

## **Landowners Update – May 2012**

### **From the Chair**



May marks the beginning of a new term for the Board and it provides an opportunity for us to refocus and make adjustments for the coming year. For this term we have determined the following committees and roles for the Trustees: Chair – Carol Molstad; Chair - Finance and Capital Planning – Bruce Livesey; Chair – Public Works – Cleve Goldswain; Chair – Fire Services – Carol Molstad & Co-Chair – Anne Alcock; KIP Liaison & Water Filtration Project – Alan Webb.

### **Election Results**

Alan Webb has been elected to be the newest Trustee at the April 21<sup>st</sup> Annual General Meeting. The Board welcomes Alan for a three year term. The election results are as follows:

- Number of landowners who voted in the advance poll = 180
- Total number of ballots cast = 244
- Spoiled ballots = 1
- Number of votes for Alan Webb = 204
- Number of votes for Mary Reynolds = 39



### **It Takes a Community to Run UBID**



The AGM this year coincided with National Volunteer Appreciation week and it provided a great opportunity to recognize and thank the countless hours volunteers have given to UBID over the past year. Volunteers: passion – action – impact is the theme for Volunteer Appreciation week. The theme recognizes our volunteers who have dedicated themselves to improving UBID. Our volunteers have a passion for getting involved; they have taken action to help out and they have made an impact upon our improvement district. If you are interested in volunteering with UBID this year, please contact one of the Trustees.

**Volunteers are Awesome**

## **Water Quality in Langley Lake and the Raven Coal Mine**

UBID has now joined every other government body in the Comox Valley in calling for aquifer mapping to ensure that proposed coal mining activity from Compliance Coal will not harm watersheds. The UBID Board has agreed to write to Compliance Coal expressing concern about water supplies to Langley Lake and requesting funds to complete an independent hydrological study.

Although the Raven project is unlikely to affect the runoff water that finds its way into Langley Lake, we cannot be certain where our lake's underground sources come from. To be safe we want to know with certainty that our water supply will not be impacted by heavy metal contamination or other results arising from the mine. We are tracking heavy metals and other contaminants in the water to establish a baseline for future reference.



## **CVRD - UBID Water Supply Asset Transfer (WSAT) – Good news for Union Bay**



The Master Development Agreement (MDA) between the CVRD and KIP requires that an agreement is reached to transfer the Langley Lake water supply assets (land, dam, water treatment plant) and water licenses to the CVRD before KIP can apply for building permits Sec. 3(r.1).

In November 2011, the Board advised the CVRD and the Ministry that it would not agree to transfer its assets and licenses and requested talks to resolve the issue. For the past few months the Board has been in a series of meetings to find a way to satisfy the MDA without UBID giving up its assets.

Some people may question why this is an issue. As long as clean water is available at the turn of a tap why should we be concerned? And, no matter which level of government provides water, the customers are required to pay the costs of delivering the service.

The Board identified five main objectives for the negotiations: They were:

1. Retain UBID assets including ownership of the land at Langley Lake;
2. Establish a good working relationship with CVRD;
3. Identify UBID's interests that would need to be addressed if a transfer occurred;
4. Remove barriers to KIP proceeding to build the water filtration plant; and
5. Protect UBID's interest for future economic potential.

The Board worked in conjunction with the CVRD to address these issues and we are pleased to announce that an agreement between UBID and CVRD was signed on May 4, 2012. This agreement reflects UBID interests in controlling the transfer process, establishing ongoing dialogue with the CVRD, retaining ownership of the lake, and recognizing the importance of a regional water strategy for the future. We are delighted to have reached this stage in the process of building our community. The Water Supply Asset Transfer Agreement is on the UBID website at [www.union-bay.ca](http://www.union-bay.ca)

## Town Hall Meeting

### **(UBID-KIP Water Infrastructure Agreement (WIA) and Water Supply Asset Transfer (WSAT))**

As previously stated the UBID-KIP Water Infrastructure Agreement, approved in April 2011, is a legally binding agreement that the Board must administer. The Board has spent quite a bit of time particularly over the past 4 months clarifying the terms of the agreement with our lawyers and KIP and we are satisfied that it is doable. We have also had a number of discussions with the CVRD regarding this issue.

At the AGM there was some interest in having an unstructured “town hall” type of meeting where landowners could informally ask questions and discuss the two agreements (WIA and WAST). The Board has agreed to make this opportunity available. Landowners are invited to attend an informal discussion on **Wednesday, May 23<sup>rd</sup> at 7 PM in the UBID offices**. To assist with planning the required space and to do our best to provide answers, we would appreciate you letting Ruth know if you plan to attend. As well, please consider submitting specific questions to Ruth by May 15<sup>th</sup>.



## Question of the Month



**Q:** With all of the talk about water licenses, can you explain what exactly they are and what it means?

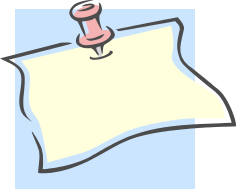
**A:** The Ministry of Renewable Resources controls water for the province and they determine who can withdraw water from lakes, rivers and creeks. The Ministry does this by issuing licenses to businesses (e.g. BC Hydro), industry (e.g. pulp mills) and governments (e.g. IDs). The license spells out how much water can be taken from which source. UBID has two licenses. One is to store potable water and use up to 647,000 cubic meters (142,400,000 gals.) of water annually from Langley Lake and the other is to store potable water and use up to 161,840 cubic meters (35,600,000 gals.) of water annually from Hart/Washer Creek. UB Waterworks was incorporated by Letters Patent and took over the colliery’s waterworks, including the water licenses in 1960. Our Letters Patent give UBID the authority and responsibility to remove the water, to treat it and to distribute it to residents in the improvement district.

## 2011 Audit Completed

This year UBID engaged a new auditor through a group proposal with other districts in the area. Myers Norris Penny has been engaged as our auditor for the next three years. The cost of the 2011 audit was less than half of what it was last year at \$ 10,500.00 as a result of working with other IDs to hire an auditor at a group rate. The auditors made the following statements regarding the UBID books:

We would like to formally acknowledge the excellent cooperation and assistance from management and staff. And, we did not find irregularities materially impacting the statements or evidence of conflicts of interest, unusual related party transactions, or illegal or questionable payments.

The audited financial statement is available for pick up at the UBID office or on the website at [www.union-bay.ca](http://www.union-bay.ca)



## **Bits and Pieces**

Highlights of the AGM Reports are:

- The Administrator, Board and Committee recovered retained legal fees of \$26,000, \$11,000 in past due HST and \$20,000 for an account that was paid in error.
- The Finance & Capital Planning Committee created the 2012 Budget, reviewed and recommended a new Auditor, saving about \$9,000 and is currently working on a revised plan that outlines future Capital Projects and the methods of cost recovery.
- The Bylaws, Policies and Procedures Committee and the Board have dealt with a number of policy issues this year that will create a strong basis to guide future operations of the Board. For the coming term we hope to focus on financial and taxation policy issues.
- Fire Hall repairs have now been identified, and most have been dealt with by volunteers. The drainage around the Hall is completed, and this is the first winter that there has been no water problem. A contractor was hired to pave the parking lot. We have volunteers lined up to complete the remaining repairs, which are a ventilation system, floor tiles and sealing between the old and new addition where there is water leakage.
- This year we plan to begin discussions with the fire department and landowners regarding services and planning for the future. We plan to begin a series of focus groups in June – watch for details.
- On Nov 22<sup>nd</sup>, when the monsoons started, 43,600,000 gallons of water flowed over the spillway. That is equal to 64% of the total water used by Union Bay in 2011.
- The 2011 fiscal year ended on a positive note financially. After recovering some funds it was possible to put back excess dollars into the Capital Funds, so that our restricted funds had as much money in them at the end of 2011 as at the beginning, even after purchase of the fire truck and completion of the Nelson Loop.
- The mandate from the Board and the community is to manage the affairs of UBID in a fiscally conservative way, and that is what the administration has been doing with some success over the last 8 months.