

Union Bay Improvement District

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REGULAR BOARD MEETING MINUTES

Wednesday, December 14th, 2016

Bill Wood Room, Union Bay Community Hall

7:00 PM

In Attendance

Trustees: Peter Jacques, Rick Bitten, Jim Elliott and Glenn Loxam, Susanna Kaljur

Staff: Kevin Douville, Administrator

1. Call to Order

The meeting was called to order at 7:00pm with sixty (60) landowners in attendance.

2. Adoption of Meeting Agenda

Motion 2016-12-14-01: Adoption of the meeting agenda as presented.

RMS

CARRIED

3. Approval of Minutes

- a. Minutes of the Board Meeting held on November 13th, 2016 for Adoption.

Motion 2016-12-14-02: To approve the minutes of the Board of Trustees Meeting held on November 14th, 2016 as amended.

RMS

CARRIED

Administrator directed to include reply letter from Trustee Loxam to Trustee Kaljur as part of the minutes for information and for the record.

4. Business Arising from Regular or In-Camera Meeting Minutes and Reports

- a. Report Back on Expired UBID – KIP Water Infrastructure Agreement

Chair Jacques read aloud the Public Notice previously issued to landowners on December 8th, 2016 regarding the 2011 Water Infrastructure Agreement between UBID and 34083 Yukon Inc. (dba Kensington Island Properties). A copy of the notice is attached to these minutes for information and so as to record the Board's decision to now not proceed with its earlier direction regarding the unilateral invocation of the force majeure clause contained in the aforementioned Water Infrastructure Agreement which was signed in April 2011 and subsequently expired on December 31st, 2014.

b. Protect our Water Group Petition – Update

Chair Jacques stated that this item was briefly discussed by the Trustees at its December 6th In-Camera meeting however further time for discussion and deliberation is required therefore this should be tabled to a subsequent In-Camera Board of Trustees meeting.

Subsequent to Chair Jacques remarks, Trustee Kaljur made the following motion:

Motion 2016-12-14-03: That a committee be struck to examine the costs, benefits, pros and cons of dissolving UBID and transferring its assets and operations over to the Comox Valley Regional District, as per the Protect our Water Group's petition. The committee would report their findings to the Board including clarification of how many tenant signatures were obtained as well as what is the threshold that constitutes a majority.

As part of the Board's discussions on this motion, the following points were made by the Trustees:

- Trustee Kaljur
 - Offered to chair such a committee
 - A pro would be access to federal and/or provincial infrastructure funding
 - 425 landowners is significant
- Trustee Elliott
 - The petition should get due consideration given the number of landowners who signed it.
 - Definitely pros and cons
 - A report should come back to landowners
- Trustees Bitten and Loxam
 - Both felt more discussion should take place and that the appropriate venue would be a subsequent In-Camera meeting of the Trustees

Chair Jacques called for a vote on the motion on the floor.

Trustees Elliott and Kaljur voted in favour of the motion. Trustees Bitten and Loxam voted against the motion. As a result of the tie vote, the Chair was required to break the tie and voted against the motion. The motion therefore failed.

c. Board Committees – Community Representatives Recruitment

After some further brief discussion on this matter, the Administrator was directed to issue an open invitation to recruit community members for the Public Works Committee and for the New Fire Hall Working Group. This invitation would be made to both previous community representatives on each of these committees as well as to any new interested individuals.

5. Correspondence

- a. E-mail Letter from Landowner Janet Thomas dated December 7th, 2016

Chair Jacques read aloud the above-referenced letter which is attached to these minutes for information and for the record.

- Question #1: "Are you planning on employing Mr. Hew McConnell to finalize a formal report – with the engineers at Koers & Associates Engineering to undertake a technical review of our existing water system – to be used with any future negotiations of a new water service agreement ("WSA") with Kensington or any other developer(s)? If no, why not?"
 - Chair Jacques indicated that since UBID does not have a water infrastructure agreement in effect within KIP or any other developer presently, the answer is no, not at this time.

Trustee Kaljur interjected arguing Chair Jacques responded incorrectly given she believed the question concerned UBID's water system and was not specifically about any current or future water agreement per se.

Chair Jacques immediately declared Trustee Kaljur out of order on two occasions for interrupting the Board while someone is speaking and after subsequent attempts to eject her from the meeting, he abruptly adjourned the meeting. Chair Jacques, Trustee Bitten and Trustee Loxam then promptly exiting the room.

6. Adjournment

- a. The regular Board of Trustees meeting was therefore adjourned at 7:30 pm due to the loss of quorum.

Peter Jacques, Chairperson

Kevin Douville, Administrator

UBID Admin

From: Glenn Loxam [galoxam@hotmail.com]
Sent: November 16, 2016 9:08 PM
To: Susanna Kaljur; Union Bay Admin office; Peter Jacques; Jim Elliott; Bitten Rick
Subject: Response

November 16, 2016

To Trustee Kaljur

Regarding my letter to The Echo on Aug 12, 2016, which was listed under the heading of 'OPINION'. As there was no quorum or board chair at the time, I was expressing my own opinion, which I am entitled to do.

Also, you quoted me saying all three resignation letters had no valid reason. Being a person who is insistent on facts, you have not quoted me correctly. I also could ask for an apology from you, but I will not.

Before I was elected trustee, I followed the discussions and decisions of the former UBID board for 5 years and decided to review the 2011 WIA with both parties who were actually involved in writing this agreement. The statement I made was based on the findings that both parties explained to me. My statement was also qualified by the phrase - "if and when the need arises."

On page 4, section Y (i) (ii) (iii) including the last paragraph, "but excludes any infrastructure related to Langley Lake including without limitation the dam infrastructure at Langley Lake." My information is that the intent from both parties was that this section (Y) is for Phase 1 of the development, and under the water license there is enough water for that phase.

Therefore, the developer has already proven sufficient water to the satisfaction of both the previous UBID Board (prior to the signing of the WIA) and the Comox Valley Regional District (prior to the signing of the MDA). During Phase 1 there are no improvements required for the dam or any further improvements for any other water infrastructure at this time.

After Phase 1, the developer is responsible for all of the costs toward the upgrading of the water infrastructure, the permanent water treatment facility and everything relating to the project, including the dam. He must again prove sufficient water before going forward, as outlined in the Master Development Agreement - 3.1 (r) (iii) and (iv) with the Comox Valley Regional District and with the agreement of the UBID Board.

This is my answer to your request and I have no intention of resigning my position.

I will not reply to anymore requests to this matter. Thank you.

Yours truly,

Trustee Loxam

UBID Admin

From: Glenn Loxam [galoxam@hotmail.com]
Sent: November 16, 2016 9:53 PM
To: Jim Elliott; Union Bay Admin office; Peter Jacques; Bitten Rick; pjohanson@sms.bc.ca; Susanna Kaljur
Subject: Response to Trustee Elliott's email.

November 16, 2016

Trustee Elliott

With respect to my comment about consulting with the authors for both sides of the Water Infrastructure Agreement, this took place a couple of years ago so I can not quote you any specific dates. I can tell you that when I first met with Brian McMahan he explained in detail the agreement and the intent of the various requirements of the different phases of the development. I also met with former trustee Denis Royer, who along with lawyer Peter Johnson was the negotiator for the UBID back in 2010-2011. He too explained in details the agreement and the benefits that it brings to the Union Bay community.

Having this information, I began to closely follow the decisions and actions of the board. I became increasingly concerned that little was being done to cooperate with the developer. This interest culminated last spring with my agreeing to seek election to the board to effect change on behalf of the majority of Union Bay landowners.

As mentioned, my meetings with Mr. McMahan and Mr. Royer happen a couple of years ago, while I was still just a concerned landowner. There should be no perceived conflict or bias based on these or subsequent meetings. My most recent meeting with Mr. McMahan, along with Trustee Jacques, was in July 2016 to secure the letter of intent regarding the offer by KIP to provide 4 acres of suitable land for the permanent water treatment facility, in addition to the land already identified for a fire hall in the WIA. This was done on behalf of the UBID Board and with the consent of the chair.

As a trustee, I have also met with UBID Water Superintendent, Dan McGill to discuss the benefits that the system offered by the developer can bring to the aging Union Bay water system. Mr. McGill has extensive experience with the DAF water treatment system designed for our community and is confident it will fulfill our community's needs for many years to come.

Respectfully,

Glenn Loxam
UBID Trustee