

**SION IMPROVEMENT DISTRICT
ANNUAL GENERAL MEETING
THURSDAY, APRIL 27, 2017 at 5:00 PM
AT THE
BOUNDARY MUSEUM SOCIETY
6145 RESERVOIR RD, GRAND FORKS, BC**

1. CALL TO ORDER

Chairman Ron Subotin called the Meeting to order. There were forty-two (42) landowners, and two (2) guests in attendance.

2. CHAIRMAN'S OPENING REMARKS

Chairman Ron Subotin welcomed everyone to the 54th Annual General Meeting and introduced the Attending Trustees: Larry Jmaiff (Vice Chairperson), Alex Padmoroff (Secretary), Roy Stevenson (trustee), and Brent Heric (trustee). Staff present: Heather Smith (Administrator), and Danial Koochin (Water Operator), Absent was Cassandra Thomas (Bookkeeper).

3. READING OF THE NOTICE OF MEETING AND AGENDA

Chairman Ron Subotin read the Notice of the meeting and the Agenda

Motion: Resolved that the Agenda and Notice of Meeting be adopted as read.

M/S/C: Steve Acres / Adrian Rooke

4. ADOPTION and APPROVAL OF MINUTES OF THE LAST AGM

Minutes of the Annual Meeting held on Apr 26, 2016 were circulated.

Motion: Resolved that the Minutes be adopted as circulated.

M/S/C: Stephen Acres / John Nagel

5. BUSINESS ARISING FROM MINUTES

Question asked by Land Owner: How much will the Government will be charging for mining water?

Dan answered: Approx. \$4/1000 m3 of water. We used approx. 100,000 last year which equals about \$4800.

6. CHAIRMAN'S REPORT

Ron Subotin thanked all those in attendance. He pointed out that there is one pumphouse left to upgrade which is the original Pumphouse No.1. It has to be upgraded from 480 volt to 600 volt which will includes new switches, gears, motor rewind, new bearings, etc. Pumphouse Nr 2 was upgraded last year and the North System was upgraded a couple years before that. At the end of this year we should be very good condition for our above ground infrastructure. Some of our reservoirs and pipes have been in the ground for 80 years. We are adding to our Reserve so that if we have problems in the future we should have enough money to repair or replace as necessary. Our Water Bailiff and Administrator have been with us for the 2 years now and things are getting better all the time. Ron noted that it was gratifying to see a turn out this size but also realizing that it's probably due to back flow prevention upcoming requirement.

Question asked by Land Owner: Is there an alarm on the pumps if they quit?

Ron Subotin answered: Pumps are alarmed, although we did have a glitch and the alarm sensor did malfunction but has since been fixed.

7. BOARD OF TRUSTEES' REPORT

Trustee, Larry Jmaiff, read the Report of the Board of Trustees which is attached to the AGENDA for AGM.

8. ADMINISTRATOR'S REPORT

Heather Smith, Administrator, read the Administrator's Report which is attached to the AGENDA for AGM.

Heather mentioned that the Meeting is being recorded. These recorded minutes will be erased once documented. No one posted any objections to that.

Heathers report will be posted on the website.

Land Owner's question: will this report be on the website?

Heather answered: Yes

Land owner's question: will the contents of this AGM package be on the website?

Heather answered: Financial statement will not be on the website, but if you want a copy you can come to the office for one.

Land owner's question: do people with smart phones just have the ability to receive alerts or are there other ways of receiving alerts?

Heather answered: if it's an area that will be affected by the alert, Dan - our water operator - will be going around door to door with notices as well.

8. WATER OPERATOR'S REPORT

Dan Koochin, Water Operator, read the Water Operator's Report – summary in point form is attached to the AGENDA for AGM.

Last year we had two major issues:

- 1- South reservoir sensor failed and we had to replace the computer (Scada Pak) in there. Dan had to manually run the pumps for about 4 days. The sensor failure caused a little bit of property damage at back of a landowner's property but wash-out was filled in with dirt and the house sold with no issues on this.
- 2- The North System had a recurrent single ecoli sample and decision made that it was a sample error in the lowest extremity of the system. Notices went out on the website showing the bottom section of Ward Road resulting in several emails/phone calls from the south section which was not effected. This issue was cleared up and notation made to be more detailed as to exact area affected.

Other issues were as follows:

- 1- Booster Pump No 1 on the south side was upgraded to comply with written notice by the Interior Health Officer stating only the Water Operator can control the valves – not the affected land owners. The public utilities pole transformer had to be replaced due to its antiquity. The upgrade of the VFD cost approx. \$10,000.00. There is one more Booster Pump No 2 to be upgraded for the same reason.
- 2- There were several valve replacements made as they were never used in 40 years so unable to turn off/on.
- 3- We had two minor water disruptions because of valve changes or breaks in water lines.
- 4- A directive was received from the Interior Health Water Officer, Pouria Mojtahedi, stating that irrigation/high risk areas must have double backflow preventers as well as in-house back flow preventers. Deadline for this is Year 2019.
- 5- Dan put together some information (see attached to the AGENDA) of some of the contamination risks that have been identified in our system.
- 6- He noted that irrigation without backflow prevention could contaminate our system. If one of the pumps goes down from electrical power outage for instance and the water demand exceeds the pressure being sustained from reservoir you could get siphonage with land owners that do not have backflow preventers, which would create contamination. Some examples being, land owners that use weed killer or fertilizing with hose sprayers leaving it on the hose, hoses left in buckets with stagnant water or on the ground of livestock could be siphoned back into system.
- 7- SION is looking into bulk purchase of the backflow preventers for all the land owners. Benefits would be that everyone would have the same make/model and it would be less cost. A suggestion was made by a land owner to have a certified person via SION to do the annual inspection (as required by Interior Health Water Officer) along with the other obligations needing to be done such as turning water on and off at different times of the year.
- 8- A question asked if house already has a backflow preventer, do we have to change anyway? Dan answered that, unfortunately, they have to be accessible, so certified person would have to be able to go into the home for in-house backflow preventers to comply with the Interior Health Water Officer's annual testing requirement.
- 9- A question asked if SION could provide the certified tester. Dan answered yes, that is a possibility and could provide additional revenue to SION.
- 10- Land Owner asked: How long before everyone has to be on board with this? Dan answered: As soon as the plan is approved.

- 11- You will probably need a plumber to install, it is recommended to put a union in. The smaller the backflow the cheaper. For those that do not use all the water allocated, you can put a pipe reducer on in order to buy a smaller backflow preventer.
- 12- The backflow preventer must be installed for all irrigation and domestic systems by 2019. We have to adopt a plan for a cross connection by-law in order to implement the back-flow preventers program. There are 2 kinds of backflow preventers allowed, one is a reduced pressure preventer and the other is a double check valve – both are minimal standard required by interior health. Every manufacture has different ways to install them. One has replaceable cartridges.
- 13- The costs of a Double Check Valve Backflow Preventer is approximately \$200-500 cost depending on pipe size and needs to be checked annually by a certified person – this is for irrigation and in-house preventers.
- 14- Once a year we have to do an extensive water analysis. There are a couple of issues with the North and the South systems - in the South system there is a little more manganese which is effecting the turbidity of which is 3 times higher then it should be. This is only a problem if we had to treat the water through sand filtration to bring the turbidity down in order to add the chlorine to it. Without lowering the turbidity would require addition of too much chlorine which is unsafe healthwise.
- 15- Land Owner asked: does SION have any back flow preventers on the wells and/or the main lines? Dan answered: we do but it has to do with our own system - not for the private home owners.
- 16- Land Owner asked: are there any issues with the current spring run off? Dan answered: No, we have a lot of water so it's a good thing.
- 17- North System has a selenium problem, selenium is lower than the Canadian standard, but not meeting the provincial standards. Provincial never raised their standards to the federal standards because of high selenium content found in vegetables imported from China to Vancouver – therefore BC is unable to raise to Canadian standard.
- 18- Land Owner asked: Is there going to be a follow up after this meeting for information on what the outcome is for the backflow preventers and other resolutions of this meeting? Dan answered: Yes, it will be posted on our website or can be obtained at our office.
- 19- Land Owner asked: Will there be a payment plan option for the backflow preventers? Dan answered: That is one idea - we are still working on possibility of purchasing backflow preventers with a bulk discount and reselling to land owners. We still need to verify costs and working on how we can implement this.
- 20- Land Owner asked: Can you reiterate how many land owners are supplied with water? Ron answered: as Dec31 2016, there are 344 Domestic connections that includes 3 hookups to newly built homes and it is estimated that approx. 70% out of 937 total acres are under active irrigation.

9. DISCUSSION AND APPROVAL OF ALL REPORTS

Motion: Resolved that the Chairman's Report, Board of Trustees' Report, the Administrator's Report, and the Water Operator's Report all be adopted as read.

M/S/C: Joe Naaykens / Sherry Langevin

10. REPORT OF INDEPENDENT AUDITORS' REPORT, FINANCIAL STATEMENTS, AND 2017 BUDGET

Administrator Heather Smith noted the Auditor's Report on summarized consolidated financial statements. These statements are attached to the AGENDA for AGM and copies were available to attendees.

In summarizing – the 2016 Fiscal Year showed a slight increase for Revenue and for Expenses.

For our Budget for next year, we allocated approx.\$75,000.00 as capital expenditures for the following:

- Pumphouse No 1 Upgrade
- Purchase of Flow Meters
- and Booster Pump No 2 Upgrade/Automated

Water sampling program will increase approx. 10-15% due to more samples required by Interior Health. We have an aged infrastructure and although it is in good shape there are increasing possibilities of repairs/replacement work that may be required.

We have budgeted \$15,000.00 for emergency repairs.

Cleaning of the reservoirs will cost in the range of \$4000 each every 3 years. One reservoir was done in 2015 and the 2nd reservoir done in 2016 so next cleaning will be in 2019 year and both reservoirs will be done at same time to save on mobilization fees.

Payroll may increase due to additional certifications required by Interior Health for our licensed operators as SION now considered a Large Water System – previously SION was considered a Small Water System so only basic certification was required. EOCP provides the exam and certification while training can be provided by other institution that are approved by EOCP.

11. DISCUSSION ON REPORTS AND APPROVAL

Motion: Resolved that the Auditors, Financial Statement and the 2017 Budget be adopted as read.

M/S/C: Joe Naaykens/ Steve Acres

12. APPOINTMENT OF AUDITORS

Ron Subotin told attendees that SION has a contract with Grant Thornton Auditors for the fiscal 2016 - 2018 year.

13. REPORT ON NOMINATION COMMITTEE AND ELECTION OF TRUSTEE

Trustee Roy Stevenson reported that there are two (2) trustee positions on the Board, each for a three (3) year term, that are expiring for trustees Larry Jmaiff and Ron Subotin.

After calling for nominations from the floor for **Larry Jmaiff's** trustee position Sherry Langevin let her name be presented from the floor.

Roy Stevenson called for nominations from the floor 3 times with no further presentation.

Roy Stevenson declares the nominations closed.

Larry presented himself, has a few jobs that he would like to finish working on. We are looking to relocate and in the process of negotiations to do this. He has been on the board for 8 years and is well versed with the SION operations. He commented that 'a vote for me is a vote for leadership'.

Sherry presented herself, has been quite interested over the years how SION is run. There has never been any woman represented on the board. She feels she has interesting ideas for the SION district and has been a part of the district since 2007. She commented that 'I do respect the board but sometimes it's good to have a change'.

A secret ballot vote was held resulting in **Larry Jmaiff** elected as the trustee.

After calling for nominations from the floor for **Ron Subotin's** trustee position Sherry Langevin let her name be presented from the floor.

Roy Stevenson called for nominations from the floor 3 times with no further presentation.

Roy Stevenson declares the nominations closed.

Ron presented himself, He has been on the board for 2 full terms. He originally ran for the board because he did not like the way the Board was handling issues. His first term was as a trustee and then the second term was as a chairman. He commented that the current board has multiple projects currently going on and he would like to stay and see the completion of the majority of these.

Sherry presented herself, reiterated the same comments as previously that she has been '*quite interested over the years how SION is run, there has never been any woman represented on the board, has interesting ideas for the district, has been a part of the district since 2007 and does respect the board but sometimes its good to have a change.*'

A secret ballot vote was held resulting in **Ron Subotin** elected as the trustee.

Motion: Resolved that the ballots be destroyed after 30 days.

M/S/C: Adrian Rooke / Chris Stanley-Jones

14. TRUSTEE HONORARIUM

Heather Smith asked for a motion from the floor to set the trustees honorarium per meeting, stating that the current honorarium is at \$125.00 per meeting. The meetings are approximately 2 hours a month.

Larry mentioned that all the information that is gathered by the trustees outside of the general meetings are on volunteer time therefore no compensation received

Motion: Resolved that the Trustees' Honorarium for 2017 year remain at \$125.00 per meeting.

M/S/C: Yvonne Konar/William Heilimo

16. NEW BUSINESS

Ron asked if there was any further questions or new business to bring up.

Land Owner asked: Is the manganese the black stuff? Dan answered: Yes, this can plug water softener screens, filters etc but it is harmless though.

17. ADJOURNMENT

54th Annual General Meeting deemed to be over at 8:49PM.

Motion: Resolved that the meeting be adjourned

M/S/C: Steve Acres/Chris Stanley-Jones

18. REFRESHMENTS

Refreshments and cookies served.

A token of appreciation was extended to Cher Wyers fo Boundary Museum Society for her work in setting up the room configuration in anticipation of increased attendance and for providing the refreshments/cookies to the attendees.