

**RAYLEIGH WATERWORKS DISTRICT
TRUSTEES' MEETING MINUTES
February 11th, 2020, 7:00p.m.**

1) **CALL TO ORDER** – Meeting called to order at 7:01p.m. by Kowalchuk.

2) **MINUTES**- (Trustees to read their own copy)

Motion to approve January 8, 2020 Minutes

M/S- Desjardine/Hay

Carried

Motion to approve February 3, 2020 Minutes

M/S- Hay/ Desjardine

Carried

3) **BUSINESS ARISING FROM THE MINUTES AND UNFINISHED BUSINESS**

Motion to move that Bylaw 203 be introduced and read the first time

M/S- Hay/ Desjardine

Carried

First Reading: *“A Bylaw to borrow a sum not to exceed \$700,000.00 dollars on the credit of the Improvement District. The Trustees of the Rayleigh Waterworks District ENACT AS FOLLOWS:*

- 1. It shall be lawful for the Improvement District to borrow a sum not to exceed Seven Hundred Thousand Dollars (\$700,000.00) from the Royal Bank of Canada and to pledge the toll collecting and taxing powers of the improvement district for repayment of the said sum.*
- 2. It shall be lawful for the Trustees to issue promissory notes obligating the improvement district to repay the sum so borrowed and to pay interest thereon at the prime rate per annum, in effect, plus no more than 4.5% per annum thereon.*
- 3. The maximum term for which this sum can be borrowed is ten (10) years.*
- 4. This bylaw may be cited as the “Septic Upgrade Borrowing Bylaw”.*”

Amend the wordings of the bylaw to *“...and pay interest thereon, not at the prime rate per annum, in effect, plus no more, but rather, pay interest thereon at the rate of no more than four and a half (4.50) percent per annum thereon”.*

Reread the clause: *“It shall be lawful for the Trustees to issue promissory notes obligating the improvement district to repay the sum so borrowed and to pay interest thereon at the rate of no more than four and a half (4.50) percent per annum thereon.”*

Motion to adopt the amended bylaw 203 as read.

M/S- Desjardine/Hay

Carried

➤ Discussions on the next step on Septic Upgrade

This is information for the residents. Referendum passed with 85.5% support. After passing this borrowing bylaw we still need approval from an inspector in Victoria. We had telephone discussions today with Lisa, our contact in Victoria. She said to include a cover letter asking for an expedited turnaround because we are trying to get more competitive early season bids. It could take a month to get an approval. Then we will be chasing contractors for a month. They get their stuff together for another couple of weeks. However, we want an early season start because the bids are more competitive then, so we don't want to start in June.

Lisa seems to be quite supportive of moving this forward. We will email all pertinent documents, for instance, the advertisement, proof of meetings, etc. to Victoria tomorrow to allow officials to start the review process. We will follow the electronic mail with delivery of hard copies because they need the original documents to complete the process but at least the review will have been started. These papers will cross at least 3 desks and could take up to a month to complete. We cannot borrow money, procure services or buy materials until Victoria gives final approval. However, our engineers are looking to see if they can at least send out tenders for the bidding process without violating proper procedures. We hope that when the anticipated approval comes through, we don't have to spend an additional month looking for contractors. We continue to hope that the project will start as soon as the frost is out of the ground and while not a sure thing, think that this will be about a two-month construction period. People's driveway will also be restored.

The trustees are grateful for the support. It's been a long process. Issues were raised six years ago before the engineering was done on the infrastructure. There was a delay of two years while waiting for the engineering survey to be completed. Then the discussions came up again about what we're going to do. Designs also had to be done for the particular project that we were going to pursue out of the four options that we were presented.

If there are any questions, we will share with you information as much as it is available.

Question: How many people voted?

Answer: There were 55 out of 145, or about 38%, who voted. However, last spring, we had over 50% turnout making the choices. We did have calls saying they want to vote but will be traveling. We didn't have the mechanism to officially take their vote at that time. Also, the winter chill was in the way.

Question: Last time there some mention about the city sewer that surprised a lot of people, is the city going to have a meeting with the trustees so that everybody would know roughly what to expect?

Answer: James mentioned that he has been in discussion with Liam, who's been involved in designing this process, and Liam volunteered to come to the voting information meeting but then later canceled because he thought it's just too early in the process to get meaningful answers.

Question: You mentioned that even if the residents pay for the upgrade they will have to pay when the city sewer comes through, will you notify the residents that one way or the other you are going to pay the amount?

Answer: We will indicate the information in our Royal Flush.

Question: If you have to pay \$100k roughly a year for septic services, wouldn't it be worthwhile to pay for that instead? Wouldn't it pay for itself in 3 to 5 years?

Answer: The pumping cost and tipping fees previously used to be about par but the tipping fees now are about four times the cost of the actual pumping costs. The City got trucking costs now because they got to treat their wastewater. They got huge costs. The city used to be cheap but it was reaching a saturation point for what they can handle. So they tripled their tipping fees. Now with the septic

services invoice that we get, we're paying more for the tipping fees than we are for the pumping costs. Also, we are out of compliance with the Ministry of Environment. Hence, some of the projects would have to be done anyway.

Question: When do you want us to start the payments or the lump payments?

Answer: This comes with so many questions still but if the frost is out of the ground and we are in the construction for two months, you should see your first your bill on the July 1st quarterly statement. There will be a deadline for the cash out (around \$4,800 lump) because there's interest if you don't pay by the due date. Then there will be \$150 plus cents quarterly or about \$600 a year, alternatively.

Question: Are you sure that the email from Victoria doesn't include anything to do with permission for advance tendering so that it's ready by the time they say "yes"?

Answer: We don't want to violate protocols or procedures. So the engineers are looking into, can we send the tenders out before we can get the financing insured? No, we're going to have to wait for Victoria to approve the borrowing bylaw.

Question: Can we draw from reserves or money in the bank should we not get the approval from Victoria?

Answer: No, according to the guidelines, if there are two services offered, thou shall not spend money from one service on the other service. At this time, we mostly have water reserve funds and we cannot use them for septic upgrade projects.

Resident: Just a suggestion for the newsletter, as much as possible as far as payments go, to spell out how it's going to work out for people that are on the communal septic such as dates, whether there's any overlap in the payments with the city.

James: We will clarify in our Royal Flush that however the city sewer goes, you will still have to pay the Rayleigh loan that's attached to their property.

4) **REPORTS/MAINTENANCE** – deferred to next meeting.

5) **NEW BUSINESS** – n/a

6) **ADJOURNMENT** –

Motion to adjourn the meeting at 7:50 p.m.

M/S-Desjardin/Hay

Carried

Administrator

Chairman