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| <b>Date</b>          | <b>April 22, 2023</b>   | <b>Time</b>  | <b>9:30 am</b>  |
| <b>Location</b>      | <b>Van Anda Legion</b>  |  |   |
| <b>In Attendance</b> | <p><b>Trustees:</b><br/>           Ron Smith (Chair) RS (2025)<br/>           John Colongard JC (2023)<br/>           Neale Berjer NB (2023)<br/>           Jane Waterman (2024)<br/>           George Childress (2024)</p> <p><b>Staff:</b><br/>           Austin Rycroft (Senior Water Operator) AR<br/>           Michael Smith (Water Operator Trainee) MS<br/>           Sandra Haszard (Administrator) SH<br/>           Heidi Sorichta (Admin Assist, Recorder) HS</p> <p><b>Auditor:</b> Dwayne Dunn DD of DMD Accountants<br/> <b>Election officer:</b> Terry Hollo TH</p> | <p><b>Ratepayers:</b><br/>           Terry Hollo TH<br/>           Angela Beaumont AB<br/>           Lois Warner LW<br/>           Phillip Tidd PT<br/>           Elizabeth Hazlette EH<br/>           Terry Waterman TW<br/>           Karen May KM<br/>           Geraldine McDonald GM<br/>           Rodger Hort RH<br/>           Steve Stewart SS<br/>           George K<br/>           Barb Wells BW<br/>           Nicole and Natalia<br/>           Ken Soles KS</p> | <p>Linda Messmer LM<br/>           Jennifer Moore JM<br/>           Gayle Ch<br/>           Dianne Marshall DM<br/>           Julie Somers JS</p> |

| <b>Agenda Item</b>                         | <b>Lead</b> | <b>Outcome</b>  | <b>Action</b>  |
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| 1. Welcome                                 | RS          | Ron called the Van Anda Improvement District Annual General Meeting to order at 9:30 am.  |  |
| 2. Adoption of the Agenda                  | RS          | <b>Motion:</b> It was moved by JW and seconded by GC that the 2023 Annual General Meeting agenda be adopted. Motion carried.  | Moved JW<br>2 <sup>nd</sup> GC                                   |
| 3. Adoption of the Minutes of the 2022 AGM | RS          | <b>Motion:</b> It was moved by TW and seconded by TH to waive the reading of the 2022 AGM minutes. Motion carried. It was moved by GC and seconded by NB that the 2022 Annual General Meeting Minutes be adopted. Motion carried.   | Moved TW<br>2 <sup>nd</sup> TH<br>Moved GC<br>2 <sup>nd</sup> NB |
| 4. Financial Report                        | RS & DD     | <p>Ron introduced Dwayne Dunn, a partner with DMD Chartered Professional Accountants, the firm hired to prepare the year-end audit. DD reported on key points within the audited financial statements. DD first explained there are four opinions that can be applied to an organization's financial statements. One opinion, the financial statements can be clean indicating everything is in good order. Or the financials can be qualified meaning all is in good order but there may be something that is reported that can't fully be substantiated. Thirdly, an organization's financials could be in denial meaning there has not been enough information provided for the audit or lastly, they could be in adverse opinion indicating the information provided is not correct. DMD is of the opinion that VAID's financials are in a qualified position. The basis for being in a qualified position is due to the estimated useful lives of the District's tangible capital assets. Specifically, the pipe work is supposed to last 45 years. With all of the previous leaks it isn't likely for the pipe work to last the 45 years as predicted.</p> <p>1. How does asbestos pipe fair in comparison?<br/>           AR - Asbestos pipe is prone to breaks if not buried deep enough especially in areas where vehicles drive over where the pipe has been laid. Legion Road section has now been repaired.</p> <p>Emphasis of Matter – VAID commissioned a master water plan in 2015. There was a specified amount to be put away every year for upgrades. However, the increased costs of maintenance since then and upgrades to the water system have exceeded this plan to date. As at year end, the District</p> |  |

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|   |           | <p>did not have significant additional funds on hand to cover potential increases in water system costs. It was noted; however, the cash reserve has gone up this past year.</p> <p>The Statement of Financial Position is a snapshot of finances. Of particular note the increase in accounts receivables is due to the new connections coming online as well as one \$6,000 job and a number of Road Rescue Task Reimbursements received in the amount of approximately \$7,500. The GST recoverable amount is for 18 months worth of returns which have since been filed. The wages payable as a liability is merely the timing of when the paycheques are issued and source deductions. The prepaid expenses listed are for the Firehall Bay Doors that are being replaced. Tangible Capital Assets were reduced by approximately \$72,000 as the old water storage tank has been removed as well as annual depreciation of equipment.</p> <p>The Statement of Operations shows the incomes and expenses. Water tolls and parcel taxes are up due to the increase in the annual rates for each. There were 8 new connections to the system along with one tiny home community. Other income includes a cash donation of \$12,000 and an in-kind donation of \$4,000. Fundraising is down as we did not receive any grants this year. Last year the fire department received a \$30,000 training grant and \$25,000 equipment grant. Texada Rescue's income increased in 2022 as there were more task reimbursements claimed from the province.</p> <p>Notes to Financial Statements – #2 Measurement Uncertainty – this is evaluating the reasonability of how long the assets will last – these are just guesses. They will be adjusted when we know more. Tangible Capital Assets – these are the guesses on how long the capital assets will last. #8 Financial Instruments – Credit Risk indicates there is a risk because we offer credit to our ratepayers. However, we do have the authority to seize properties in lieu of payment.</p> <p>Of note on the Schedule of Expenses for the Waterworks – the loss on disposal of assets is the removal of the old water storage tank. There are no further rental costs as one crown lease has expired. Repairs and Maintenance costs are nearly double that of the previous year due to the number of leak repairs over the course of the year. Utility costs are down. Fewer leaks mean less water – less power to pump water. Of note on the Fire Department's Schedule of Expenses is the reduction in training. In 2021 the department received special funding for training which they did not have access to in 2022.</p> <p><b>Motion:</b> It was moved by NB and seconded by GC that the 2022 Audited Financial Statements be accepted as presented. Motion carried.</p> <p><b>Motion:</b> It was moved by NB and seconded by TW to appoint DMD Chartered Professional Accountants to perform the Financial Audit for 2023. Motion carried.</p> | <p>Moved NB<br/>2<sup>nd</sup> GC</p> <p>Moved NB<br/>2<sup>nd</sup> TW</p> |
| <p>5. Report from the Chair - Questions included as they were asked</p> | <p>RS</p> | <p>RS opened his report welcoming those ratepayers in attendance and then by introducing the trustees. RS recognized the contributions made by Ken Soles to the residents of Van Anda for his years of service as our Water Operator. Ken retired at the end of 2022. AR has taken over as Senior Water Operator and MS has been hired as the Junior Water Operator. SH continues as administrator of VAID and HS has been hired to assist. Mark Robert is holding the position of Acting Fire Chief during Mike Craggs' leave.</p>   |   |

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|  | <p>Regarding the water system, we seem to be in a good place. With the cooler Spring in 2022 there wasn't the issue of unprecedented low levels of water at Priest Lake during the summer. Nonetheless there are plans to reposition the intake pump for the anticipated lower summer lake levels due to climate change. With our Operators diligence and the community's awareness we have repaired many leaks over the course of 2022. With those repairs we have gone from processing 160,000 gallons of water per day down to 70,000 gallons per day. There are still leaks to be found but we are working on reducing these further both from our main lines as well as by helping residents identify leaks on their properties.</p> <p>1. Ratepayer commented that they have often been told that the water operators are too busy with repairing big system leaks along with their other daily functions to spend time locating residential leaks. Ratepayer proposed a one-time levy of \$42 to be added to the tolls and taxes next year to be used specifically to perform leak-down pressure test on every water connection in Van Anda. From the \$42 collected from the 225 connections, 2 people could be hired at \$20/hour each for an 8-hour workday to perform 8 connection tests per day. Testing would be completed in 29 days.</p> <p>RS – It's been VAID's position to clean its own house first before moving on to leak detection on individual residential properties. Now that VAID's infrastructure is somewhat under control the intention is to have our operators perform the residential leak detection. Operators will be going around with a gauge that connects to the outside water bib at the resident's property and will be able to identify if there are any leaks.</p> <p>Ratepayer expressed concern with the operators' time constraints and therefore how long this process will take.</p> <p>RS – with a show of hands, how many ratepayers in attendance would be agreeable to a one-time levy of \$42 each to hire someone to do the residential leak detection. There were 8 ratepayers in attendance in favour and 7 or 8 who were against.</p> <p>AR – if operators were to go around systematically to do the testing, should have it all done in a month and a half.</p> <p>Ratepayer – considering unanticipated or emergency situations that may come up, give the operators a timeframe of approximately 3 months to complete the residential leak detection program. Can VAID ratepayers then expect to receive a progress report posted on the website in 3 months time.</p> <p>RS – Yes, a progress report can be posted.</p> <p>VAID is also actively replacing some of the old aged and leaky water pipes. Two sections have been scheduled for this year, one section along the Legion Road already completed and the other on Blewett St. Pipe replacement will continue in future years. The funds for these replacements come from our Capital Reserve Fund that has been built up from nil in 2021 to \$100,000 in 2022 through parcel taxes, water tolls, donations, and development cost charges. We had applied for a federal "Gas Tax Grant", similar to the one that funded the Water Treatment System and new water storage tank to cover the cost of these replacement projects, but we were unsuccessful this round.</p> <p>2. Will VAID be applying for the Gas Tax Grant again this year?</p> <p>RS – this grant is typically only made available every 5 years. When it does</p> |  |
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|  | <p>open for applications again, VAID will likely submit another application.</p> <p>3. Ratepayers expressed concern with the number of new connections that are going in. We already have water restrictions imposed during the summer months. With the additional connections will there be enough water during the summer to support existing and additional connections? Are we taxing the pipe system even more with the extra water used?</p> <p>RS – We have lots of water in the lake. At the height of usage 2 summers ago we ran 160,000 gallons through the system per day. Since repairing a number of leaks, we are now running on average 70,000 gallons per day. We base our decisions on whether or not to approve a new connection on how much water we use. We know the system can process 160,000 gallons per day. We are processing only 45% of our daily capacity. VAID’s position during the summer is that we should all conserve water and use it responsibly and not waste it at any time of year. There are two periods in the year when water use is traditionally high, the winter and summer months. In order to reduce winter water use, we suggest everyone insulate their exposed water pipes so that there isn’t a need to leave taps dripping. In order to reduce summer water use, we suggest residents water lawns and gardens from water barrels and use drip irrigation. Do not water in the heat of the day. Water for filling swimming pools and hot tubs, washing cars and driveways should be avoided. The reason for summer water restrictions isn’t based so much on lake levels per se or our capacity to produce water but more so to conserve this precious resource and reduce costs. As an estimate, it costs in the order of about \$3,000 to process an extra 20,000 gallons per day of water every month.</p> <p>4. Does VAID have the authorization to deny access to water?<br/>Yes, VAID can deny a new water connection but would only do so if we didn’t have the capacity.</p> <p>5. Ratepayer suggested installing a sensor at a designated site, one that would indicate there was a leak.<br/>AR – there are meters at the water treatment plant that are checked every day. If the numbers on these meters were to spike, that would be a good indication there is a leak. This would be seen within 24 hours as these are checked daily. There is also a low-level alarm at the storage tank which appears on the operators’ phones.</p> <p>6. Ratepayer suggested community education and outreach for water conservation. VAID used to offer a water workshop every year. Are there plans to hold an educational workshop this year?<br/>RS – no plans but something to be considered.</p> <p>7. Ratepayer suggested the Board of Trustees has a public relations problem. Considering the new developments within the Improvement District’s boundaries, the number of new connections added to our water system and the boundaries of the Improvement District expanding to include several new properties, there appears to be a lack of transparency on the part of the Board to the ratepayers. Property development in other municipalities goes to a public meeting, why not Van Anda?<br/>RS – municipalities are governed by a number of bylaws and regulations that need to be adhered to, VAID does not have these same guidelines for developments and expansions. VAID is only responsible for providing water.</p> |  |
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|                |              | <p>VAID’s decision to incorporate new properties within our boundaries and/or approval of new water connections is based on the application presented to the Board. Applications must detail what development is planned for these properties. Again, we are currently running at 45% usage from the height of usage in the summer of 2021. New connections and subdivisions approved can be supported. As far as public relations, yes there is always room for improvement. We do advertise the date, time, and location of our monthly meetings which the public is welcome and encouraged to attend.</p> <p>Ratepayer – The Board should also be communicating their successes to the ratepayers with notifications in the Express Lines and on the Facebook Texada Message Board along with new development approvals, even if it’s as simple as in bullet form in the monthly Express Lines.</p> <p>Ratepayer – There are members of the community who would like to attend the meetings but cannot do so because the meetings are held during the day when they are at work. It should be noted that the average length of a monthly meeting is 3 hours, much too long.</p> <p>RS – A lot of the issues take time to discuss. If we limit the amount of time spent to hold a meeting, we will just have more of them.</p> <p>Ratepayer – How is VAID’s relationship with Lafarge? Has VAID approached Lafarge to help with upcoming projects, the repositioning of the pump for example?</p> <p>RS – Communication with Lafarge has improved. Lafarge has agreed to look after and pay for the testing of our water. They have included testing for THM’s which isn’t something they would usually test for. These tests are performed quarterly.</p> <p>AR – Samples are collected from a number of sites around town – raw water is collected before it reaches treatment at the water plant. Samples are also taken at the storage tank, Wall Street, Smelter Avenue, and the Boat Yard. Lafarge also does testing in the watershed area. We can request the results from these tests as well.</p> <p>Ratepayer – in the event a new connection requires a change to its service after the connection has been installed, would the change automatically take place because they now have an existing connection already in place?</p> <p>RS – No. This would require a new application. Services are put in based on the applications submitted. If it turned out the original service requested and installed was not adequate, the ratepayer would need to apply to have their service upgraded. Upon receiving the application and so long as the Board felt there was still sufficient capacity in the system, the upgrade would move forward, at the expense of the ratepayer.</p> |  |
| 6. Fire Report | SH<br><br>GC | <p>Fire Chief is currently on leave. Acting Fire Chief, Mark Robert, was not able to attend.</p> <p>GC provided a quick overview of the Fire Report as submitted. The department was down to 9 members in the spring, some leaving for Covid non-attendance and others left the Island for work. However, 3 new members were recruited over the summer. Training has continued with regular hall training focusing on practical skills, hazard awareness SCBA training, pumper skills, traffic control and radio use. First Responder medical training is on-going as is Forestry training. Some firefighters received EMA accreditation, Critical Incident Stress Management training, Air Brakes</p>   |  |

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|  |           | <p>endorsement and Class 4 endorsement on driver’s licenses. 2022 call outs included: 24 Medical Calls, Texada Rescue attended 11 MVA calls, there were 5 Fire calls including two chimney fire, the Smelter Avenue house fire, Duker Road large grass fire, Copper Queen structure fire and Kirk Lake forest fire. Other calls included a Tsunami watch, a public service call assisting a homeowner, 2 duty officer calls to check beach fires and 5.5 hours on scene securing the area when a Hydro line came down. The department performed approximately 160 wellness checks on our at-risk stakeholders over the summer months. An Automatic Response Agreement between VAFD and GBFD is now active. This means we do not have to wait for a request for assistance to attend an incident in either’s jurisdiction; both departments will automatically be dispatched out. The department is also working with upper management at Lafarge on a Mutual Aid Agreement after Texada Rescue was called out to a MVA where specialized training was required. Mine Rescue personnel were requested from Lafarge to assist with the call. A proposal for a Mutual Aid Agreement has been submitted to Lafarge.</p> <p>Ratepayer – Is the Fire Chief paid a stipend?<br/>SH – The Fire Chief is paid a monthly honorarium.<br/>Ratepayer – Is the acting Fire Chief receiving the honorarium while the Chief is on leave.<br/>SH – yes.</p> |  |
| <p>7. Business</p>                         | <p>RS</p> | <p>The board was requested to investigate other models of parcel tax structures. Currently, the model we use is based on size. The amount you pay for parcel tax depends on the size of your property. Of the 263 total number of parcels within the ID boundaries, 182 pay the lowest parcel tax rate, for Group A at \$357 in 2023. 38 parcels are taxed at Group B for \$510 in 2023, 31 parcels are taxed at Group C for \$816 in 2023 and 12 are taxed at Group D for \$1530 in 2023. After some discussion amongst those in attendance it was decided those in Group D who own more than 5 acres of land can afford the higher parcel rate. No one in attendance saw a need to alter the parcel tax structure at this time.</p> <p>To clarify – parcel taxes pay for infrastructure repairs while water tolls pay for the processing of the water itself.</p>   |  |
| <p>8. Introduction of Election Officer</p> | <p>RS</p> | <p>Terry Hollo agreed to act as Election Officer for the 2023 Van Anda Improvement District AGM.</p>  |  |
| <p>9. Election of Trustees</p>             | <p>TH</p> | <p>3 positions open, 2 x 3-year terms and 1 x 1-year term.<br/>JC position ending and he is prepared to stand again.<br/>NB position ending. Will only stand if there aren’t enough nominees to fill the open positions.<br/>GC resigning. One year left in term.<br/>VAID has received one letter of intention from a ratepayer, Amber Brewer, who would like to nominate herself for position of trustee but could not attend in person today.<br/>Phillip Tidd presented a letter of intention nominating himself for a trustee’s position.<br/>TH asked for any nominations from the floor.<br/>KM nominated Jennifer Moore for a trustee’s position. Jennifer agreed to stand.</p>   |  |

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|                                     |           | <p>TH asked for any further nominations from the floor three times with no replies. Nominations were closed. Each nominee was given an opportunity to make a brief presentation about themselves before ratepayers voted. 3 trustee positions went to a vote by secret ballot. Upon completion of the counting of ballots, successful candidates were John Colongard, Phillip Tidd, and Jennifer Moore. Congratulations and welcome to the Board.</p>   |  |
| <p>10. Questions from the Floor</p> | <p>RS</p> | <p>RS asked for any further questions from the floor.</p> <p>Ratepayer spoke to the concern of Trustees attendance at Board Meetings as well as to the amount of work involved as a trustee on the VAID Board. As such, KM made a motion that the number of Trustees on the VAID Board be increased from 5 to 7 as soon as possible, TH seconded.</p> <p>SH – consulted with a representative from Local Government. To change the number of trustees is a long process and requires a lot of information. The risk involved is that if the Local Government is not happy with how the organization is being handled, they can dissolve the ID. It isn't that it can't be done, it just means there are risks to undergoing the process.</p> <p>Ratepayer – 7 trustees on the board would mean coverage at times when other trustees are on holidays or if someone is away due to illness.</p> <p>Ratepayer – with more people on the board, there are more people to share in the work.</p> <p>Ratepayer – adding more trustees means more opinions, more personalities, longer meetings.</p> <p>Upon further discussion, RS called for a show of hands as to how many ratepayers in attendance were in favour of increasing the number of trustees on the Board from 5 to 7, there were 9 in favour; and how many ratepayers were against increasing the number of trustees on the Board from 5 to 7, there were 4.</p> <p>Ratepayer expressed appreciation for the Trustees and Employees which resulted in a round of applause.</p> |  |
| <p>11. Meeting adjourned</p>        |           | <p>RS declared the meeting adjourned at 12:25,</p>  |  |