

SION IMPROVEMENT DISTRICT

Annual General Meeting Thursday April 20, 2023, at the Community Cultural Centre
6140 Community Centre Road, Grand Forks, BC

1. Call to Order

Chairman Larry Maiff called the meeting to order at 6:30 pm. In Attendance was 8 Landowners, 2 Guests and the Board for Directors.

2. Chairman's Opening Remarks

Mr. Jmaiff welcomed everyone to the Community Cultural Centre and pointed out the emergency exits and washrooms.

Mr. Jmaiff introduced the Board of Directors and the recording secretary Angele Marcoux. The SID new hire Baron Danish (assistant water operator) and Sergent in arms, Lye Burke as well as independent accountant Sarah Keintz. The Board of Directors is listed as follows:

Mr. Roy Stevenson(Director) Mr. Alex Padmoroff(Vice Chair) Mr. Larry Jmaiff(Chairman) Mr. Daniel Koochin(Administrator) Mr. Dennis Holbrook(Director) Mr. Brent Heric(Secretary)

3. Adoption of Agenda

Mr. Koochin provided a copy of the agenda to the participant landowners.

Mr. Jmaiff started with saying item #10 on the agenda be scratched this is all covered with item#9 so no need to have it listed twice.

Motion made to adopt the agenda as corrected by Larry Kernoff, everyone in favor.

4. Approval of Minutes from last AGM

Mr. Koochin provided a copy of the prior AGM minutes and various reports under discussion today.

Motion to approve minutes from last AGM as circulated made by Linda Savinski, everyone in favor.

5. Business Arising from Minutes

There was no new business arising from the minutes.

6. Chairmans Report

The previous 3 years have been challenging due to the Covid 19 epidemic; however, the previous year had seen an improvement over the preceding two. One of the main contentions over the pandemic years were the increases in inflation causing financial instability. I believe we have overcome this shortcoming in the near foreseeable future as Mr. Koochin(administrator) will elaborate in the financial report this evening.

Maintenance of the system continues on a regular basis. As the infrastructure is approaching almost 60 years, underground assets have shown to be degrading, especially galvanized pipes subject to excessive corrosion. Galvanized pipe attached to the bronze metal of operating valves causes a differential in electrical potential between the two metals(electrolysis) over time. Several leaks had been discovered and repaired the previous year with municipal plastic pipe. All new installations will be conducted with the plastic alternative.

Our water system remains in good working order as of the time of this writing and I believe will continue to do so providing all system maintenance services remain ongoing, protection from possible contaminants is realized and a reasonable financial buffer remains.

In the 2022 AGM a discussion had been initiated regarding the potential opportunity to acquire land for an office and shop/storage area. These discussions are still ongoing and yet have not been resolved. The board is still pursuing this matter.

7. Board of Trustees Report

Prior trustees' meetings in total are as follows: Eleven (10) regular and one(1) special meeting with the Trustees were held in 2022.

There are two(2) vacancies this year on the Board of Trustees: Each having a 3-year term. The terms ending are Mr. Denis Holbrook and Mr. Larry Jmaiff.

We have found an assistant water operator after the resignation of Mr. Barry Cranna, Mr. Baron Danish a long-time resident of Grand Forks who many of you already know. Mr. Danish's technical skills are of tremendous benefit to our organization.

IRRIGATION WATER

Water consumption continues to remain stable in the community as many of our new farmers have opted for drip irrigation rather than sprinkling, however, due to an extremely hot and dry 2022 summer, water tables had dropped around one meter in the early part of August, recovering in early September. This may sound reassuring, however, there are many properties not utilizing the full extent of their land and may in the future be a cause for concern.

A coordinated educational program with Khristine Anderson, Watershed Planner, RDKB will be implemented for the community involving real-time information and the responsibilities required once information has been disseminated. The information will be posted on the pump house exterior providing levels of drought in the area. This information will also help determine new policies on water conservation in the future.

Some administration inefficiencies have been identified and resolved by updating fees associated with new service connections and incident damage to Sion's infrastructure. A number of residences in the area were in the process of subdividing their properties thus a realistic connection figure had to be updated to reflect increases in materials and labor. The previous connection fee had not been updated since the system's inception.

Taxation and Toll Bylaws, 153 and 152 for the year 2021(rescinded) and 154 and 155 for the year 2022 as required by Victoria had also been enacted.

The Trustees wish to thank our dedicated management and staff for maintaining the district's exceptional record of delivering safe, reliable and affordable water.

Mr. Jmaiff took the moment to thank Sarah Kientz, Dan and Baron as well as board members for outstanding performance and dedication to their positions with SID and assistance on call outs.

8. Administrator's and Water Operators report

ADMINISTRATOR'S REPORT

Collections on outstanding accounts have been well within acceptable margins. Also, the option to pay monthly on property accounts has been largely successful. Also, all client invoicing has been decided to be delivered via Canada Post as many property owners who requested receiving their invoices via e-mail complained they did not receive their invoices. This could have been due to multitude of reasons like mail going to junk mail, improper e-mail address etc....

Maintaining cash resources as stated in the financial statements remains a priority to meet all fiscal responsibilities. Liquid cash will eventually be diverted to longer short-term deposits to take advantage of the higher rates of return.

Although fiscal responsibilities have enabled the district to be in a uniquely positive financial position, this should not be presumed for the future. Inflation has remained higher than at pre-pandemic levels and supply chains are still in the process of being mended. Our inflation barometer as one may say is derived from our largest expense, electricity. Fortis has provided us with a reasonable method of calculating current inflation rates and they are added accordingly.

Sion was forced to accept a 42% increase in auditor fees. The administration shopped around in nearby locales and found all independent auditors had increased their pricing. Sion's liability insurance had also increased a significant 20%.

Smith and company (heather Smith) continues to provide part-time bookkeeping services for Sion.

Mr. Koochin opened the discussion to Sarah Keintz to add comments from the auditor, Sarah stated everything looks to be in order and a financial statement had been provided. She is happy to answer any questions regarding these.

WATER OPERATOR'S REPORT

WATER- Water demand has continued to rise year after year due to the hot and dry growing season. Our greatest demand is through the months of July and August. There are recent arrivals to our community who have planted orchards or other less water demanding crops due to drip systems.

Total water consumed in 2022 was nearly 1.5 million square meters. 264.17 gallons in a square meter.

We had a problem with Booster pump 4 at the beginning of last year as it kept tripping alarms and became exceptionally hot. The pump was sent to be inspected at Merrill's Machine in Kelowna. It was determined some impellers were broken. The pump was rebuilt and reinstalled before the irrigation season had started. It has worked flawlessly since.

We also noticed a problem with Booster Pump 2 on Spencer Rd. The shaft of the pump was exceptionally loose. No records had been located as to when the pump was serviced last, so we decided to have it inspected. It was determined the impeller was too cavitated (cavitation are when air bubbles act as an abrasive over long periods of time). We tried to locate a new impeller, however, with no success as the pump had been long discontinued. Currently we are working with our engineers from Kelowna to locate a similar pump that will replace the old one. We anticipate the new pump will be installed in a few weeks.

We had a single positive coliform count on the North system in the summer of last year. Flushing and chlorine shock treatment immediately corrected the problem.

The main computer in Pump House 4 housing the human interface with the SCADA(Supervisory Control and Data Acquisition) program had failed last year. A new computer had been purchased and Mr. Danish reinstalled all software to make it operational.

A flow detector had been installed in Pump House 1 and 2 to gauge water usage more accurately.

Extensive corrosion of a number of galvanized pipe sections in our system had been evident due to leaks. Replacing much of this pipe may be required over the next 5 – 10 years. A slow, however, costly process.

Disturbing news of a proposed gravel pit near Hardy Creek, one of Sion's surface water supplies, had been brought to the board's attention. A letter had been signed and submitted by all directors to all relevant parties involved that Sion was opposed to any gravel pit near or within the Sion District.

Mr. Jmaiff added assurance of no system failure due to power outage, a backup plan is in place with holding tanks and gravity feed system as well as generator connection if additional backup is needed. The question was brought up asking if there were plans or if the board would consider purchasing a larger portable generator for more back up? Mr. Koochin responded "research has been done for comparison of rent vs buy for these items and it was determined that renting is much more economical". "We have contingencies in place that would have generators here fairly quickly".

Mr. Koochin stated the importance of installing BFP(Back Flow Preventor) and that it is mandatory to save from water draining due to backflow during power outages. On the irrigation side 90% of connections have DCVA valves in place.

10. Discussion of reports and approval

Mr. Koochin reported a revision to the proposal has been submitted to the ministry of mines and its ongoing. However, he expressed concerns that the developer continues to revise his proposal to keep this request going. All members at the meeting were opposed to the gravel pit and Lynn Bleiler asked to request a hearing in Grand Forks as well as a site visit to review impact.

Mr. Koochin spoke on fencing around reservoirs for safety and to prevent contamination of water supplies. Also, negotiations are ongoing with regards to bringing water under the road to answer Edith's question of what was happening with this.

Edith MacAllister asked why bylaws were rescinded. Mr. Koochin explained they were in regard to rate changes as mentioned earlier in his report.

A discussion was had regarding water conservation and that more needs to be done to educate landowners for future water use and smarter farming regarding water usage. Would like to see more involvement and information available revolving around water and usage with RDKB and SID. Information was shared about water levels and what affects SID watershed.

Question was asked if it can be broken down on a consumption, sprinkler vs drip or who or when most consumption is? Mr. Koochin explained we can only see total consumption.

Mr. Jmaiff called for motion to accept and adopt all reports. Motion to accept reports by Edith MacAllister, all in favor. Motion carried.

11. Appointment of Auditors

Mr. Koochin motioned to accept to use Kemp Harvy(Sarah Keintz) as auditor. Second by Mr. Jmaiff. All in favor. Motion carried

12. Trustee Honorarium

Mr. Koochin explained the importance of the Board of Directors and how much they assist when needed on call outs and during emergencies. Mr. Koochin asked the group if they felt the amount was fair and asked for feedback.

Mr. Koochin motioned to accept to continue to pay 160.00 honorarium per meeting to board members. All in favor. Motion carried

13. Report on nomination committee and election of trustees

Mr. Heric spoke to say we have 2 seats open for reelection this year. Mr. Jmaiff and Mr. Holbrook would like their names to stand for their seats.

Mr. Heric called once for nominations from the floor, called twice for nominations from the floor, called three times for nominations from the floor. Mr. Heric called for the reelection of Mr. Larry Jmaiff. Elected by acclamation.

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14. New Business

The point was brought up to start looking for someone to groom to replace all the knowledge in the group. Spoke of our new employee Baron Danish to take over at some time.

15. Adjournment

Mr. Jmaiff asked for motion to adjourn. Motion to adjourn meet by Lynn Bleiler. All in favor carried at 7:47 pm