statements taken as a whole.

In accordance with Canadian generally accepted auditing standards, we will request a letter of representation from management at the close of our audit in order to confirm oral representations given to us and reduce the possibility of misunderstanding concerning matters that are the subject of the representations. These representations are used as evidence to assist us in deriving reasonable conclusions upon which our audit opinion is based.

If the District plans any reproduction or publication of our report, or a portion thereof, printer's proofs of the complete documents should be submitted to us in sufficient time for our review, prior to making such documents publicly available. It will also be necessary for you to furnish us with a copy of the printed report. Further, it is agreed that in any electronic distribution, for example on Deep Bay Improvement District's website, management is solely responsible for the accurate and complete reproduction of our report and the subject matter on which we reported, and for informing us of any subsequent changes to such documents. However, we are responsible to read the documents to ensure accuracy, and consider the appropriateness of other information accompanying the audited consolidated financial statements, upon initial posting.

Appendix C: Illustrative Independent Auditor's Report

To the Board of Trustees of Deep Bay Improvement District:

Opinion

We have audited the consolidated financial statements of Deep Bay Improvement District (the "District"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, accumulated surplus, remeasurment gains and losses, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2025, and the results of its consolidated operations, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the District's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Appendix C: Illustrative Independent Auditor's Report *(continued from previous page)*

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nanaimo, British Columbia

Chartered Professional Accountants

Appendix D: Fees and Expenses

Our fees are determined on the basis of time spent on the engagement at the tariff rates of various members of our team. Any disbursements will be added to the billing.

Our estimated fees are based on our past experience and our knowledge of the District. This estimate relies on the following assumptions:

- No significant deficiencies in the system of internal control which cause procedures to be extended;
- No major unadjusted misstatement(s) or un-reconciled balances;
- Significantly all adjusting entries are completed prior to the trial balance and journal entries being provided to the audit team;
- All management and required staff are available as needed;
- Information and working papers required, as outlined in our letter of fiscal year-end requirements, are provided in the mutually agreed form and timing; and
- There are no changes to the agreed upon engagement timetable and reporting requirements.

We will ask that your personnel, to the extent possible, prepare various schedules and analysis, and make various invoices and other documents available to our team. This assistance will facilitate the progress of our work and minimize the cost of our service to you.

If any significant issues arise during the course of our audit work which indicate a possibility of increased procedures or a change in the audit timetable, these will be discussed with management by the practitioner leading your engagement so a mutually agreeable solution can be reached. In accordance with our standard terms and conditions, included as Appendix E, if significant changes to the arrangements set forth in this engagement letter are required, any change in scope of the engagement will need to be agreed in writing, in a "Change Order" agreement.

Appendix E: Standard Terms and Conditions

The following standard terms and conditions and engagement letter to which they are attached form one agreement (the "Agreement") and set out the terms and conditions upon which MNP LLP ("MNP") will provide services to you (the "District").

1. **Timely Performance** - MNP will use all reasonable efforts to complete, within any agreed-upon time frame, the performance of the services described in the engagement letter to which these terms and conditions are attached. However, MNP shall not be liable for failures or delays in performance that arise from causes beyond our control, including the untimely performance by the District of its obligations as set out in the engagement letter.
2. **Right to Terminate Services** - The District may terminate the engagement upon 30 days written notice. If this occurs, the District shall pay for time and expenses incurred by MNP up to the termination date, together with reasonable time and expenses incurred to bring the services to a close in a prompt and orderly manner. Should the District not fulfil its obligations as set out herein and in the engagement letter, and in the event that the District fails to remedy such default within 30 days following receipt of notice from MNP to that effect, MNP may, upon written notification and without prejudice to its other rights and resources, terminate provision of our services as described in the engagement letter. In such case, MNP shall not be responsible for any loss, costs, expenses, or damages resulting from such termination.
3. **Change Order** - If, subsequent to the date of this engagement letter, the District requires significant changes to the arrangements set forth in this engagement letter, the District will be required to agree to the change in scope of the engagement in writing, in a "Change Order" agreement. The "Change Order" agreement will set forth the revised arrangements and scope of services to be performed and any related additional fees associated.
4. **Fees** - Any fee estimates by MNP take into account the agreed-upon level of preparation and assistance from the District's personnel. MNP undertakes to advise the District's management on a timely basis should this preparation and assistance not be provided, or should any other circumstances arise which cause actual time to exceed the estimate.
5. **Administrative Expenses** - A non-reimbursable administrative expense fee (the "Administrative Fee") equal to 5% of the professional fees charged will be levied for administrative expenses. The administrative fee will be added to the professional fees and will be payable at the same time. Out-of-pocket expenses, including travel and accommodation expenses, incurred in connection with and necessary to the provision of our Services will be charged to the client.
6. **Billing** - Bills will be rendered on a regular basis as the assignment progresses. Accounts are due and payable upon receipt. Interest may be charged on the balance of any accounts remaining unpaid for more than 30 days, at a rate of 1.5% per month (19.56% per annum).
7. **Taxes** - All fees and other charges do not include any applicable federal, provincial, or other goods and services or sales taxes, or any other taxes or duties whether presently in force or imposed in the future. The District shall assume and pay any such taxes or duties, without deduction from the fees and charges hereunder.

Appendix E: Standard Terms and Conditions *(continued from previous page)*

8. **Governing Law** - The engagement will be governed and construed in accordance with the laws of the Province of British Columbia, and shall be deemed in all respects to be a British Columbia contract. The District and MNP submit to the courts of that jurisdiction with respect to all matters arising under or by virtue of this Agreement.
9. **Working Papers** - MNP owns all working papers and files, other materials, reports and work created, developed or performed during the course of the engagement, including intellectual property used in the preparation thereof. We will provide management with a copy of all practitioner-prepared working papers necessary for the District's accounting records. MNP may develop software, including spreadsheets, documents, databases, and other electronic tools, to assist us with our assignment. As these tools and working papers were developed specifically for our purposes and without consideration of any purpose for which the District might use them, any such tools which may be provided to the District, will be made available on an "as is" basis only, at our discretion, and should not be distributed to or shared with any third party. Except as indicated in the Code of Professional Conduct or by any legal proceeding, we have no responsibility to share our working papers with you or with any other parties.
10. **Personal Information** - Except to the extent necessary for the performance of the services, the District shall not provide any personal information, as defined in Canadian federal and provincial privacy legislation, to MNP in connection with this engagement. If personal information is disclosed to or by MNP, or is accessed, collected, used, or disclosed by MNP, the District consents to the same and represents and warrants that it has or will collect all necessary consents, provide any necessary notices, and do all such other things as are required under applicable law in respect of such personal information. Any collection, use or disclosure of personal information will be subject to MNP's privacy policy (available for review at www.mnp.ca/privacy) and will comply with applicable Canadian federal and provincial laws.
11. **Confidentiality** - To the extent that, in connection with this engagement, MNP comes into possession of any proprietary or confidential information of the District, MNP will not disclose such information to any third party without the District's consent, except: (a) when properly acting in the course of providing the Services (including to such of MNP's subcontractors, affiliates and advisors as may have a need to know), (b) as may be required by applicable law, or as may be permitted by applicable professional standards; or (c) to the extent such information: (i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure by MNP in breach hereof; (ii) is disclosed by the District to a third party without substantially the same restrictions as set forth herein; (iii) becomes available to MNP on a non-confidential basis from a source other than the District whom MNP believes is not prohibited from disclosing such information to MNP by obligation to the District; (iv) is known by MNP prior to its receipt from the District without any obligation of confidentiality with respect thereto; or (v) is developed by MNP independently of any disclosures made by the District to MNP of such information. The District acknowledges that our client files may be periodically reviewed by provincial or national practice inspectors as required by law, including for reporting-issuers by the Canadian Public Accountability Board, the Public Company Accounting Board, or other regulators, and by other MNP personnel that may be located extra-provincially to ensure we are adhering to professional and MNP standards.

Appendix E: Standard Terms and Conditions *(continued from previous page)*

12. **Data Analytics** - The District agrees that MNP may use relevant portions of the District information disclosed to MNP in the course of the Engagement, which may include Confidential information and Personal information (the "Client Data") for the purpose of performing individualized (using your data only, for your eyes only) and aggregated benchmarking and industry models and reports (using de-identified data from a variety of sources). Aggregated benchmarking and industry reporting services will be performed to provide valuable insights on financial and other trends either (a) within your specific business organization over time, or (b) on an aggregated basis across an entire industry or sector. MNP may use such information to provide services to its clients or for other business purposes. None of the aggregated reporting will contain any information that would allow a third party to identify you. The data will not be re-identified or removed following the aggregation process.
13. **Nature of the Limited Liability Partnership (LLP)** - MNP is a registered limited liability partnership, as permitted by legislation enacted in our governing jurisdiction of the Province of Alberta. This legislation provides that a partner of an LLP is not personally liable for any of the debts, obligations, or liabilities of the LLP or any of the other partners which may arise as a result of any negligent act or omission of another partner of the LLP, or by any employee of the partnership, unless such act or omission is committed by the partner him or herself or by a person under the partner's direct supervision and control. All partners of an LLP remain personally liable for any acts or omissions arising as a result of their own negligence, and for the acts or omissions of those directly under their supervision or control, and shall continue to be subject to unlimited personal liability for all of the other liabilities of the partnership. The legislation does not reduce or limit in any way the liability of the partnership itself, and all of the partnership's assets and insurance coverage remain at risk.
14. **Release and Limitation of Liability** - The District and MNP agree to the following with respect to MNP's liability to the District:
 - a. In any action, claim, loss or damage arising out of the engagement, the District agrees that MNP's liability will be several and not joint and the District may only claim payment from MNP of MNP's proportionate share of the total liability based on the degree of fault of MNP as finally determined by a court of competent jurisdiction.
 - b. Other than for matters finally determined to have resulted from the gross negligence, fraud or willful misconduct of MNP, whether the claim be in tort, contract, or otherwise:
 - i. MNP shall not be liable to the District and the District releases MNP for all claims, damages, costs, charges and expenses (including legal fees and disbursements) incurred or suffered by the District related to, arising out of, or in any way associated with the engagement to the extent that the aggregate of such amounts is in excess of the total professional fees paid by the District to MNP in connection with this engagement during the 12 month period commencing from the date of the engagement letter to which these terms and conditions are attached; and,
 - ii. MNP shall not be liable to the District for any consequential, indirect, lost profit or similar damages, or failure to realize expected savings, relating to MNP's services provided under the engagement letter to which these terms and conditions are attached.

Appendix E: Standard Terms and Conditions *(continued from previous page)*

15. **Indemnity** - The District agrees to jointly and severally indemnify and hold harmless MNP against:
- a. All claims, damages, costs, charges and expenses (including legal fees and disbursements) which are related to, arise out of, or are in any way associated with the engagement, whether the claims are civil, penal, regulatory, or administrative in nature, other than those finally determined by a court of competent jurisdiction to have resulted from MNP's gross negligence, fraud or willful misconduct; and,
 - b. Notwithstanding "a.," all claims, damages, costs, charges and expenses (including legal fees and disbursements) which are related to, arise out of, or are in any way associated with the engagement, whether the claims are civil, penal, regulatory, or administrative in nature, that arise from or are based on any deliberate misstatement or omission in any material, information or representation supplied or approved by any officer or member of the Board of Directors of the District.

For the purposes of paragraph 14. and 15., "MNP" shall mean MNP LLP and its directors, officers, partners, professional corporations, employees, subsidiaries and affiliates and to the extent providing services under the engagement letter to which these terms are attached, MNP LLP, its member firms, and all of their partners, principals, members, owners, directors, staff and agents; and in all cases any successor or assignee.

16. **Survival of Terms** - The District and MNP agree that clauses 14. and 15. will survive termination of the engagement.
17. **Electronic Communications** - Unless the District prefers we use a particular manner of communication and specifies as much in writing, MNP will use whatever form of communication it deems most efficient in the circumstances. In many instances, this will involve the use of internet e-mail. With respect to internet e-mail, MNP and the District both acknowledge that neither party has control over the performance, reliability, availability, or security of internet e-mail. Additionally, MNP staff may be required or requested to work from your offices during which visits access to and use of and reliance upon your electronic environment (including but not limited to, your network, Internet, and extranet resources) is necessitated. The District accepts that MNP shall not be liable for any loss, damage, expense, harm or inconvenience resulting from any loss, delay, interception, corruption, security breach, delivery failure, incompatibility, incompleteness or alteration of any document or transmission arising from the use of e-mail or the transmission of any document outside of MNP's electronic environment.
18. **Third Party Services** - In connection with this engagement, MNP may use certain third parties to provide professional, administrative, and analytical services and other clerical support. As a result, Client Data may transit or be used, stored or accessed in jurisdictions outside your province of residence or outside of Canada, and may be subject to disclosure in accordance with the laws applicable in such jurisdiction, which laws may not provide the same level of protection as Canadian federal and provincial privacy laws. MNP will require such third parties to undertake confidentiality obligations that are equivalent to those contained in this Agreement. For clarity, MNP does not warrant and is not responsible for any third-party product or service obtained independently by the District notwithstanding any participation or involvement by MNP in the procurement of such services.

Appendix E: Standard Terms and Conditions *(continued from previous page)*

19. **Praxity** - We are an independent accounting firm allowed to use the name "PRAXITY" in relation to our practice. We are not connected by ownership to any other firm using the name "PRAXITY" and we will be solely responsible for all work carried out by us on your behalf. In deciding to instruct us you acknowledge that we have not represented to you that any other firm using the name "PRAXITY" will in any way be responsible for the work we do.
20. **Solicitation** - The District agrees that for a period of one year after completion of the services, it shall not, directly or indirectly, for itself or for any third party, solicit the services of, hire, contract for the services of, or otherwise entice away from their partnership, employment or contract of services with MNP or any MNP Person. In the event of a breach of this section by the District, the District shall be obliged to pay to MNP liquidated damages in the amount of one hundred fifty (150%) percent of the total compensation the District or third party offered to pay the individual in their first year of service to such party, or one hundred fifty (150%) percent of total compensation the District or third party actually paid to the individual in their first year of service to such party, whichever is greater. The District further understands that any breach by the District of this provision may result in a threat to our independence which may prevent us from accepting or continuing any engagement to provide assurance services to the District. "MNP Person" means any and all partners, employees and contractors providing services to MNP, whether for a defined or indefinite period or on a part-time or full-time basis, and with whom the District had contact during the term of this engagement.

Deep Bay Improvement District

2025 Audit Service Plan

Report to the Board of Trustees

December 31, 2025

Cory Vanderhorst, CPA, CA
T: 250.734.4319
E: cory.vanderhorst@mnpc.ca

Audit Service Plan Overview

We are pleased to present our Audit Service Plan for Deep Bay Improvement District (the "District") which outlines the strategy we will follow to provide the District's Board of Trustees with our Independent Auditor's Report on the December 31, 2025 consolidated financial statements. We are providing this Audit Service Plan to the Board of Trustees on a confidential basis. It is intended solely for the use of the Board of Trustees and is not intended for any other purpose. Accordingly, we disclaim any responsibility to any other party who may rely on this report.

We confirm to the Board of Trustees that we are independent of the District.

Topics for Discussion

We are committed to providing superior client service by maintaining effective two-way communication. Topics for discussion include, but are not limited to:

- Changes to your business operations and developments in the financial reporting and regulatory environment
- Business plans and strategies
- Any other issues and/or concerns
- Fraud, including how fraud could occur, the risk of fraud and misstatement, and any actual, suspected or alleged fraud
- The management oversight process
- Your specific needs and expectations

The MNP Audit Approach

Audit Materiality

The scope of our audit work is tailored to reflect the relative size of operations of the District and our assessment of the potential for material misstatements in the District's consolidated financial statements as a whole (and, if applicable, for particular classes of transactions, account balances or disclosures). In determining the scope, we emphasize relative audit risk and materiality, and consider a number of factors, including:

- The size, complexity, and growth of the District
- Changes within the organization, management or accounting systems
- Concerns expressed by management

We propose to use \$46,000 as overall materiality for audit planning purposes.

Auditor’s Approach to Internal Control

For the December 31, 2025 audit, we are planning to place low reliance on the District’s accounting system. This level of reliance is consistent with the prior year end, and will involve mainly substantive tests of details.

Key Changes and Developments

Based on our knowledge of the District and our discussions with management, we have noted the recent developments set out below. Our audit strategy has been developed giving consideration to these factors.

ISSUES AND DEVELOPMENTS		SUMMARY
	NEW REPORTING DEVELOPMENTS	Financial Statement Presentation (New Section PS 1202)

Detailed information on Key Changes and Developments are included as Appendix A.

Risk Assessment

Our audit process focuses on significant risks identified during the pre-planning and planning and risk assessment stage, ensuring that audit procedures are tailored to your specific circumstances and appropriately address those risks.

Based on the preliminary risk assessment procedures performed, we have identified the following significant and high risks which will be addressed during our audit. We have also outlined the proposed audit response to address those risks. We will update our risk assessment as the audit progresses for additional risks identified and will inform management of any additional significant risks identified.

SIGNIFICANT RISK AREA	PROPOSED AUDIT RESPONSE
Management override of internal controls	To respond to the overall risk of material misstatement due to fraud regarding management's override of controls, we perform the following procedures: 1. Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements 2. Review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represent a risk of material misstatement due to fraud, if applicable 3. Evaluate the rationale behind significant transactions that are not in the normal course of business and whether they have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets

Audit Team

In order to ensure effective communication between the Board of Trustees and MNP, we outline below the key members of our audit team that will be responsible for the audit of Deep Bay Improvement District and the role they will play:

RETURNING TEAM MEMBERS	CONTACT INFORMATION
Cory Vanderhorst, CPA, CA, Engagement Partner	E: Cory.Vanderhorst@mnp.ca
Graham Roberts, CPA, CA, Engagement Manager	E: Graham.Roberts@mnp.ca

Our partners and senior management are committed to providing you with the highest level of attention and oversight throughout the terms of this engagement, reflecting MNP's staffing model and client service philosophy. Through consistent attention from leaders, our engagement team will maintain responsibility and authority over all matters of the engagement and will drive service delivery and issue resolution. In addition, the engagement team will be actively involved and have hands-on involvement with service delivery, ensuring engagement objectives will be met.

In order to serve you better and meet our professional responsibilities, we may find it necessary to expand our audit team to include other professionals whose consultation will assist us to evaluate and resolve complex, difficult and/or contentious matters identified during the course of our audit.

Any changes to the audit team will be discussed with you to ensure a seamless process and that all concerned parties' needs are met.

Timing of the Audit

KEY DELIVERABLE	EXPECTED DATE
Year-end fieldwork procedures	February 2, 2026 to February 6, 2026
Draft year-end consolidated financial statements to be discussed with management	March 2026
Presentation of December 31, 2023 Audit Findings Report to the Board of Trustees	April 2026
Presentation of Management Letter to the Board of Trustees	April 2026
Issuance of Independent Auditor's Report	April 2026

Fees and Assumptions

DESCRIPTION	2025 ESTIMATE	2024 ACTUAL
Base audit fee	\$ 20,000	\$ 19,000
Bookkeeping (to be determined based on hours of work)	\$ -	\$ 5,000
Total	\$ 20,000	\$ 24,000

If any significant issues arise during the course of our audit work which indicate a possibility of increased procedures or a change in the audit timetable, these will be discussed with management by the engagement partner, so a mutually agreeable solution can be reached.

Invoices will be rendered as work progresses in accordance with the following schedule:

DESCRIPTION	AMOUNT
On delivery of the audit service plan	\$ 10,000
At the start of year-end field work	\$ 5,000
Final billing – upon release of auditor’s report	\$ 5,000
Final billing - bookkeeping (to be determined based on hours of work)	\$ -
Total	\$ 20,000

We look forward to discussing our Audit Service Plan with you, as well as any other matters of interest to you.

Sincerely,



MNP LLP

Chartered Professional Accountants

Appendix A – Key Changes and Developments

We would like to bring to your attention the following accounting and auditing developments, which may have some impact on your financial reporting.

Issues and Developments Summary

New Reporting Developments

Financial Statement Presentation (New Section PS 1202)

In October 2023, the Public Sector Accounting Board (PSAB) issued Section PS 1202 *Financial Statement Presentation* which replaces PS 1201 *Financial Statement Presentation*.

The new Section PS 1202:

- Discusses going concern that builds on the discussion in *The Conceptual Framework for Financial Reporting in the Public Sector*;
- Changes the statement of financial position by:
 - Relocating the calculation of the net financial liabilities (formerly known as “net debt”) or net financial assets indicator, to its own statement;
 - Introducing two categories of liabilities: financial and non-financial;
 - Adding a third component of net assets or net liabilities: “accumulated other”;
 - Updating the definition of “non-financial assets”;
 - Restructuring the statement to present assets, followed by liabilities, followed by net assets or net liabilities; and
 - Providing an option to show the net financial assets or net financial liabilities indicator below the indicator of financial position, with reference to the statement of net financial assets or net financial liabilities;
- Adds a statement of net financial assets or net financial liabilities that presents the revised net financial assets or net financial liabilities calculation;
- Provides the option to present the change in net financial assets or net financial liabilities on the statement of net financial assets or net financial liabilities;
- Includes a statement of operations similar to the one in superseded Section PS 1201;
- Permits presenting an amended budget only when there is an election or when the majority of the governing body of a government organization has been newly elected or appointed;
- Adds the statement of changes in net assets or net liabilities that includes a reconciliation of each component of net assets or net liabilities and incorporates what is required in superseded Section PS 1201 to be included in the statement of remeasurement of gains and losses;
- Isolates financing activities in the statement of cash flow; and
- Includes guidance in various appendices in the form of application guidance, decision trees, illustrative examples and illustrative financial statements.

Appendix A – Key Changes and Developments (continued from previous page)

Section PS 1202 applies to fiscal years beginning on or after April 1, 2026. Earlier adoption is permitted only if the Conceptual Framework is also adopted at the same time. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information in Section PS 1202.

Various consequential amendments resulting from the issuance of Section PS 1202 have also been issued. These include various Sections and Guidelines of the PSA Handbook that have been withdrawn or amended.

MADE ^{IN} CANADA

And proud of it!

At MNP we're proud to be the national accounting, consulting and tax firm that is 100% Made in Canada.

Our history defines who we are and our approach to business. Being a Canadian firm has helped shape our values, our collaborative approach, and the way we work with our clients, engaging them every step of the way.

We have a unique perspective. Our decisions are made here – decisions that drive Canadian business and help us all achieve success — and we know the impact that our choices have on the cities and towns we call home.

Throughout our six decades of work, we've seen our communities are more than just a place we do business in. They're a place where our families live, play, and thrive, and we work to make them the best places they can be.

Being 100% Canadian is something we wear proudly. This country provides us with great opportunities, and we're here to help our clients seize the opportunities so we can create a brighter future for the generations to come.



Wherever business takes you

MNP.ca



Wherever business takes you

[MNP.ca](https://mnp.ca)

DBID Water Report

Report period: September 1, 2025 - September 31, 2025

Prepared by: Adam Norman (Core Water Management Ltd.)

Well Meter Readings									
	Well #8	Well #6	Well #5	Well #4	Well #3	Well #2	Well #1	TOTAL	Units
Flow	5488	4519	3181	1606	0	0	0	14794	m3
Pump RTM	157.44	157.35	111.68	89.4	0	0	0	515.87	hrs
Starts	129	124	123	123	0	0	0	499	ct

DATE	LOGBOOK	OPERATOR
2025-09-02	Rounds. Flushed and sampled TCE, Fire Hall and Reservoir	AN
2025-09-05	Total Coliform count of 3.1 at the Reservoir Water Main sample station. Flush and resample next week.	AN
2025-09-07	Power outage at about 10am. The fire hall generator did not start up so we didn't have SCADA access until the power was back on. We then found that the generator at well 8 turned on but the flow fault needed to be reset before the well would come on. All wells back up and running and the reservoir level only dipped 6% lower than it would under normal operations. FH generator will be assessed by an electrician again.	AN
2025-09-10	Rounds. Flushed and sampled reservoir, Mapleguard and Deep Bay Dr.	AN
2025-09-11	Meeting with Trustees and Jim Mckerr to discuss future infrastructure improvements and budgeting.	AN
2025-09-13	All LT1 results from last weeks sampling.	AN
2025-09-16	Rounds. Met with Christo to discuss the scope of reservoir hatch sealing that will be performed.	AN
2025-09-19	Reservoir sample result of "LT1 GTR200" I will disinfect the sample port, flush and resample next week as per the Health officers instruction.	AN
2025-09-22	Rounds. Flushed and sampled Deep Bay Dr, Mapleguard and Reservoir	AN
2025-09-24	Meter readings.	
2025-09-25	Meter Readings. Received sample Results with total coliform counts in them at both Deep Bay Dr and Mapleguard. Under the consultation of VIHA, I implemented a Boil Water Notice and chlorinated the system. Flushing to ensure a chlorine residual reached the ends of the distribution system. Additionally, A contractor was on site cleaning and sealing the reservoir hatches under the supervision of myself and Trustee Christo Kuun.	AN

2025-09-26	Checked chlorine residuals. Still present.	
2025-09-29	Checked residuals and flushed to ensure all the chlorine had been purged from the system.	AN
2025-10-01	Submitted a sample from all 5 active sample locations throughout the distribution system.	AN
2025-10-02	Submitted 2nd set of samples from all 5 sample locations.	AN
2025-10-04	Both sample sets came back clean. The BWN has been rescinded.	AN

*Additional days of Logbook entries to show resolution of the BWN.

Deep Bay Volunteer Fire Department

September 2025 Chief's Report

All burn bans have been lifted for the area. There is still a requirement to have a permit for class 2 and 3 fires in the area, which includes any fires over ½ meter by ½ meter. Please contact us for a burn permit if you need one. Please check the venting index to ensure it is **good** before lighting your fires.

I would like to invite those interested in serving the community as a fire fighter, first responder to join us. This is a very satisfying way to help people in their time of need. I would encourage you to join our phenomenal group of volunteers. We train Monday evening 6:30 till 9:00 (except long weekends) contact us at deepbayfire@dbid.ca or just show up.

Training with our neighbouring fire departments is still being done to familiarize them with our area and us with theirs, as well as getting to know members, equipment and their abilities.

The Society had a very successful bottle drive raising \$8,523.50. The next bottle drive is scheduled for March 28, 2026, please put that into your schedule to donate or help with the sorting.

If you have any questions or concerns, please send an email to deepbayfire@dbid.ca and we will address your questions or concerns.

Thank you

Chief George Lenz

DBVFD

Deep Bay Fire Department		2025 Jan	2025 Feb	2025 Mar	2025 April	2025 May	2025 June	2025 July	2025 Aug	2025 Sept	2025 Oct	2025 Nov	2025 Dec	2025 YTD
Response:	# Structural fires	1	0	0	0	3	1	0	0	0				5
	# Other fire calls	0	0	0	2	0	0	1	1	0				4
	# Motor Vehicle Incidents	2	5	1	2	2	1	0	2	2				17
	# First responder calls	3	4	8	1	7	2	7	5	0				37
	# Miscellaneous calls	0	0	0	4	0	0	1	1	1				7
Safety # Worksafe related incidents		0	0	1	0	0	0	0	0	0				1
Total calls		6	9	10	9	12	4	9	9	3	0	0	0	71
		1st Quarter		2nd Quarter		3rd Quarter		4th Quarter						
Active Membership:	Chief:	1		1		1								
	# Active officers (not incl Chief):	5		5		5								
	# Other active members (not in officer role):	16		16		17								
	Total # - Active Members:	22		22		23		0						
	Target range optimal:	30		30		30		30						
Firefighters: (no member should be counted twice in this section)	# Members fully qualified as interior & exterior firefighters	3		3		3								
	# Members fully qualified as exterior firefighters, interior firefighting in progress	10		10		10								
	# Members fully qualified as exterior firefighters	0		0		0								
	# Members in training for exterior firefighting	7		8		10								
	# New members: no training	2		1										
Instructors & Evaluators:	# Instructors qualified to train for interior & exterior operations level "in-house"	4		4		4								
	# Instructors qualified to train ONLY to exterior operations level "in-house"	0		0		0								
	# Competency evaluators "in-house"	3		3		3								
# Certified as first responders		8		9		9								

Deep Bay Volunteer Fire Department

5031 Mountainview Rd.

Bowser BC

Proposal for replacement of Rescue 8-2

October 8, 2025

I have discussed with a couple of mechanics the concerns around the operation of the 2007 Ford F550 that we are currently using as our rescue truck 8/2. They are in agreement that the vintage and model of this vehicle seems to have mechanical issues on a regular basis.

Having said that, we are currently in a break down mode again as we are having a starting issue with the vehicle. This issue resulted in additional personnel being delayed when the Incident Commander requested additional personnel on a scene. It also resulted in the loss of a training night for members, as we were forced to move equipment off 8/2 onto a different truck to ensure the ability to respond to all emergencies that could occur.

We have had callouts when the truck has not been able to leave the hall which delays our response time to get to the emergency that we have been paged out for. We have also had loss of some functions on the truck upon returning to the hall after a call out that don't show up when we check the codes with a code reader. This is a concerning issue as we can not fix an issue that we can't find the cause.

We also need to consider the weight restriction of the vehicle as more equipment is being required to perform the duties of the fire department resulting in overweight concerns. This includes some Worksafe requirements now that BCAS is not doing rehab on structure fire calls.

As volunteers serving the community I believe that the members of the fire department should have the equipment that is required to perform the tasks requested of them in a timely and safe manner.

We need to consider the replacement of 8/2 as soon as a suitable replacement can be purchased. As fire chief for this community, I feel it is very important to always have equipment in proper operating condition and would like to replace rescue 8-2 with a more reliable vehicle. I have had a couple of members looking on-line to see what is available. They have found suitable vehicles ranging in price from \$55,000.00 to \$200,000.00 which is well within reason. These ranges from 10 to 20 year-old vehicles.

The DBID fire department capital plan reflects \$350,060.00 budget for 2028 replacement and currently has \$250,000.00 in the 2025 budget allocated for replacement. The Fire Department requests authorization to proceed with replacement of rescue truck 8/2 in 2026 or sooner if the right truck comes available for the right price.

Thank you

Deep Bay Fire Chief

George Lenz

DBID - Waterworks

Cheque Log for 1020 Bank Credit Union/WD from 01/09/2025 to 30/09/2025

Cheque No.	Payee	Amount
4747	Core Water Management Ltd. (contract)	4,945.50
4748	Nina LeBlanc (expenses)	45.00
4749	NextGen Automation (photocopier contract)	226.77
4750	White Pacific Automation (Scada system work)	1,454.25
4751	Madill - The Office Company (office supplies)	196.51
4752	Minister of Finance (office supplies)	45.45
4753	Denise Coghill	480.00
OBP-317727964	Municipal Pension Plan	367.49
OBP-312302556	Municipal Pension Plan	526.24
OBP-6725002	Rogers (Shaw)	214.04
OBP-912202	BC Hydro	111.38
OBP-868302	BC Hydro	727.64
OBP-832004	ADT Security Services	185.66
OBP-709102	Waste Connections of Canada Inc	275.54
OBP-584902	BC Hydro	520.66
OBP-549400	Receiver General	5,705.27
OBP-487002	BC Hydro	121.19
OBP-397502	BC Hydro	423.72
OBP-246002	BC Hydro	608.48
OBP-118102	BC Hydro	295.72

Generated On: 09/10/2025

Waterworks cheque log September 2025	\$17,476.51
Employee Deposits September 2025	\$6,197.92
Total Waterworks September 2025	\$23,674.43

DBID - Fire Protection

Cheque Log for 1030 Credit Union from 01/09/2025 to 30/09/2025

Cheque No.	Payee	Amount
3943	Bowser Builders' Supply Ltd. (misc supplies)	82.70
3944	Minister of Finance (safety supplies)	319.66
3945	Rob Michael Field (PFD's)	438.08
3946	Lordco Auto Parts (truck supplies)	138.27
3947	Associated Fire Safety Equipment (Thermal imager)	4,135.43
3948	Coast Ropes and Rescue (low angle rescue equip)	1,906.21
3949	Margaret Furnell (medical supplies)	277.53
3950	Minister of Finance (safety supplies)	199.68
3951	Minister of Finance (safety supplies)	103.40
3952	Barry Foster (expenses)	29.11
3953	Don Coghill (expenses)	11.19
3954	Janine Sibley (8-3 and 8-5 ICBC)	1,874.00
3955	Barry Foster (expenses)	91.92
3956	Minister of Finance (safety supplies)	80.22
3957	Associated Fire Safety Equipment (Fire helmets)	1,805.48
OBP-429204	Telus Mobility	84.00
OBP-319704	TELUS Communications	55.10

Generated On: 09/10/2025

Total Fire cheque log September 2025	\$11,631.98
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DBID - Waterworks

Comparative Income Statement

	Budget 01/01/2025 to 31/12/2025	Actual 01/01/2025 to 30/09/2025	
REVENUE			
REVENUE			
Water Base Rate	182,198.00	137,293.35	
Water Consumption	106,400.00	55,233.52	
Penalties / Interest Charges	5,110.00	9,005.37	
Building/Ins. Shared	63,843.00	47,880.00	
Shared Office Staff	41,750.00	31,311.00	
Applications / Connections	1,000.00	1,361.01	
Other Income	500.00	1,300.00	
Interest Earned	5,000.00	4,572.57	
WATER OPERATING INCOME	405,801.00	287,956.82	
Total Waterworks Income	405,801.00	287,956.82	
TOTAL REVENUE	405,801.00	287,956.82	
EXPENSE			
OPERATING EXPENSES			
Advertising	1,300.00	0.00	
Bank Charges	300.00	132.28	
Hydro bldg. 9711 4442 601	16,500.00	9,871.51	
Audit	17,500.00	5,200.00	
Insurance	40,000.00	31,527.87	
Trustee Honorarium	6,200.00	0.00	
Licenses/Water Tests	3,750.00	1,053.30	
Office Supplies	2,100.00	1,464.24	
Office Equip / Service Contracts	7,500.00	5,929.75	
Postage	4,500.00	2,425.66	
Cable Expense	1,540.00	1,174.71	
Telephone	550.00	1,164.32	
Professional Fees	17,500.00	625.95	
Wages - Assistant	55,000.00	50,376.81	
Wages - Administrator	70,000.00	54,205.77	
Admin Benefits	14,205.00	11,702.83	
CPP Expense	8,700.00	4,807.11	
EI Expense	3,300.00	2,005.74	
WorkSafe BC	4,000.00	2,050.26	
MPP Employer	9,000.00	7,718.04	
TOTAL ADMINISTRATION	283,445.00	193,436.15	
Hydro Pump #2 9711 2647 001	640.00	575.04	
Hydro pump #3 9711 4400 601	466.00	617.34	
Hydro pump #4 9711 2650 401	1,000.00	569.47	
Hydro pump #5 9711 2650 801	2,500.00	1,384.13	
Hydro pump #6 9711 2650 601	2,500.00	2,136.00	
Hydro pump #8 2925 207	3,500.00	3,432.18	
Generator - fuel/repairs	2,250.00	7,087.46	
Maintenance-Buildings	16,000.00	13,465.24	
Maintenance-Contract	54,000.00	40,869.44	
Call outs/Emergencies	3,000.00	2,560.31	
Machine Rental	3,000.00	683.00	
Casual Labour	4,000.00	489.99	

DBID - Waterworks**Comparative Income Statement**

	Budget 01/01/2025 to 31/12/2025	Actual 01/01/2025 to 30/09/2025
Hydrants	0.00	689.34
Wages - Meter Reading	3,000.00	1,367.79
Maint. Material/Equipment	6,000.00	1,096.31
Major Repairs & Maintenance	17,000.00	4,000.68
Mileage	2,500.00	632.37
Seminars	1,000.00	0.00
TOTAL OPS & MAINTENANCE	122,356.00	81,656.09
WATER OPERATING EXPEN...	405,801.00	275,092.24
TOTAL EXPENSE	405,801.00	275,092.24
NET INCOME	0.00	12,864.58

DBID - Waterworks

Comparative Balance Sheet

	As at 30/09/2025	As at 01/01/2025
ASSET		
CURRENT ASSETS		
Bank Credit Union/WD	102,927.85	109,225.97
RBC Investment Acct	89,897.31	86,476.63
Trust Account	132.87	48,760.21
M. Equity Shares	25.00	25.00
PI 24 001	31.44	31.44
GIC 25	0.00	29,568.20
GIC 28	63,000.00	0.00
GIC 26	0.00	46,104.86
GIC 29	63,000.00	0.00
GIC 27	400,000.00	0.00
Water Ops Term Total	526,031.44	75,704.50
Accounts Receivable	400.00	175.00
Accrued receivables	642.16	0.00
Accrued Interest Receivable	2,082.19	2,629.90
Accounts receivable Right Water	13,012.50	7,712.33
GST Receivable	6,813.46	21,877.95
Prepaid insurance	0.00	31,527.87
TOTAL CURRENT ASSETS	741,964.78	384,115.36
INTERFUND ACCOUNT		
Due to / from Fire Protection	-254,735.15	-63,566.57
Due to / from Renewal	-261,288.25	-34,472.41
Due to / from Capital	5,169.12	13,756.12
TOTAL	-510,854.28	-84,282.86
TOTAL ASSET	231,110.50	299,832.50
LIABILITY		
CURRENT LIABILITIES		
Accounts Payable	7,158.81	43,707.47
Accrued liabilities	1,727.77	56,507.60
Vacation Pay Payable	-0.35	40.68
TOTAL CURRENT LIABILITIES	8,886.23	100,255.75
TOTAL LIABILITY	8,886.23	100,255.75
EQUITY		
NET ASSETS		
Unrestricted Net Assets	209,359.69	209,359.69
Current Earnings	12,864.58	-9,782.94
TOTAL NET ASSETS	222,224.27	199,576.75
TOTAL EQUITY	222,224.27	199,576.75
LIABILITIES AND EQUITY	231,110.50	299,832.50

DBID - Waterworks Renewal

Income Statement 01/01/2025 to 09/30/2025

REVENUE**Restricted Renewal Funds**

Parcel Tax	281,032.00
Interest Restricted Renewal	39,028.86
Accrued Interest Revenue - Restr...	2,116.22

Total Restricted Revenue	<u>322,177.08</u>
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Unrestricted Renewal Funds

Interest Unrestricted Renewal	3,273.02
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Total Unrestricted Revenue	<u>3,273.02</u>
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TOTAL REVENUE	<u>325,450.10</u>
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EXPENSE**Renewal Projects**

Thompson Clarke West	84,407.20
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Total Expenses	<u>84,407.20</u>
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TOTAL EXPENSE	<u>84,407.20</u>
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NET INCOME	<u><u>241,042.90</u></u>
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DBID - Waterworks Renewal

Comparative Balance Sheet

	As at 09/30/2025		As at 01/01/2025	
ASSET				
Renewal Reserve Funds				
PI 24 003 Restricted Renewal	1.18		1.18	
Term Deposit Restricted Rene...	26.25		26.25	
RBC Investment Restricted	1,025,699.07		986,670.21	
Total Restricted		1,025,726.50		986,697.64
RBC Investment Unrestricted	86,016.71		82,743.69	
Total Unrestricted		86,016.71		82,743.69
Accrued Interest Receivable	20,932.58		18,816.36	
Total Receivable		20,932.58		18,816.36
Due to/from Waterworks	271,288.25		74,663.45	
Total Interfund Accounts		271,288.25		74,663.45
Total Current Assets		<u>1,403,964.04</u>		<u>1,162,921.14</u>
TOTAL ASSET		<u>1,403,964.04</u>		<u>1,162,921.14</u>
LIABILITY				
TOTAL LIABILITY		<u>0.00</u>		<u>0.00</u>
EQUITY				
Owners Equity				
Internally Restricted Water		104,525.41		104,525.41
Retained Earnings - Previous Y...		1,058,395.73		1,058,395.73
Current Earnings		241,042.90		0.00
Total Owners Equity		<u>1,403,964.04</u>		<u>1,162,921.14</u>
TOTAL EQUITY		<u>1,403,964.04</u>		<u>1,162,921.14</u>
LIABILITIES AND EQUITY		<u>1,403,964.04</u>		<u>1,162,921.14</u>

DBID - Water Capital

Income Statement 01/01/2025 to 30/09/2025

REVENUE

INTEREST CEC FUNDS

Accrued Interest Revenue	9,215.26
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TOTAL	<u>9,215.26</u>
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CAPITAL EXPENDITURE

Capital Expenditure Charges	8,587.00
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TOTAL	<u>8,587.00</u>
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TOTAL REVENUE	<u>17,802.26</u>
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EXPENSE

TOTAL EXPENSE	<u>0.00</u>
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NET INCOME	<u><u>17,802.26</u></u>
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DBID - Water Capital

Comparative Balance Sheet

	As at 30/09/2025	As at 01/01/2025
ASSET		
CEC FUNDS		
RBC Investment Acct	187,343.24	180,214.64
Money Max CEC's	5,923.31	5,923.31
Reconciling Account for #8	21,410.31	21,410.31
GIC 70	97,342.85	97,342.85
GIC 55	96,955.29	96,955.29
GIC 54	39,226.27	39,226.27
Equity Shares	56.00	56.00
GIC 53	7,127.91	7,127.91
GIC 66	19,515.56	19,086.11
TOTAL CEC FUNDS	474,900.74	467,342.69
ACCOUNTS REC.		
A/R Waterworks Well #8	500.00	500.00
Accrued Interest Receivable	7,202.91	5,545.70
TOTAL	7,702.91	6,045.70
CAPITAL ASSETS		
Land	7,163.73	7,163.73
Buildings	37,020.30	37,020.30
Buildings Amortization	-37,244.82	-37,244.82
Asset Retirement Obligation - B...	63,763.00	63,763.00
Furniture	10,099.00	10,099.00
Furniture Amortization	-5,166.25	-5,166.25
Computer Equipment	12,459.71	12,459.71
Computer Equip Amortization	-12,459.71	-12,459.71
Waterworks System	4,281,993.92	4,281,993.92
Water System Amortization	-2,387,312.60	-2,387,312.60
Maintenance Equip.	44,659.21	44,659.21
Maintenance Equip. Ammortiza...	-44,659.16	-44,659.16
TOTAL	1,970,316.33	1,970,316.33
INTERFUND ACCOUNTS		
Due to/From Waterworks District	-5,169.12	-13,756.12
TOTAL	-5,169.12	-13,756.12
TOTAL ASSET	2,447,750.86	2,429,948.60
LIABILITY		
Long Term Liability		
Asset Retirement Obligation - B...	63,763.00	63,763.00
Long Term Liability - Total	63,763.00	63,763.00
TOTAL LIABILITY	63,763.00	63,763.00
EQUITY		
NET ASSETS		
EXTERNALLY RESTRICTED	459,632.27	459,632.27
INVESTMENT IN CAP ASSETS	1,906,553.33	1,906,553.33

Printed On: 24/10/2025

DBID - Water Capital

Comparative Balance Sheet

	As at 30/09/2025	As at 01/01/2025
Current Earnings	17,802.26	0.00
TOTAL	<u>2,383,987.86</u>	<u>2,366,185.60</u>
TOTAL EQUITY	<u>2,383,987.86</u>	<u>2,366,185.60</u>
LIABILITIES AND EQUITY	<u><u>2,447,750.86</u></u>	<u><u>2,429,948.60</u></u>

DBID - Fire Protection

Comparative Income Statement

	Budget 01/01/2025 to 31/12/2025	Actual 01/01/2025 to 30/09/2025	
REVENUE			
Revenue			
Fire Protection Levies	276,325.00	276,325.00	
Other Income	40,000.00	35,000.00	
Emergency Mgmt BC	18,408.00	8,643.75	
Interest Earned - Operations	1,500.00	5,766.61	
Interst Earned - Capital Replac.	0.00	2,970.68	
Total Revenue	<u>336,233.00</u>	<u>328,706.04</u>	
TOTAL REVENUE	<u>336,233.00</u>	<u>328,706.04</u>	
EXPENSE			
OPERATING EXPENSES			
Associations	475.00	1,494.27	
Mileage	1,000.00	691.74	
Hall Supplies	3,000.00	15,043.16	
Postage/Freight	50.00	0.00	
Bank Charges	0.00	9.00	
Remuneration	32,000.00	0.00	
Insurance - Accident/Sickness	2,400.00	0.00	
Service Awards & Clothing	2,000.00	108.82	
Supplies & Equipment	0.00	304.11	
Telephone	605.00	1,127.76	
Training/Seminars	20,000.00	2,602.20	
Cars - JAWS Training	2,000.00	1,314.99	
WorkSafe BC	600.00	0.00	
Health & Safety	2,500.00	1,989.04	
TOTAL ADMINISTRATION	<u>66,630.00</u>		24,685.09
#1 Insurance	1,000.00	134.00	
#1 Repairs	4,000.00	126.24	
TOTAL EMERGENCY TRUCK ...	<u>5,000.00</u>		260.24
#2 Insurance	1,100.00	0.00	
#2 Repairs	1,500.00	1,002.22	
TOTAL FIRE & RESCUE TRU...	<u>2,600.00</u>		1,002.22
#3 Insurance	660.00	561.00	
#3 Repair	1,500.00	1,944.63	
TOTAL EMERGENCY TRUCK ...	<u>2,160.00</u>		2,505.63
#5 Insurance	1,300.00	1,313.00	
#5 Repair	4,000.00	360.14	
TOTAL FIRE & RESCUE TRU...	<u>5,300.00</u>		1,673.14
Comm. Licence	2,000.00	1,168.38	
Comm. Repairs & Maintenance	1,000.00	0.00	
Comm. Equipment	10,000.00	2,945.20	
TOTAL COMMUNICATIONS	<u>13,000.00</u>		4,113.58
Fuel	3,000.00	1,694.80	
Building Repairs & Main.	0.00	367.50	
Medical Supplies	4,000.00	3,760.28	
Supplies & Equipment	15,000.00	2,146.14	
Life Jackets	200.00	0.00	

DBID - Fire Protection
Comparative Income Statement

	Budget 01/01/2025 to 31/12/2025	Actual 01/01/2025 to 30/09/2025
Jaws of Life Service/Repair	1,500.00	1,443.75
Compressor Repair	2,000.00	1,571.05
UBCM Training and Equipment...	40,000.00	42,721.59
Air Pack Servicing	3,000.00	1,706.30
Footwear	1,000.00	214.29
Shared Building/Ins. Exp.	63,843.00	47,880.00
Shared Office Staff	41,750.00	31,321.69
TOTAL OPS & MAINTENANCE	175,293.00	134,827.39
FIRE OPERATING EXPENSES	269,983.00	169,067.29
OTHER EXPENSES		
Capital Asset Addition	0.00	7,411.24
Renewal/Capital Contribution	66,250.00	0.00
TOTAL OTHER EXPENSES	66,250.00	7,411.24
TOTAL EXPENSE	336,233.00	176,478.53
NET INCOME	0.00	152,227.51

DBID - Fire Protection

Comparative Balance Sheet

	As at 30/09/2025	As at 01/01/2025
ASSET		
Current Assets		
Credit Union	68,553.95	127,096.02
RBC Investment Acct	125,694.00	120,647.00
First Savings	317.22	9.43
M. Equity Shares	25.00	25.00
GST Receivable	22,375.14	18,557.37
Accounts Receivable	1,715.75	2,799.00
Accrued Int. Receivable - Ops	1,554.47	5,045.43
Accrued Int. Receivable - Cap	1,173.32	1,815.18
GIC 57 Cap Replac.	0.00	77,064.60
GIC 62 Cap Replac.	48,699.08	47,629.27
GIC 61 Ops	36,893.21	36,082.75
GIC 63 Cap Replac.	35,173.03	35,481.81
GIC 64	72,500.00	0.00
GIC 65 Ops	72,500.00	0.00
GIC 42 Ops	0.00	29,568.20
GIC 58 Ops	29,936.55	29,277.58
GIC 59 Ops	29,923.72	29,265.03
GIC 60 Ops	29,936.55	29,277.58
GIC 56	0.00	34,400.00
TOTAL CURRENT ASSETS	576,970.99	624,041.25
INTERFUND ACCOUNT		
Due to From Waterworks Dist.	254,735.15	63,566.57
Due to /From Capital	1,550,163.23	1,550,163.23
TOTAL	1,804,898.38	1,613,729.80
TOTAL ASSET	2,381,869.37	2,237,771.05
LIABILITY		
Current Liabilities		
Accounts Payable	203.78	2,453.34
Accrued Liabilities	15,417.65	20,964.65
Total Current liabilities	15,621.43	23,417.99
Long Term liabilities		
Capital Tax Advance - FH	1,063,785.21	1,063,785.21
Bylaw 247	316,369.28	316,369.28
Bylaw 250	80,076.76	80,076.76
*	1,460,231.25	1,460,231.25
TOTAL LIABILITY	1,475,852.68	1,483,649.24
EQUITY		
Owners Equity		
Internally Restricted Fire	294,101.00	294,101.00
Retained Earnings - Previous Y...	459,342.18	459,342.18
Current Earnings	152,227.51	332.63
Total Owners Equity	905,670.69	753,775.81

DBID - Fire Protection
Comparative Balance Sheet

	As at 30/09/2025	As at 01/01/2025
TOTAL EQUITY	<u>905,670.69</u>	<u>753,775.81</u>
LIABILITIES AND EQUITY	<u><u>2,381,523.37</u></u>	<u><u>2,237,425.05</u></u>

DBID - Fire Capital

Comparative Income Statement

	Actual 01/01/2025 to 30/09/2025	Actual 01/01/2024 to 31/12/2024
REVENUE		
CONTRIBUTIONS		
Fire Protection Contribution	0.00	687,649.89
TOTAL	0.00	687,649.89
TOTAL REVENUE	0.00	687,649.89
EXPENSE		
EXPENSES		
Amortization Fire	0.00	96,004.98
Loss on Disposal of Asset	0.00	0.00
TOTAL	0.00	96,004.98
TOTAL EXPENSE	0.00	96,004.98
NET INCOME	0.00	591,644.91

DBID - Fire Capital

Comparative Balance Sheet

	As at 30/09/2025	As at 01/01/2025
ASSET		
CAPITAL ASSETS		
Land Fire	7,163.73	7,163.73
Buildings Fire	2,141,688.25	2,141,688.25
Buildings fire Ammortization	-166,895.38	-166,895.38
Motor Vehicle Fire	982,648.79	982,648.79
Motor Vehicle Fire Amortization	-422,415.00	-422,415.00
Radio & Comm. Equip Fire	45,930.76	45,930.76
Radio & Comm. Fire Ammortiz...	-37,061.73	-37,061.73
Furniture Fire	15,414.76	15,414.76
Furniture Fire Ammortization	-11,665.78	-11,665.78
Computer Equip. Fire	5,262.09	5,262.09
Computer Equip. Fire Ammortiz...	-4,224.36	-4,224.36
Fire Protection Equipment	420,864.70	420,864.70
Fire Protection Equip Ammortiz...	-220,874.60	-220,874.60
TOTAL	2,755,836.23	2,755,836.23
INTERFUND ACCOUNTS		
Due to/from Fire Protection	-1,550,163.23	-1,550,163.23
TOTAL	-1,550,163.23	-1,550,163.23
TOTAL ASSET	1,205,673.00	1,205,673.00
LIABILITY		
LONG TERM DEBT		
LTD - Min. of Small Business Fire	0.00	0.00
LTD - #4 Current Allocation Fire	0.00	0.00
LTD - RBC (Fire Hall)	0.00	0.00
LTD - Current Amounts Fire	0.00	0.00
TOTAL	0.00	0.00
TOTAL LIABILITY	0.00	0.00
EQUITY		
NET ASSETS		
Investment in Capital Assets	1,205,673.00	1,205,673.00
Amortization Increment Realize...	0.00	0.00
Current Earnings	0.00	0.00
TOTAL	1,205,673.00	1,205,673.00
TOTAL EQUITY	1,205,673.00	1,205,673.00
LIABILITIES AND EQUITY	1,205,673.00	1,205,673.00

DEEP BAY

.....

IMPROVEMENT DISTRICT

BOARD REPORT

October 29, 2025 Meeting

Report Date: October 22, 2025
From: John Marsh, Administrator
Subject: DBID Committees

Recommendation:

THAT the Board review the current Deep Bay Improvement District committee membership and adjust as required.

Background:

The existing committee membership is as follows:

Bylaws – Koch, LaRoy, Woodward

TCW Water – Kerstens, Kuun, Thompson

Facilities - Kerstens, Kuun, Thompson

Finance/HR – Koch, LaRoy, Woodward

Fire Protection – Kerstens, LaRoy, Thompson

Operations/Maintenance – Kerstens, Koch, Kuun

Planning – All Trustees

Respectfully submitted,

John Marsh
Administrator

September 29, 2023,

File No. PL2023-101

John Marsh
Deep Bay Improvement District
5031 Mountainview Road
Bowser BC
V0R 1G0

**Re: Referral on Zoning Amendment Application No. PL2023-101
85 Henry Morgan Drive – PID: 023-176-148
Electoral Area H**

Dear John Marsh:

The Regional District of Nanaimo (RDN) is in receipt of a zoning amendment application proposing to change the zoning of the subject property from Residential 2 (RS2) to a new zone that permits would permit the creation of a residential development consisting of up to eight parcels supporting one dwelling unit per parcel and one larger parcel supporting up to 19 dwelling of limited size (see attachment 1 – Proposed Site Plan and attachment 2 – Draft Zone).

We are seeking comments on the proposed zoning amendment application with respect to your agency's area of interest. Should you wish to comment, please do so in writing or by email no later than 4:30 pm, October 31, 2025.

If you have any questions with respect to this application, please contact us via the details below.

Sincerely,



Greg Keller
Senior Planner
T: 250-390-6510 | Email: gkeller@rdn.bc.ca

Attachments:

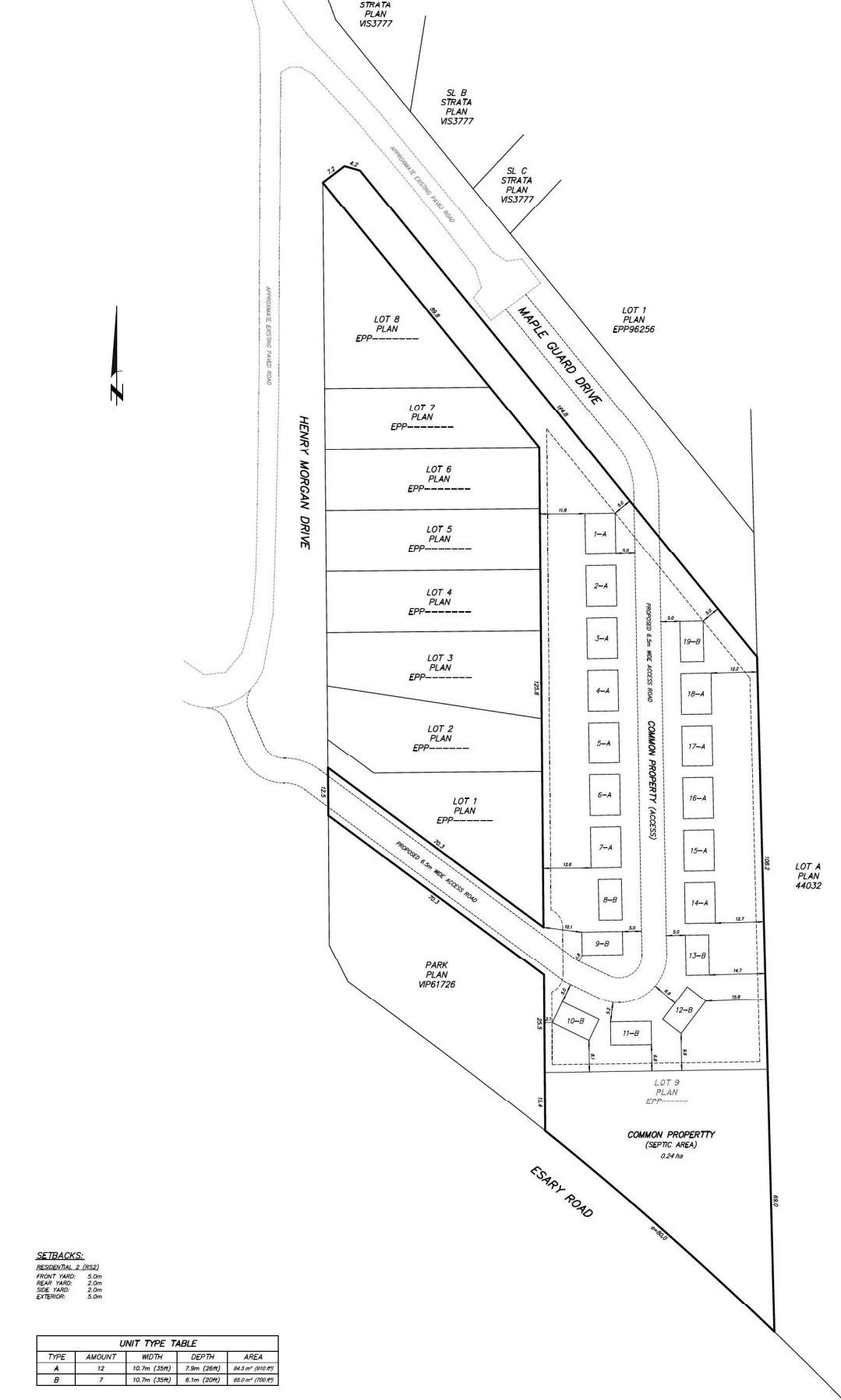
1. Proposed Subdivision Plan
2. Draft Zone

PROPOSED STRATA PLAN OF LOT 9, DISTRICT LOT 36, NEWCASTLE DISTRICT, PLAN EPP-----

SCALE 1:500



THE INTENDED PLOT SIZE IS 560mm IN WIDTH AND 864mm IN HEIGHT (D SIZE) WHEN PLOTTED AT A SCALE OF 1:500.



SETBACKS:

RESIDENTIAL 2 (RS2)

FRONT YARD: 5.0m
REAR YARD: 2.0m
SIDE YARD: 2.0m
EXTENSION: 5.0m

UNIT TYPE TABLE				
TYPE	AMOUNT	WIDTH	DEPTH	AREA
A	12	10.7m (35ft)	7.9m (26ft)	84.5 m ² (910 ft ²)
B	7	10.7m (35ft)	6.1m (20ft)	65.0 m ² (700 ft ²)

NOTES:

THIS PLAN IS NOT TO BE USED TO RE-ESTABLISH PROPERTY BOUNDARIES.
ALL DISTANCES ARE IN METRES AND DECIMALS THEREOF UNLESS OTHERWISE INDICATED AND ARE DERIVED FROM PLAN VP61726.
JURISDICTION: REGIONAL DISTRICT OF NANAIMO
PARCEL ID: 023-176-148
PID 167
THIS LOT IS SUBJECT TO LTD CHARGE NUMBERS: M/F/S/L 56/170/1, 5/11/13, L&Z/09/110 AND L&Z/09/110.
CIVIC ADDRESS: 85 HENRY MORGAN DRIVE, BOWSER, BC

LEGEND

DL DENOTES DISTRICT LOT
REM DENOTES REMAINDER
ha DENOTES HECTARES
SL DENOTES STRATA LOT
----- DENOTES ZONING SETBACK LINE

No.	DATE	REVISION
2	2024/08/23	INITIAL BUILDING STRATA PROPOSAL
2B	2024/09/19	MODIFIED BUILDING STRATA PROPOSAL
2C	2024/11/04	INCREASED COMMON PROPERTY SEPTIC AREA, MODIFIED BUILDING STRATA PROPOSAL
2D	2024/12/13	MODIFIED FEE SIMPLE LOTS 1-8

PRISM
LAND SURVEYING LTD.
223 KERN ROAD W.
QUALICUM BEACH, B.C. V9K 1S4
PHONE: 250-752-9121
EMAIL: info@prismsurveying.co
FILE NUMBER: 24-125-5
DRAWING NUMBER: 24-125 P20.DWG
DATE: 2024/12/13

**REGIONAL DISTRICT OF NANAIMO
BYLAW NO. 2500.09**

**A BYLAW TO AMEND REGIONAL DISTRICT OF NANAIMO
ZONING BYLAW NO. 2500, 2024**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

A. This Bylaw may be cited as “Regional District of Nanaimo Zoning Amendment Bylaw No. 2500.09, 2025”.

B. “Regional District of Nanaimo Zoning Bylaw No. 2500, 2024”, is hereby amended as follows:

1. By rezoning the lands legally described as:

Remainder of Lot 2, District Lot 36, Newcastle District, Plan VIP61726, Except Part in Plan
EPP96256 as follows:

i. Under **Part 4 - Zones, Section 4.1 Establishment of Zones** by adding the following zoning classification and corresponding short title after Mixed Use Comprehensive Development Zone 22 (CD22):

Henry Morgan Comprehensive Development Zone 23 (CD23)

ii. Under **Part 4 - Zones**, after Section 4.68, by adding Section 4.69 Henry Morgan Comprehensive Development Zone 23 (CD23) as shown on Schedule ‘1’ which is attached to and forms part of this Bylaw.

iii. Under **Part 3 - Land Use Regulations, Schedule ‘3A’ Zoning and Subdivision District Maps** by rezoning the lands from RS2 zone/subdivision district ‘M’ to CD23/subdivision district ‘Z’ as shown on Schedule ‘2’ which is attached to and forms part of this Bylaw.

Introduced and read two times this ____ day of _____ 2025.

Read a third time this ____ day of _____ 20XX.

Approved by the Minister of Transportation and Transit pursuant to the *Transportation Act* this ____ day of _____ 20XX.

Adopted this ____ day of _____ 20XX.

CHAIR

CORPORATE OFFICER

Chair

Corporate Officer

Schedule '1'

4.69 Henry Morgan Comprehensive Development Zone 23 (CD23)

(a) Intent

The intent of this zone is to permit a mix of single detached dwelling units on individual parcels and a residential building strata with dwelling units of limited size.

(b) Uses in Area 1

Permitted Uses

- (i) Residential Use

Accessory Uses

- (ii) Secondary suite
- (iii) Home Based Business

Maximum Number of Parcels in Area 1

- (i) Despite Section 5.1, a maximum of eight (8) parcels are permitted in Area 1.

(c) Maximum Number and Size of Buildings and Structures in Area 1

(i)	Accessory buildings	Combined floor area of 100 m ² or 8% of area of parcel, whichever is greater, but shall not exceed 250 m ²
(ii)	Accessory building height	6.0 m
(iii)	Maximum density	1 dwelling unit per parcel
(iv)	Height	9.0 m
(v)	Parcel coverage	35 %

(d) Uses in Area 2

Permitted Uses

- (i) Residential Use

Accessory Uses

- (i) Home Based Business
-

Maximum Number of Parcels in Area 2

- (i) Despite Section 5.1, a maximum of one (1) parcel is permitted in Area 2 which may be further subdivided pursuant to the *Strata Property Act*.
-

(e) Maximum Number and Size of Buildings and Structures in Area 2

(i)	Accessory buildings	One accessory building with a maximum floor area of 10 m ² per unit and one common accessory building of up to a maximum floor area of 100 m ² .
(ii)	Accessory building height	6.0 m
(iii)	Maximum Density	19 dwelling units within Area 2
(iv)	Maximum Dwelling Unit Floor Area	115 m ² , excluding carports, covered decks, and porches.
(v)	Height	9.0 m
(vi)	Parcel coverage	50 %

(f) Minimum Setback Requirements in Areas 1 and 2

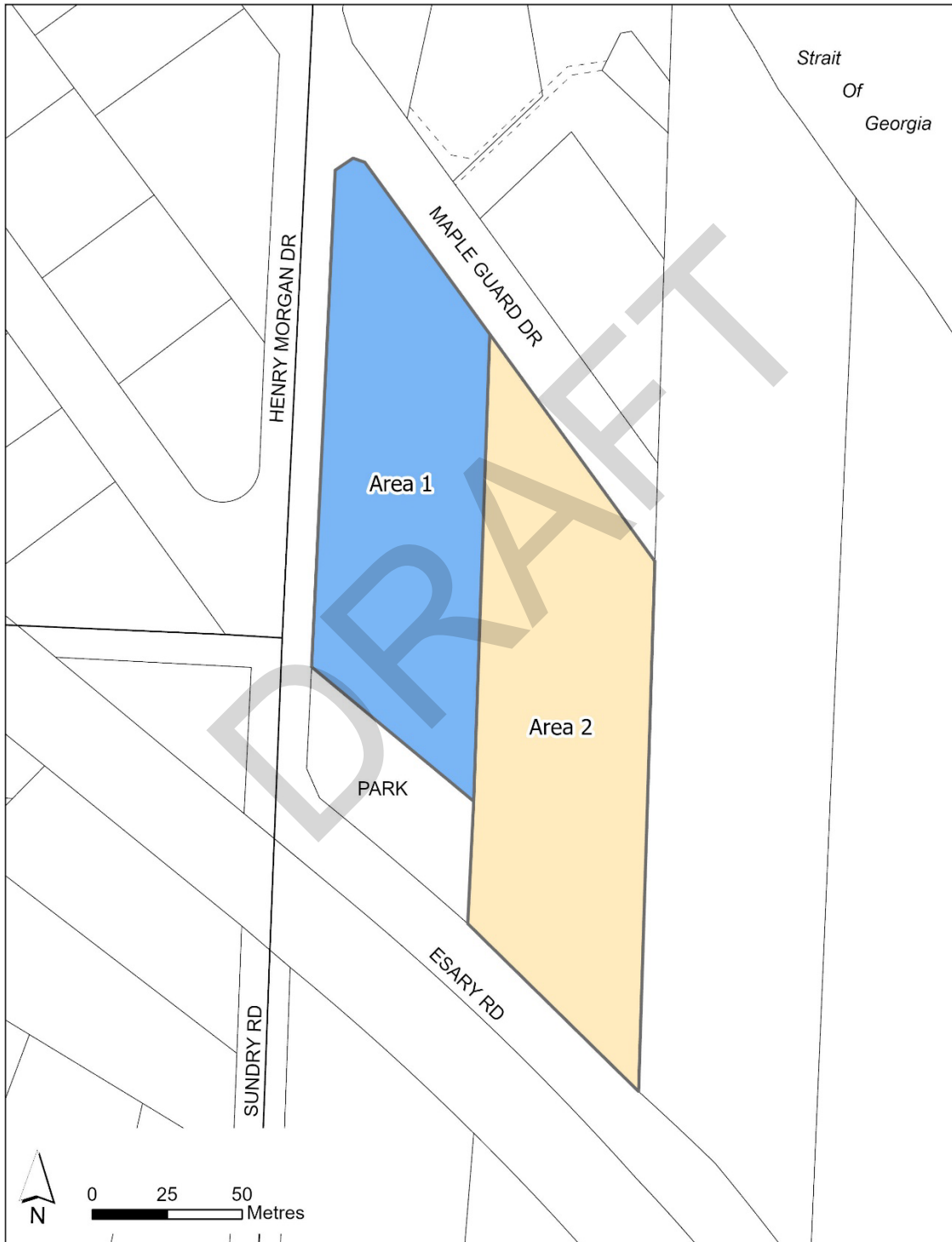
(i)	Exterior lot lines	5.0 m
(ii)	All other lot lines	2.0 m
(iii)	except where any part of a parcel is adjacent to or contains a watercourse then the regulations in Section 3.9 and 3.10 shall apply.	
(iv)	Except that projections into the minimum required setbacks shall be permitted in accordance with Section 3.11(d).	
(v)	No setback from an interior lot line shall be required for one accessory building not exceeding a floor area of 10 m ² and with a maximum height of 3.0 m.	
(vi)	On a corner parcel, then the regulations in Section 3.8 shall also apply.	

(g) Other Regulations applicable to Areas 1 and 2

- (i) The intensity, use, and number of uses shall be determined by the ability to service the combined uses as per Section 3.28 of this Bylaw.
-

-
- (ii) Despite the locations of Areas 1 and 2 shown in (h) below, the boundaries between Areas 1 and 2 may be adjusted to accommodate road dedication required by the Provincial Approving Officer at the time of subdivision or to accommodate site servicing requirements.
-

(h) Location of Areas 1 and 2

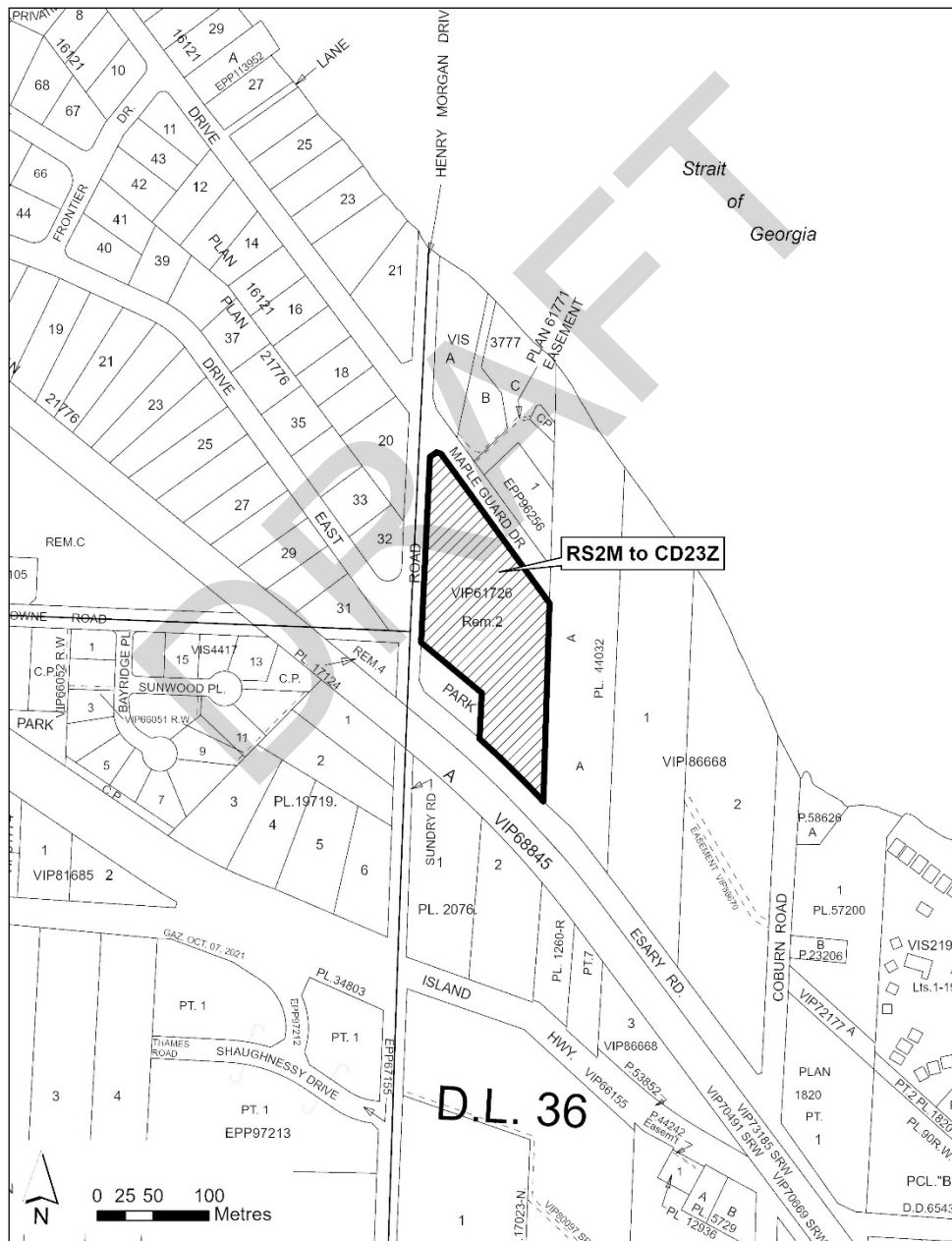


Schedule '2' to accompany "Regional District of Nanaimo Zoning Amendment Bylaw No. 2500.09, 2025".

Chair

Corporate Officer

Schedule '2'



TECHNICAL MEMO

To

John Marsh, Administrator
Deep Bay Improvement District

From

Chris Pogson, P.Eng., Project Manager
McElhanney Ltd, Nanaimo

Re

Water Supply Review for Proposed Zoning
Amendment Application No. PL2023-101. 85 Henry
Morgan Drive – PID:023-176-148 Electoral Area H

Date

October 30, 2025

This memorandum is in response to a request by the Deep Bay Improvement District (DBID) to review an application for rezoning for 85 Henry Morgan Drive, Bowser, BC.

DBID provided the following documents for review:

- Regional District of Nanaimo Referral on Zoning Letter, dated September 29, 2025.
- Proposed Strata Plan, prepared by PRISM Land Surveying Ltd, date December 13, 2024.
- Regional District of Nanaimo Bylaw No. 2500.09, Schedules 1 & 2.

1. Proposed Development

The Regional District of Nanaimo (RDN) has received a zoning amendment application proposing to rezone the subject property from Residential 2 (RS2) to a new zone. The proposed amendment would permit the subdivision of the property into up to eight residential parcels, each accommodating one dwelling unit, and one larger parcel that could support up to 19 dwelling units of limited size.

The proposed development is located at the most southern extent of the DBID water service area and is bounded by Esary Road to the south and Maple Guard Drive to the north. Water service to the area is provide by a 150 AC main on both Maple Guard Drive and Thompson Clarke Drive East. There is currently no residential housing on the property.

2. Proposed Water Demands

The proposed zoning amendment will increase water demands on the existing system. As such, based on the criteria used in the Thompson Clarke West, Watermain Review Technical Memo (McElhanney 2023), we have calculated the domestic demand for the proposed development.

The water system demands rates are:

Average Day Demand (ADD)	0.53 m ³ /day/service
Maximum Day Demand (MDD)	1.59 m ³ /day/service
Peak Hour Demand (PHD)	3.18 m ³ /day/service

The estimated total demand for the proposed development is:

$$\begin{aligned}\text{ADD} &= 0.53 \text{ m}^3/\text{day}/\text{service} \times 27 \text{ units} = 14.31 \text{ m}^3/\text{day} \\ \text{MDD} &= 1.59 \text{ m}^3/\text{day}/\text{service} \times 27 \text{ units} = 42.90 \text{ m}^3/\text{day} \\ \text{PHD} &= 3.18 \text{ m}^3/\text{day}/\text{service} \times 27 \text{ units} = 85.86 \text{ m}^3/\text{day}\end{aligned}$$

$$\begin{aligned}\text{Current Peak Hour Demand (based on 623 services)} &= 1,981 \text{ m}^3/\text{day} \\ \text{Peak Hour Demand of Proposed 27unit subdivision} &= 86 \text{ m}^3/\text{day}\end{aligned}$$

$$\begin{aligned}\text{Total System Demands with proposed subdivision} &= 2,067 \text{ m}^3/\text{day} \\ \text{DBID can currently supply} &\mathbf{3,050} \text{ m}^3/\text{day} \text{ from the current wells in-use (No. 4,5,6,8)}.\end{aligned}$$

The above demands are a typical representation of the project; however, they need to be confirmed by the developers' engineer. Note, the above rates based on a total of 27 residential units.

Based on the above, the current water supply can accommodate the proposed subdivision

3. System Pressure

Based on the water model developed for the Thompson Clarke West, Watermain Review Technical Memo (McElhanney 2023), current system pressure in the area is more than 80psi. The additional lots may cause a minor loss in operating pressure; however, this can be addressed by on-site looping of the system in the area.

Based on the above system pressure are considered adequate to service the development.



4. Proposed Servicing

No formal servicing has been proposed at this time. However, generally based on the site plan it is anticipated the following servicing will be required:

- 1) **Lots 1-9:** A watermain will be required to be constructed on Henry Morgan Drive with standard residential services. Please note this has previously been identified as a CEC project.
- 2) **Lots 1-A to 19-B:** A watermain will be required to service these units and likely include a loop from Maple Guard Drive to Thompson Clarke West. This will be a strata development and the District will need to consider who will own the watermain located on strata lands.

Detailed servicing will need to be reviewed once the project proceeds to the detailed design phase.

5. Conclusions & Recommendations

The 2008 Water System Evaluation and 2023 Thompson Clarke West, Watermain Review Technical Memo show sufficient domestic water supply and pressures for this residential development. The proposed property appears to be servable for residential use within the Deep Bay Improvement District.

These recommendations apply on to the Deep Bay Improvement District water system. The developer must receive all other approvals required by the other authorities have jurisdiction with respect to the subdivision.

Regards,



Chris Pogson, P.Eng. Project Manager

cpogson@mcelhanney.com

T: 250-716-3336 D: 778-762-0667



From: [DBVFD](#)
To: ["Deep Bay Improvement District - General Email"](#)
Subject: RE: Referral on Zoning Amendment PL2023-101 85 Henry Morgan Drive
Date: Saturday, October 25, 2025 2:13:53 PM

H John

Regarding Amendment PL2023-101 85 Henry Morgan Drive.

I believe it is a glorious opportunity to complete the Maple Guard Drive, Thompson Clark Drive water line loop.

I would also request that 2 hydrants be added. One around the corner from Thompson Clark Drive on the east side of Henry Morgan Drive, and another located on the outside corner in the strata property around units 12b or 13b. I am uncertain of the last hydrant on Maple Guard drive and its proximity to the lower entrance to the Strata portion of the proposal. This is something else that should be determined for proper fire protection. Any Fire Hydrants that are added to the system should be consistent with the rest of the hydrants in the community (as far as make and model).

Deep Bay Fire Chief

George Lenz