

**RAYLEIGH WATERWORKS DISTRICT
TRUSTEES' MEETING MINUTES
January 6, 2021 (Wednesday) at 2:00 p.m. (WTP)**

In Attendance: Ben Pregent, Brian Samila, Glen Desjardine, Michael Ohs, Fe Villanueva

- 1) **CALL TO ORDER** – Meeting called to order by Ben Pregent 2:02pm.

- 2) **ADDITIONS OR AMENDMENTS TO THE AGENDA** – none

- 3) **MINUTES** (*Trustees to read their own copy*)
 - Motion to approve November 10, 2020 Minutes
Motion to approve November 10, 2020 Minutes
M/S- Samila/Desjardine
Carried
 - Motion to approve December 19, 2020 Minutes
Motion to approve April 7, 2020 Minutes
M/S- Desjardine /Samila
Carried

- 4) **BUSINESS ARISING FROM MINUTES AND UNFINISHED BUSINESS**
 - Basement suites – monitoring the ads posted. Consider creating a bylaw for this.
As per discussion with an officer from COK's Business Licensing Office, there are no registered suites in Raleigh based on the zoning. COK is not so concerned about enforcement as it does not provide the utility services to Raleigh. RWWD does not have the authority to require any residents to disclose their suites. Any future complaints regarding suites, RWWD will direct them to COK.
 - Discussion on Corix contract amendment
Mike Ohs and Paul will come up with something to present to the trustees in a meeting regarding the current contract and business with RWWD. Mike will send an email to the trustees regarding this.

- 5) **REVENUE & EXPENDITURE**

Motion to approve financials for November 2020.
November net income decreased by \$5.5k mainly due to decreased revenue by \$3.3k from less septic upgrade prepayments compared to October. The decrease was compounded by overall increase in expense of \$2.2k due to increase capex \$4.8k, offset by decrease in operating expenses of \$2.6k. Bank increased by \$6k due to receipts of \$88k but paid \$82k to suppliers with large ones to insurance, repairs, chemicals, payroll, and taxes.
Motion to approve the November 2020 financials.
M/S- Samila/Desjardine
Carried

- 6) **NEW BUSINESS**
 - **2021 Provisional Budget review and approval**
Budget items were discussed. • Items #1&2 for river pump rebuild parts & service, \$14.8k. •Item#3 cathodic protection assessment needs to carry out in 2021 for asset integrity \$6k. • Item#4 clearwell basins to be cleaned this year for compliance \$15k. • Item#5 hilift pump discharge can be deferred to 2022 \$19k. • Item#6 SCADA required for system integration \$10.5k. • Items#7&8 PLC \$32k can be deferred once the septic performance has been fully observed. • Item#9 increase in Mike's hours from 8 to 10 to be observed initially for 3 months and see if necessary, \$10.5k. •Item#10 New particle counters are conditional if instruments can no longer be calibrated \$19k. • Item#11 new PC computer to replace obsolete \$1.4k. • Item#12 tube clarifier media can be deferred to 2022 \$62k. •Item#13

turbidimeter critical spares required \$3.6k. • Item#14 diffuser for line flushing spare for hydrants \$2.4k. • Items#15 (ABB VFD critical spare to maintain plant performance \$2.3k) and #16 \$8.9k to #17 \$4.5k (conditional) River intake ground leakage protection for compliance are Todd's recommendations. • Item#18 WTP lighting LED replacements \$5.3k. • Item#19 cationic WTP pump replacement \$2k. • Item#20 mail stuffing machine to improve billing and mailing process \$7.1k.

Annual recurring items for approval. • Item#1 Chemtrac instrument calibration \$3.2k. •Item#2 education budget to increase to \$6k for operators. •Item#3 backwash sludge removal \$30k. •Item#4 septic pumping of all operating fields for compliance \$21k.

Total capital for 2021 \$74k, operating for 2021 \$100k. Total budget items deferred to 2022 \$113k. Item#14 Brian Samila will let Mike know if he has got this item available.

Motion to approve the budget items as discussed with items#10, #14 and #17 as conditional.

M/S- Samila/Desjardine

Carried

As RWWD is changing over to e-billing with the new billing system in place, trustees approved to charge \$5 paper bill to encourage signups and make the billing and mailing process efficient.

Motion to approve the \$5 paper bill as discussed.

M/S- Samila/Desjardine

Carried

Budget worksheet discussion. 2020 actuals were included in the worksheet, however, may need additional cost of approximately \$40k for audit and other invoices that may yet to be received. 2020 currently shows \$\$75k net surplus, \$203k for water but offset by septic deficit \$128k (septic upgrade collections \$196k less upgrade cost \$341k plus septic net income from operations \$17k) mainly due to proceeds from loans not accounted for as revenue but loan. For 2021 budget, after considering budget items, water operational and capital expenses are expected to be fully covered even without rate increases with expected water surplus of \$130k. Why is the 2021 budgeted water revenue lower than 2020 actual? The reason could be that some actual irrigation revenue in 2020 were allocated (or GL coded) to water instead of irrigation, making 2020 actual water revenue look higher than the 2021 budgeted. However, this will be further investigated.

For the septic, a new annual septic tax \$60 starting in 2021 to partially cover any replacement cost that may have to be paid. To replace a replacement field could cost approximately \$150,000 per field in 2 years, however, the recent septic upgrade may help delay some requirements to replace a field. \$60 per household is alright but will have to increase to \$80 in 2022 or about 35%, then \$100 in the next, and so on. Septic tolls will have to be increased by 8% (\$9.56) or to \$129.17 per household to cover new cost for annual pumping.

Given the new and existing rates and new budgeted items based on discussion with Corix, total budgeted revenue \$947k, operating expense \$708k, capital expenditure \$97k (excluding conditional \$2k for septic pump to be further confirmed), total surplus will be \$142k. Water surplus \$130k and septic surplus \$12k.

Motion to approve the budget as discussed with septic capital cost \$2k as conditional item, and the budget worksheet to be further updated to reflect actual water and irrigation revenue allocation and 2020 full year actuals.

M/S- Desjardine /Samila

Carried

How much are we looking to collect from the residents on the communal septic? Currently, based on the septic upgrade financial worksheet, residents who prepaid \$3,262.09 might get around \$200 each back while the annually paying residents initially at \$405.69 might get \$30 each less. However, these are subject to change depending on any additional costs that might be incurred in Spring.

➤ **Motion to approve no increase in water tolls for 2021.**

Motion to approve no increase in water tolls for 2021 as discussed in the budget.

M/S- Samila/Desjardine

Carried

- Bylaw 212 Septic Toll 2021
First reading of the 212 Septic Toll 2021
Motion to accept Bylaw 212 which indicates an 8% increase in septic tolls for 2021.
M/S-Desjardine/Samila
Carried
Second reading of the 212 Septic Toll 2021
Motion to accept Bylaw 212 which indicates an 8% increase in septic tolls for 2021.
M/S-Samila/Desjardine
Carried
- Bylaw 210 Septic Taxation 2021
First reading of the 210 Septic Taxation 2021
Motion to accept Bylaw 210 which indicates \$60 for each single-dwelling and \$120 for each multiple-dwelling household for 2021.
M/S-Samila/Desjardine
Carried
Second reading of the 210 Septic Taxation 2021
Motion to accept Bylaw 210 which indicates \$60 for each single-dwelling and \$120 for each multiple-dwelling household for 2021.
M/S-Desjardine/Samila
Carried
- Bylaw 211 Water Taxation 2021
First reading of the 211 Water Taxation 2021
Motion to accept Bylaw 211 Water Taxation 2021 with no increase from prior year.
M/S-Samila/Desjardine
Carried
Second reading of the 211 Water Taxation 2021
Motion to accept Bylaw 211 Water Taxation 2021 with no increase from prior year.
M/S-Desjardine/Samila
Carried

7) **ANY OTHER BUSINESS (AOB)**

Administrator hiring – job posting will be done on Indeed, Civicjobs, or KPMG. Mike indicated that Corix does billing and some administration work that RWWD might be interested in, just as a contingency. Job description will be updated and sent to trustees for review.

8) **ADJOURNMENT**

Motion to have the meeting adjourned at 4:08pm

M/S-Samila/Desjardine

Carried

Administrator

Chair of Trustees