



**MINUTES OF THE MEETING OF THE
ARROWSMITH WATER SERVICE (AWS) MANAGEMENT BOARD
HELD ON THURSDAY, JUNE 23, 2011 2:00 PM
AT THE PARKSVILLE FORUM**

Present:

Director Joe Stanhope, Chair	Regional District of Nanaimo
Director George Holme	Regional District of Nanaimo (alternate)
Carol Mason	Regional District of Nanaimo
John Finnie	Regional District of Nanaimo
Mayor Chris Burger	City of Parksville (alternate)
Councillor Marc Lefebvre	City of Parksville
Fred Manson	City of Parksville
Mike Squire	City of Parksville
Bob Harary	City of Parksville
Mayor Teunis Westbroek	Town of Qualicum Beach (alternate)
Councillor Barry Avis	Town of Qualicum Beach
Mark Brown	Town of Qualicum Beach
Bob Weir	Town of Qualicum Beach
Bev Farkas	Recording Secretary

CALL TO ORDER

Chair Stanhope called the meeting to order at 2:00 pm and announced that that while alternate members of the Management Board may participate in the meeting, they may not vote. Members were advised that the Memorandum of Agreement with Town of Qualicum Beach is withdrawn from the agenda.

DELEGATIONS

Trevor Wicks, re AWS Role in a Regional Water Supply Strategy

Mr. Wicks gave a powerpoint presentation to the Management Board and provided notes on the presentation (attached).

MINUTES

MOVED M. Lefebvre, SECONDED B. Avis, that the minutes from the meeting of the Arrowsmith Water Services Management Board held April 26, 2011, be adopted.

CARRIED

REPORTS

Operations Update (M Squire)

M. Squire gave a brief powerpoint presentation to update the Management Board on the operations and noted that the dam is expected to spill for another 3.5 – 4 weeks. There are no amendments expected to the operational rule. Water has been extracted from the river for approximately 3 weeks. M. Squire also gave an update on the water treatment property noting that the mine permit is now closed, there is no evidence of an archeological site, and all legal information is complete including the survey. The closing date for the property purchase is June 30, 2011.

Communications Plan Update (M Squire)

M. Squire noted that many actions on the Communication Plan have been completed including a workshop with the City of Parksville and discussions with (and presentations to) stakeholders including Department of Fisheries and Oceans, Vancouver Island Health Authority, Town of Qualicum Beach and provincial fisheries authorities. M. Squire reported that VIHA was satisfied with the discussions while DFO had some concerns and have been provided with more information which is being reviewed. Open houses will take place in the fall/winter.

Public Information Report (M Squire)

M. Squire reviewed the staff report on the Public Information Report.

MOVED M. Lefebvre, SECONDED B. Avis, that the Arrowsmith Water Service Management Board recommend the Joint Venturers approve the Public Information Report dated June 2011.

CARRIED

MOVED B. Avis, SECONDED M. Lefebvre, that the Arrowsmith Water Service Management Board direct the Arrowsmith Water Service Management Committee to proceed with placing the Public Information Report on to the Arrowsmith Water Service Web Page.

CARRIED

Capital Works Implementation Plan and Phase II/III Consultant Selection (M Squire)

M. Squire introduced the staff report and explained the Implementation Plan timeline to referendum. M. Squire noted that the Associated Engineering team was the best qualified team from a qualifications-based selection. The qualifications-based selection process will be utilized for Phase 3 of the project.

MOVED M. Lefebvre, SECONDED B. Avis, that the Arrowsmith Water Service Management Board accept the Preliminary Implementation Plan Schedule, projecting that the referendum for financing construction of the AWS Expansion Project would occur in 2014.

CARRIED

MOVED B. Avis, SECONDED M. Lefebvre, that the AWS Management Board authorize engaging the services of Associated Engineering for Phase 2 services, subject to award of and funding for a professional services contract approved by the AWS Management Board.

CARRIED

MOVED M. Lefebvre, SECONDED B. Avis, that the AWS Management Board authorize commencement of a qualifications-based selection of a consultant to perform Phase 3 services, subject to award of and funding for a professional services contract approved by the AWS Management Board.

CARRIED

AWS Joint Venture Agreement (C Mason)

C. Mason introduced the report and noted that the RDN will continue in the administrative role of preparing agendas and minutes and the City of Parksville will continue in the role of operator.

All parties indicated their ongoing support of the joint venture noting that it provides stability for moving forward, in particular with funding applications.

Appreciation was extended to the Management Committee and staff for the work involved on preparing the document.

MOVED M. Lefebvre, SECONDED B. Avis, that the Arrowsmith Water Service Joint Venture Agreement be approved for a five year term expiring on June 30, 2016.

CARRIED

Englishman River Joint Venture Agreement (C Mason)

C. Mason introduced the report as a supplementary report to the AWS Joint Venture Agreement report, as a consequence of Qualicum Beach opting out of the next phase of the AWS Joint Venture. C. Mason noted that the Englishman River Joint Venture Agreement was prepared using the AWS Joint Venture Agreement as a template with changes to the voting structure. The City of Parksville will be allocated three votes and the RDN two votes with majority decisions requiring five votes. Qualicum Beach shares were divided proportionately with the City of Parksville having 74% and the RDN having 26%. C. Mason informed the Management Board members that the Town of Qualicum Beach is supportive of this relationship; the agreement will be presented to the City of Parksville Council and the RDN Board.

MOVED M. Lefebvre, SECONDED B. Avis, that the Englishman River Water Service Joint Venture Agreement report be received for information.

CARRIED

OTHER

Management Board Meeting Venue

J. Finnie raised the issue of having a consistent meeting venue for the AWS Management Board meetings. It was agreed that the Parksville Forum would be the most central and convenient location to meet.

QUESTIONS

The Chair opened the floor to questions.

Mr. C. Stone (Parksville) asked about the motions for proceeding – is there a budget available for options? J. Finnie replied that there have been extensive studies regarding intake and treatment plant options and added that the consultants were given the task of identifying the best location for intake and treatment plant.

Mr. J. Craig (BC Conservation Foundation) asked if there are any details from fisheries re mitigation for moving the intake upstream. M. Squire replied that mitigation was not discussed in detail at the meeting with DFO and that in fact the intake is being moved downstream – this was addressed by one of the consultant’s Discussion Papers.

Mr. G. Wendling (GW Solutions Inc.) asked if the budget for Phase II includes an external review of ASR and noted that a review is a good way to identify problems for a reasonably low cost. J. Finnie replied that this has not yet been addressed, although experts in the field have been engaged to date, and should be discussed by the AWS Management Committee. M. Squire added that the preliminary reports on ASR look very feasible and that as outlined in the implementation process, all design activities would be subject to a valued engineering review which would include outside expertise and operators to review the preliminary and detailed design to ensure feasible options are achieved.

Mr. T. Pritchard (Qualicum Beach) questioned the possibility of a power generation opportunity at the Arrowsmith Dam. B. Weir replied that preliminary investigations showed there was physical opportunity without impacting fish, however the location was considered too far from a transmission station. J. Finnie added that a critical point is the fact that the dam only operates from early May to October each year. J. Stanhope added that the topic of power generation will be reviewed.

Ms. Mary Brouillette (Qualicum Beach) asked if the size of the intake will remain the same even though Qualicum Beach has opted out and also asked which parties pay if Qualicum Beach wants to rejoin at a later date? M. Squire responded that the size of the pipe will be to full build-out and certain aspects of treatment can be phased in as required. F. Manson noted that Qualicum Beach will contribute 13.7% of the cost if they rejoin (plus CPI adjustment) and 100% of other infrastructure costs to upgrade for their use.

Mr. John Eyre (Qualicum Beach) asked if Qualicum Beach would be compensated by the City of Parksville and the RDN separately? M. Brown responded that users of the intake and treatment plant will pay more than non-users. Qualicum Beach will pay 13.7% of the basic maintenance of the dam.

ADJOURNMENT

MOVED B. Avis, SECONDED M. Lefebvre, that pursuant to Section 90(1) (c) of the Community Charter the AWS Management Board proceed to an In Camera AWS Management Board meeting to consider items related to personnel matters.

CARRIED

TIME: 3:14 pm

RISE AND REPORT

MOVED B. Avis, SECONDED M. Lefebvre, that the AWS Management Board approve the appointment of Mike Squire as the AWS Program Manager, effective immediately.

CARRIED

ADJOURNMENT

MOVED, M. Lefebvre, SECONDED B. Avis, that the meeting terminate.

CARRIED

TIME: 3:25 pm

J. Stanhope, Chairperson