

Krestova Improvement District

3810 Pine Road

Krestova, BC V0G 1H2

Email: krestovaimprovementdistrict@outlook.com

Dear Water User

Annual General Meeting Notice & Agenda: Monday May 3, 2021, 7pm - 9pm

Location: via ZOOM

<https://us02web.zoom.us/j/4846336336?pwd=cnZZWTIxWUpMbDJI0RPVUtyQ0FKUT09>

Meeting ID: 484 633 6336

Passcode: 357009

Please find within this package a copy of the following items for your review and record:

1. Your annual water invoice
2. Boil Water Advisory Notice / Sprinkling Regulations for 2021 - Please read this carefully as a dry summer is expected.
3. 2020 AGM Meeting Minutes
4. 2021 AGM Agenda

1. **Introduction & Introduction of Existing Board Members**
The Krestova Improvement District Annual General Meeting (AGM) will be held on Monday May 3 at 7 pm. Due to concerns regarding COVID-19, the annual general meeting (AGM) will be online using the Zoom videoconferencing platform. A link if provided above, and an invite will be posted on the KID website and the KID facebook group:

<https://krestovaimprovementdistrict.myruralwater.com/>

<https://www.facebook.com/> Search for "Krestova Improvement District"

The AGM provides an opportunity to:

- provide the landowners with a report on the conditions of the improvement district's works;
- present the audited financial statements for the preceding year;
- discuss any matter relating to the works or finances of the improvement district;
- elect a trustee(s) to succeed any trustee whose term of office has expired,
- report on the previous year's accomplishments and discuss upcoming projects or concerns etc.

The following provides a synthesis of this information.

Improvement District Works

As a refresher for users, the improvement district draws water from McDermid Creek, approximately 300 m upstream from the end of Pine Road. Water is drawn into a 90 m³ balancing tank that feeds three main lines to the community. The KID also maintains two water storage reservoirs upstream from the intake that can supplement stream flows when creek levels are low (ie. late July - late September).

Page Break

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2. Adoption of 2019 AGM Minutes & AGM Agenda 2021

Financial Statements

- a. Motion to accept 2019 “corrected” financial statements.
- b. On Balance Sheet 2019, Total Current Assets have been corrected due to formula error. Amount should read \$149,888.92. These documents and previous years financial documents will be posted to the website soon.
- c. 2020 Financials & budget: have been attached separately
- d. Notice to Reader by Grant Thornton – will be posted to website for years 2014 to 2017 inclusive
- e. Adopt 2020 AGM meeting minutes as written – note due to no quorum and no attendance by water users, meeting was brief.

Note: Improvement districts are required to have their financial statements audited, with a full audit completed every 5 years, and a ‘Notice to reader’ prepared for the remaining 4 years. Financial statements have been consolidated and notice to readers prepared up to 2017. However, the cost of these audits are substantial (up to \$5,000), especially for an organisation that has annual revenues of less than \$20,000 and has multiple other demands on its limited resources. For these reasons, the trustees have chosen to present the financial statements as is.

For future mailings, this will be the last year to send out financial statements by mail. These statements will be available online through the Krestova Improvement District Website.

3. Trustee elections

The KID is required to have 5 trustees, and the AGM is normally when new trustees are elected. Due to the COVID-19 epidemic, the previous AGM was delayed until September 7th, 2020, held outside, and was not well attended. At the time, there were only 3 trustees (Joe Shaw, Harold Rezanoff and Ico de Zwart – all from April 2019) since 2 trustees had stepped down earlier.

Two people from the community (Clayton Roy and Julie Fletcher) volunteered to act as interim trustees in December 2020.

Trustees normally serve for a three-year term.

As trustees are elected, we will allow for nominations for trustees at the AGM.

- Step 1: Nomination of names
- Step 2: Open Call for nominations (called 3x)
 - If there is interest, a secret ballot election is needed
- If there are one or more nominations, we will hold an election.
- If there are no nominations, Julie Fletcher and Clayton Roy will be elected by acclamation.
- Motion to be noted on “elected” or “elected” by acclamation

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4. Warden's Report 2020 Summary

- System maintenance (intake screen replacement, cleaning, brushing, etc) was completed in June and October. Repairs to the concrete water box were also completed. Thank you to all the people that helped out.
- A repair to a frozen valve was completed on the Krestova line in February. Thanks to everyone that assisted with this. A reminder to make sure water boxes are well insulated before winter.
- The KID setup a website (<https://krestovaimprovementdistrict.myruralwater.com/>) which we will use to store information and reports.
- Dam Safety Inspections were completed by Austin Engineering in the fall of 2020. This is a first step in complying with the Dam Safety Regulation, which requires us to complete a Dam Safety Review as well as ongoing dam inspections. These are expected to add significant costs to the ongoing operations.
- Based on the Dam Safety Inspection, the KID outlined two alternative options for the East McDermid Dam. One option is upgrading and enhanced monitoring and maintenance to comply with the Dam Safety Regulation. The other option is decommissioning. Summary available at:
<https://krestovaimprovementdistrict.myruralwater.com/documents/1360/East McDermid Options 20210102.pdf>
- KID was successful in obtaining a \$250,000 grant to cover the full cost of decommissioning of the East McDermid Dam if the community supports this option.
- KID started a project to secure a community groundwater supply source. A test well drilling plan and budget has been prepared, and an application for the use of Crown Land was submitted to the Province to secure a potential site.

5. Upcoming projects and issues

The water system is old and needs to be actively managed to maintain water year round. Low stream flows in summer when demand is highest means low water pressure or no water because the balancing tank does not recharge fast enough to meet demand.

The KID continues to be under boil water advisory as there is no treatment. This cannot continue and it is only a matter of time before the Province steps in and forces the KID to address this issue.

There are concerns over dam safety. The Dam Safety Regulation requires us to complete a Dam Safety Review as well as ongoing dam inspections which will add significant costs to the ongoing operations. As well, the KID has to carefully manage water levels in the reservoirs to satisfy Provincial concerns, as well as comply with new regulations.

The KID is working to address these issues as follows:

- The water system study provides one option that would address all of the current issues through a new groundwater source and system upgrades. The study can be used to pursue funding opportunities to further investigate this alternative. The first steps include

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verifying/identifying a groundwater source. The Trustees recommend that this be pursued provided that sufficient funding can be obtained.

- The alternative option is to do nothing and maintain the system as is. The risk of this approach is that the KID is forced to adopt a system mandated by the Province and bear the costs of this. The Trustees are not recommending this option.
- The work completed on the East McDermid Dam, the successful funding application, and the community well program are small steps towards developing a system that meets current regulations.

Other projects the KID is working on and may need help with, include:

- Maintenance – we will organise a day in late June and a day in October for maintenance
- Grants opportunities to support planning and infrastructure upgrades

6. Warden/Technician

The KID is looking for someone to take on the role of warden/technician to help with maintenance and repairs as required. The KID will support this person in completing a small water systems operator course (online), as well as provide remuneration for services. Interested people are invited to contact the KID via krestovaimprovementdistrict@outlook.com

7. Increase of Yearly Water Fees

- The past 10 years, water users have enjoyed low water fees but unfortunately this will come to an end due to rising costs of materials, labour and other associated fees.
- 2022 water fees will be \$400 per connection and for those of you with double connections, the cost will be \$800.
- Water fees for 2023 will increase an additional \$50 for a total \$450
- Water fees for 2024 will increase an additional \$50 for a total of \$500
- 2023-2024, water fees will be reviewed for either a hold or another increase.
- A bylaw will be applied for this year to make official the increases for 2022 thru Dec 2023