



# FLETCHER CREEK IMPROVEMENT DISTRICT

RR2, Site 3, Comp 38  
Kaslo, BC V0G 1M0

Website: [www.fletchercreekwater.com](http://www.fletchercreekwater.com)  
Email: [fletchercreekwater@gmail.com](mailto:fletchercreekwater@gmail.com)

---

## Minutes

February 23, 2017 – 1:00 pm  
McLaren's Residence 4761 Hwy 31

Trustees present: Laurie Hartland, Ron McKilligan, Lance McLaren, Tina McLaren

Secretary Treasurer: Tammy Horick

Guests: Barbara Neelands

- 1) Meeting called to order at 1:08 pm (Lance McLaren, Chair)
- 2) Approval of agenda
  - a) MOTION to approve agenda. Moved by Laurie Hartland, second by Ron McKilligan. All in favour. Passed.
- 3) Approval of Minutes (January)
  - a) MOTION to approve January meeting minutes. Moved by Laurie Hartland, second by Tina McLaren. All in favour. Passed.
- 4) Approval of Financial Report (Tammy Horick)
  - a) Balance and Income Statements to January 31, 2017:
    - \$156,793.53 in Cash.
    - \$241,375.13 in Total Liabilities and Equity, including capital assets and accounts receivable.
    - Unrestricted cash available: \$27,054.96
    - MOTION to accept January financials. Moved by Tina McLaren, second by Laurie Hartland. All in favour. Passed.
  - b) Tammy noted that it was moved in the January meeting that, on March 8<sup>th</sup>:
    - 1/3 of the Capital Reserve Renewal funds would be put in a 3 year Rateclimber, and
    - 1/3 would be put in a 30 month term deposit, BUT
    - 1/3 (approximately \$30,000) was left in the Chequing account at .05%MOTION to move 2/3 of the Capital Reserve Renewal funds as of March 8, 2017 into a 30 month term deposit at 1.37%. Moved by Lance McLaren, second by Laurie Hartland. All in favour. Passed.
- 5) Maintenance Report (Ron McKilligan)
  - a) The system seems fine, pressure's good.
  - b) On January 30<sup>th</sup>, FCID was notified that water flow to Jesse Herreshoff's property had stopped a couple of weeks earlier.

- The curb stop could not be closed for a plumber to investigate, and appeared to be frozen open. It's suspected that the smaller 1" homeowner line running to the residence had frozen back up to the curb stop, as it's unlikely that FCID's 4" main line would freeze first.
  - The possibility of pro-rating compensation for loss of service was discussed but deferred, pending identification of the cause of the problem. A frozen homeowner line isn't FCID's responsibility and there's even the possibility that the curb stop has been damaged, resulting in excavation and repair costs to FCID.
  - Brad Hartland will check as the weather gets warmer, and look for signs of leaking.
- c) Maintenance report accepted.

## **OLD BUSINESS**

### 6) Action items from last Trustee minutes

- a) Taxation Bylaw #63 was registered with Local Government Branch on February 14, 2017.
- b) A paper copy of the most recent Emergency Response Plan was circulated to all trustees present. One will be provided to David when he returns in April.
- c) Tammy consulted with Canada Revenue Agency (CRA) and concluded the following:
  - FCID could hire maintenance workers as subcontractors, not employees, and avoid tax reporting as long as the annual payment to each is \$500 or less.
    - T4 must be issued to an employee if there are any deductions (CPP, EI, or Income Tax) OR if income is > \$500. Employee earnings are both pensionable (CPP) and insurable (EI). The CPP exemption amount is \$3,500, but there is no EI exemption amount. For example, even a \$200 payment to an FCID employee must have EI deducted (but no CPP), so a T4 must be issued.
    - T4A (Box 48) must be issued if subcontractors are hired instead of employees and paid > \$500, even though there are no deductions.
    - New maintenance workers can be engaged as subcontractors with a contract, instead of employees. CRA doesn't want to be involved in that distinction. The subcontractor is still expected to report the payment as income on their personal tax return. FCID should have a contract with subcontractors to define the terms and scope of work. The current employee positions could be terminated and subcontractor positions created at the start of the year.
  - T4's must be issued if a Trustee Honorarium is greater than \$500, and any amount should be declared on the trustee's personal income tax return. The honorarium is subject to Tenure of Office as trustees are elected officials under the Local Government Act. This means that it is considered employment income and is pensionable (CPP) but NOT insurable (EI) so there are no deductions for amounts less than \$3,500, but a T4 needs to be submitted if it's > \$500. This should be taken into account if, for example, the Chair honorarium was to be increased above \$500.

- A Record of Employment (ROE) for employees should be filed within 30 days of the last day of regular work and 7 days of irregularly paid work, but no penalties are applied if the employee doesn't complain.
  - d) ACTION: Tammy will try Rogers privately (\$25/year) and give the number and phone to FCID if it works as expected.
  - e) IHA was notified that the Secretary Treasurer at [fletchercreekwater@gmail.com](mailto:fletchercreekwater@gmail.com) is the designated liaison for FCID.
  - f) Reassessment notices to affected properties are ready to go but Tammy was waiting for Ministry approval of 2017 Taxation Bylaw #63, which just came in. The notices will go out immediately after the meeting.
  - g) ACTION: Tammy will contact Small Water BC re maintenance agreements and access rights (item 17), outdoor POE (item 6), viral disinfection (item 3), and post-filter turbidity (item 16).
  - h) IHA was notified of FCID's intention to resubmit the application, and to request a meeting in March with Renee Ansel and Marianne Crowe.
  - i) A meeting date with Renee and Marianne was deferred until the denial letter was gone over in detail.  
ACTION: Lance to make appointment including Aimee Watson and Andy Shadrack, if possible.  
ACTION: Board to meet March 3 at 2 pm at Lance and Tina's to go over denial letter.
  - j) Laurie's email address was given to Rosemary Smart for the study on Improvement District funding issues.
  - k) Rosemary Smart was notified that FCID was open to participation in a BC Improvement District Association.
  - l) The GFOABC links were sent to trustees: <http://www.gfoabc.ca> and <http://forum.gfoabc.ca>.
  - m) Steve Julien doesn't plan to develop his lot for a few years, so there's no hurry on installing the curb stop. There was some discussion about where to locate it.  
ACTION: Tammy to ask Steve about pin locations, or getting a survey done if necessary.
- 7) Water treatment plan
- a) Alternatives to POE
    - The viability of centralized water treatment was reviewed in response to the possibility that homeowner maintenance and monitoring of POE would continue to be sticking points with IHA:
      - The costs of centralized water treatment for similarly sized water systems in the region have ranged from \$400,000 to over a million dollars. There's no reason to believe that FCID's implementation would fall below that, and even getting an estimate of the complete project cost has proven to be difficult because of the unknowns.
      - Either the intake or building must be relocated relative to each other to get sufficient pressure.
      - The current building is inadequate for a centralized system and must be replaced. It would also need power and road access, and an easement would be necessary.

- The most likely building locations are on an alluvial fan or flood plain. This would require a foundation 3 feet above and 3 feet below ground (6 foot walls).
- The annual maintenance contract cost for centralized was estimated to be \$20,000 per year.
- Centralized runs treated water through old pipes, which seems self-defeating, and treats water for irrigation as well, which seems excessive.
- Centralized needs a flow meter in the ground for a year. Flow meters are also expensive.
- There were concerns about a volunteer Board co-ordinating the implementation of centralized. Tammy noted that she was very involved with the building of the new Kaslo Trailblazers pedestrian bridge at a cost of about \$200,000. That project was well-defined and the Trailblazers had already built an almost identical bridge, but there were still several unexpected hurdles (permits, geotechnical issues, bank erosion, etc.) on top of getting funding that took over 5 years to work through. No large capital project is easy, and this one for FCID does not appear to be well-defined.

**ACTION:** Ron will call Ted Nunn (geotech) near Sitkum Creek and ask about annual maintenance costs and general experience with their centralized system. *Addendum March 20, 2017: Ted's name corrected.*

b) Member priorities for choosing between centralized and POE were identified:

- Maintaining low taxes
- Privacy
- Willingness to take on debt
- Length of time to implementation
- Water quality (boil water notice vs water quality advisory)
- Chlorination of drinking water
- Chlorination of irrigation (gardening) water
- Water availability during a power outage

**ACTION:** Tammy to compose a survey for members to be circulated with the AGM package.

c) FCID revised construction permit application

- It was decided to defer resubmitting the application until after the meeting with Renee and Marianne, and possibly not until after the implementation of a POE pilot project.
- The denial letter will be discussed on Friday, March 3 at 2 pm at Tina and Lance's.

## **NEW BUSINESS**

8) 2017 AGM

a) Date and Location

- The AGM will be held April 26 at 7 pm at Kaslo Seniors Hall.

**ACTION:** Tammy to book the Hall and advertise in the Pennywise at least 2 weeks in advance.

- b) Agenda
  - The draft agenda was approved, but will be reviewed again at the March Board meeting.

- c) Trustees Report

**ACTION: Tammy will prepare the AGM Trustees Report for review by the March Board meeting.**

- d) Nominations

- One trustee and a maintenance person is needed to replace Ron.

**ACTION: Lance will follow up with a possible candidate for trustee.**

**ACTION: Tammy will advertise for a maintenance person and phoner in the AGM package.**

- 9) Correspondence

- a) Pat Gibbings was open to participating in a POE pilot project.

- b) The Office of the Ombudsperson requested information regarding the POE process as a followup to the complaint made in September. The information was provided and Laurie and Tammy also had a conference call with the Ombudsperson Officer on Feb 20, 2017. The Officer was satisfied with her investigation, and will close the file once FCID responds directly to the complainant.

**ACTION: Tammy to respond to the complainant by letter as per the Ombudsperson's guidelines.**

- c) Mirror Lake Water Users Community expressed interest in FCID's progress.

**ACTION: Tammy to invite MLWUC to the discussion on March 3<sup>rd</sup>.**

- d) CBWN water chemistry webinar on February 22 confirmed that Fletcher Creek's water quality is very good, based on the CARO analysis from January 2016. The water has slightly high amounts of calcium ("hard" water). Zinc and iron are also a bit high, but this is typical for the region and within acceptable parameters.

- 10) Announcements

- a) Next Board meeting tentatively to be held on Sunday, March 26 at 2 pm at McLaren's residence.

- 11) Adjournment at 3:25 pm.

---

Co-Chair  
Fletcher Creek Improvement District

---

Secretary Treasurer  
Fletcher Creek Improvement District