

**Union Bay Improvement District
Regular Board Meeting Minutes**
Union Bay Improvement District Boardroom
Sept. 21st, 2011
7:00 P.M.

Meeting called to order at 7:00 pm.

Venue: The Gymnasium at UBID offices.

In attendance: Trustees: Carol Molstad (Chair), Bruce Livesey, Cleve Goldswain.

Staff: Ruth Sauder

Trustee Anne Alcock is absent.

Opening remarks of the Chair: In the absence of Anne, in order to maintain a quorum the Chair will be voting on each matter before the Board tonight.

1. Adoption of the Agenda.

Motion 2011-09-21-01 for approval as circulated.

RMS

CARRIED

2. Petitions and delegations –none.

3. Approval of Minutes

a. Regular Board Meeting Minutes of Aug. 17th, 2011.

Motion 2011-09-21-02 to adopt the Minutes of the Aug. 17th, 2011 Board Meeting as circulated.

RMS

CARRIED

b. Minutes of Sept. 12th, 2011 Committee of the Whole meeting. The minutes are read out in their entirety.

Motion 2011-09-21-03 to adopt the Minutes of the Sept. 12th, 2011 Committee of the Whole as circulated.

RMS

CARRIED

4. Report from In-Camera Meetings, Planning Meetings and Business arising:

a. Regular Meeting – Follow up items for the administrator will be dealt with as part of the administrator's report later on the agenda.

b. In-Camera meeting of Aug. 23rd, 2011 to deal with personnel and legal matters. This meeting was primarily to discuss with the new administrator, expectations that the Board has of her. We also discussed lines of

communication, and how we are going to work together. On-going issues regarding the defamation lawsuit were also discussed.

- c. In-Camera meeting of Aug. 29th, 2011 to deal with personnel and legal matters. Further discussion regarding issues arising from the defamation lawsuit. We're continuing to wait for legal advice regarding this matter so we have nothing new to report.
- d. Strategic Planning Workshop, Aug. 24th, 2011. Presented to 10 community representatives who sit on our Committees, and 3 senior staff, the Draft Strategic Plan. We hope to table the Strategic Plan at the October Board meeting, and then approve it at the November meeting. Once that happens then we'll be presenting it to the community.
- e. Preliminary Budget Planning meeting, Aug. 31st, 2011. The Board met with the Administrator to discuss the Budget process and how we are going to tackle that job, and you'll hear more about some of the decisions arising out of that meeting as we go through the agenda. We have some motions to bring forward.
- f. In-Camera Meeting, Sept. 12th, 2011, to deal with legal and personnel matters. Three issues discussed during that meeting. The first issue was an update on the defamation lawsuit. We also addressed a 15 page letter from the BC Ombudsman that the Board is having to respond to, and again we'll tell you more about that when we report on correspondence. The 3rd item was Mark Jackson, the Fire Chief. His contract that the Board set up when he was hired was for a 1 year term, and his contract is up at the end of November. As part of that contract review we're required to do a performance appraisal. We talked about how we will conduct that appraisal, and we will be approaching the fire department personnel to have some input into that process.

5. Correspondence:

- a. Email correspondence request dated Aug. 18th to review charges associated with disconnection of water services – Mary Reynolds. This is an extensive package of material that was sent by Mary to request a review of the charges levied in relation to the disconnection of her water services. Ruth is currently reviewing that material and will be making a recommendation to the Board, regarding how we resolve that issue.
- b. Ombudsman letter dated Aug. 25th, 2011, received at the end of Aug. The Chair gives background on the Ombudsman Office's role. The Ombudsman is currently dealing with 4 individual complaints from the community about the Union Bay Improvement District, with respect to actions of the previous Board, and there are six issues that have been identified. Those six issues are:
 - The water service disconnection and charges regarding Mary Reynolds.
 - Closure of Board Meetings to the public.

- The amendment to the 'Meeting Procedures' bylaw that was approved in April.
- Conduct of the Dec. 15th Board meeting.
- Response to allegations of conflict of interest involving Board members, and that primarily relates to decisions regarding Kensington Island Properties.
- Apparent conflicts regarding the legal lawsuits.

At this point the Ombudsman is still investigating this matter. Once the investigation is complete, the Ombudsman will issue a letter containing their findings. This is just an information item at this point, and we'll be working on responding to the letter.

- c. Letter from Janet Thomas, dated Sept. 18th, 2011, is a formal Freedom of Information Act (FOIPP) request. The Chair gives backgrounder on FOIPP legislation.

In this particular case the Board previously denied access to the records that have been requested, and that has resulted in a formal FOIPP request being now made. The Board has also previously appointed the Administrator as the Head for responding to FOIPP requests. The Administrator will respond on behalf of the Board, although as a Board we discuss what that response will be. It's officially the Administrator's job to respond. This is an information item at this point, as well.

- d. Letter from Norm White, dated Sept. 12th, 2011. Request to place a Memorial Bench.

This is an action item. Norm White has asked permission to replace one of the wooden benches at the front of the UBID office property, with a Memorial Bench in memory of Gen White.

Discussion – We should probably find a place for the old bench being replaced, perhaps up near the building. We'll leave that to Jerry Sando and Bill Alcock to use their discretion in moving the old bench to a spot near the building where it can be put to use.

Motion 2011-09-21-04 to approve removal and/or replacement of one of the old wooden benches at the front of the UBID property with a Memorial Bench.

RMS

CARRIED

6. Reports

- a. Administrator's Report – Ruth Sauder

Motion 2011-09-21-05 To accept the administrator's report for information.

RMS

CARRIED

b. Fire/Rescue Report – Anne Alcock, presented by Carol Molstad.

Motion 2011-09-21-06 To accept the fire report for information.

RMS

CARRIED

c. Public Works Report – Cleve Goldswain.

Motion 2011-09-21-07 To accept the public works report for information.

RMS

CARRIED

d. Finance & Capital Planning Report – Bruce Livesey.

Motion 2011-09-21-08 To accept the finance and capital planning report for information.

RMS

CARRIED

e. By-laws, Policies and Procedures Report – Carol Molstad.

Motion 2011-09-21-09 To accept the bylaws, policies and procedures report for information.

7. New Business

a. Budget Preparation direction to the Administrator. To deal with the decision made at our Aug. 31st Budget meeting.

Discussion – Originally when the Board met to discuss Budgeting we talked about doing zero based budgeting and full cost accounting when we developed the budget, but because of issues that have overtaken us and because we've been struggling to get a handle on finances for awhile, we decided that would be too onerous of a task for the Board and the new Administrator to take on. So, the Board has given the Administrator and the Finance Committee some parameters for how to tackle the budget process this year.

Motion 2011-09-21-10 The Direction to the Administrator is to establish a budget based on a conservative estimate of revenues, and modest and necessary expenditures.

RMS

CARRIED

b. Budget preparation request to the Finance & Capital Planning Committee.

Motion 2011-09-21-11 That the Board request the Finance Committee to establish a draft budget based on a conservative estimate of revenues, and realistic and necessary

expenditures, and to provide the draft budget to the administrator for her comments and review.

RMS

CARRIED

c. By-law #224 – Water Tolls Bylaw amendment.

Discussion – the last item of business relates to Bylaw #224, which is about Water Tolls. This is to approve an amendment to the Bylaw. In July the Board made a motion to incorporate a 10% late fee for all overdue Water Tolls. This Bylaw amendment is required so that the Improvement District can collect and impose those kinds of fees onto landowners that are behind in their payments.

The Motion will be to amend Bylaw #224 as follows:

Sections 1 thru 19 remain the same as previously, and we've added a new item, Section 20. Which

h reads:

s. 20. A 10% late fee will be assigned to all overdue water tolls.

In addition we are incorporating some format changes, which are adding two sections to the bylaw. One is a 'Revision/Review History' which sets out when in the past this bylaw has been amended or repealed, and secondly we have added a 'Cross Reference' section to other of the Improvement District's related bylaws.

1st Reading

Motion 2011-09-21-12 To accept the amendment to bylaw #224 as read and presented.

RMS

CARRIED

2nd Reading

Motion 2011-09-21-13 To reconsider and finally pass the amendment to bylaw #224 as read and presented.

RMS

CARRIED

That concludes the business for tonight.

The Chair opens the meeting to questions from the floor.

Q. - Is late payment of water tolls a significant problem in this area?

A. - Based on what the interim administrator, Ken Carter, told us over the summer, it could be about \$5,000 a year of additional revenue for UBID by imposing this penalty. Almost every Improvement District on Vancouver Island has a late fee, and there are costs associated with having to collect unpaid tolls, because we have to go out and put notices on the door, and we have to go out and turn the water off if it still isn't paid. It's not a huge amount of money and is intended more as a way of offsetting costs and acting as an incentive to pay on time.

Q. - Can you refer me to what policy you're referencing when you say it is a policy that [the Board] doesn't release legal opinions?

A. - It's not a written policy that we have in writing right now. It is based upon a legal opinion that we obtained from our lawyer, and a Board discussion, that as a matter of policy we won't do that.

Q. - So the policy was made because of this request?

A. - It was a response to that request but because it is a policy it applies to all records of that type.

Q. - Is there any progress being made on the court case that went on with the past administrator, past trustees, and the one working person in the office, is there any chance of getting any money back from these people? Is there any chance at all? It would go a long ways towards getting a Fire Hall, or other improvements that are needed.

A. - The Board has currently requested some additional legal input, into making decisions around that. At this point in time all I can tell you is that we're waiting for that information, and once we get it we'll be meeting and making some decisions based on that.

Q. - Would it be the intention to release the final report from the BC Ombudsman's Office to the public in general, or would it be a Freedom of Information issue?

A. - The Ombudsman's final letter, generally, will be considered to be a public record, so it will be released. The only caveat that I can think of is that there may be some 'in-camera' types of discussion in that letter because he's looking at a whole range of documents and materials, and if there is some specific sensitive information in that public letter then we may decide not to release all of it, but certainly the intent is to release what we can. And we've had those conversations with the Ombudsman, as well, about our intent to release it. So, until we see what the letter says, we're not sure.

Q. - As you previously indicated the Fire Chief and Board have now deemed the property on McLeod Road as no longer of value to the community [UBID]. Is there any consideration now going to be given to the sale of that property, given that Kensington was very interested in purchasing it?

A. - We're aware that that property is now available [surplus] and that Brian [McMahon, from KIP] would be interested in purchasing it, but the Board has not dealt with its land issues, and there are a range of land issues to be dealt with.

Q. - Since that land was for the use of the Fire Department and it's not going to be used for that in the future, is the money [from the proceeds of sale of that land] going to be set aside to build a new Fire Hall?

A. - No decisions have been made about that yet.

Q. - Regarding the Water Agreement [with KIP] and the provisions for a Water Treatment Plant, I was just wondering, number one, will the Board on behalf of the taxpayers be responsible for the upkeep of that Water Treatment Plant? And number two, I'm still harping on the ongoing problems with peat. Peat is still a problem. My question is will the Board consider bringing that forward in the agreement in the clearest way when ongoing discussions happen.

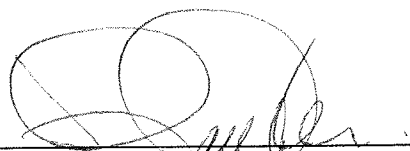
A. - The KIP UBID Water Agreement has some provisions in it for the first year of operation, where Kensington will assist with some of the operating costs, and will be covering some of the training costs for Dan [McGill] to increase his skills so that he can operate the Water Treatment Plant. After that period of time, the ongoing operation and maintenance will be the responsibility of UBID. In terms of the peat, and the dam, and the lake, and those types of issues they are being talked about at the PW Committee, but nothing has been decided around the peat issue as yet.

No further questions.

That concludes our meeting at 7:50 pm. Thank you all for coming. Meeting adjourned.



Carol Molstad, Chair



Ruth Sauder, Administrator