

**Minutes MIID Public Information Meeting
2014 Referendum to approve borrowing up to \$2,400,000 for a new fire hall
Saturday Mar 15, 2014
Agricultural Hall, Mayne Island, BC**

**Called To Order at 1:03 PM by Bob McKinnon, Chair
Approximately 70 Members of the Public were present**

PRESENT

MIID Board Members

Bob McKinnon
Doug Walker
Dean MacKay

Staff

Gerrie Wise, Administrator
Steve DeRousie, Fire Chief
Eric Rice, Lieutenant, Fire Department.
Katherine Somerville, Finance Officer

Guest Speakers

Scott Zukiwsky, Liberty Contract Management Ltd.
Mary Cooper, Deputy Returning Officer

Chair, Bob McKinnon welcomed those present and introduced the Board and Staff and then the Guest Speakers, Mary Cooper and Scott Zukiwsky.

The Chair explained the meeting will begin with a short recap or history¹ of how we have arrived at this stage, and then each of our guests will speak briefly.

Please hold your questions until we have all spoken. .

The Chair began by saying three years ago in March of 2011, a Referendum was defeated. In April a new Board was elected. The Board hired an outside auditor who presented his report in October to a public meeting. His report included the recommendation for a new fire hall.

Members of the public were invited to join a new fire hall committee then being formed. Bill Warning, Carl Bunnin and Brian Dearden became part of the committee at that time and served until August 2013. The Chair then asked for a round of applause for those volunteers to thank them.

After the round of applause, the Chair went on to explain some of the difficulties of establishing a "Tank Farm" and the high cost involved. Then, in late 2012 Fire Chief introduced the program of dry hydrants for firefighting water supply which replaced the need for a Tank Farm.

The Chair went on to continue the steps taken from the fall of 2011 until February of this year, including obtaining quotes for a "shell" building to assist with comparative costing.

¹ History document

He went into some detail regarding purchasing the next door property to construct a new hall without tearing down the old building, and explained the difficulties presented by the property, including the difference in elevation. Other determining factors included the costs required to utilize the present building, including but not limited to, making the building seismically stable, providing for access by all public. It was for these reasons that the Board decided not to further pursue purchase of the property.

He then explained that presentations were made by two of the three companies invited to participate in more detailed design and budget proposals in the early summer of 2013. The fall was spent refining the design and the costs and obtaining tentative Ministry approval. A choice of the Liberty Contract Management Ltd proposal was made. In December the Assessment based taxation method was chosen after reviewing all considerations of either Parcel or Assessment method.

He concluded by saying this information including the history and taxation considerations was all in the information brochure.

The Chair then introduced Mary Cooper to explain the voting process²-attached. Mary explained that she is the Deputy Returning officer, under Thomas Moore who is the Returning Officer. She then explained the qualifications to vote; and also explained the difference between becoming a candidate for the Improvement District Trustee and the right to Vote. The confusion arises because a Trustee may be a Spouse of the registered owner. However, a spouse may not vote in this referendum, unless registered on the title. She encouraged people to vote at the advance poll, and reminded those present that we have a small venue at Church House.

Scott Zukiwsky then spoke, giving a short history of the Company since 1998 which is run by his father, and brother and himself. He explained that Liberty is very experienced in building fire halls and has been working with Mayne Island for quite a while. They specialize in these fire and safety structures. The company is the contractor and the project manager as well as working with Doug Scott, the architect who put together this design. This time we have been very conscious of function, lasting 50 years and economical..

This building is to last 50 years, and must be durable, sustainable and at an economical price point. Also the building is to be environmentally friendly as possible.

He described the building: a steel structure and cladding; three drive thru bays, room for 6 apparatus then explained the administration/office area. Then he explained the environment effects which the building follows, including using recycled materials. Although we will not be applying for LEEDS certification, we are following those guidelines..

The Chair then resumed the meeting and invited questions

² Notice of Other Voting – Returning Officer

Q. Janine Dodds where is the fly ash and the concrete coming from?

A. Scott Most of our materials will probably be brought from Vancouver Island

Q Louis Vallee Please explain the voting specifically the Mayne Island Resort

A Mary If the person's name is on title they may vote

Q. Dianna King Is there a Mail-in Vote for the off island voters

A Mary: there is no mail in vote. It was the option of the Ministry to decline the mail-in. She gave her experience in the past and explained that the mail in vote is very labour intensive. She added that personally she feels that people should learn the issues and make every effort to vote.

Chair explained that the Ministry approves that no mail-in vote is to be done.

Q Carl Bunnin: What is being done to notify and include the off island voters.

A Mary A fairly extensive advertising project is in effect.

Q. Carl Bunnin insisted that the off island voters need to be notified and involved.

A. Chair the answered that the Ministry has approved that no mail-in vote will be required.

The Administrator explained the process gone through and approved by the Ministry and the returning officer..

Q. Carl Bunnin asked if all voters could be notified by mail and suggested a cost of \$600 to do so

Q Pat Seebach spoke to Mr. Bunnin and explained that she personally made an effort to attend Victoria to attend a Government Agent at her own expense in order to vote.

Q. John Larsen How long will construction process be?

A. Scott If we have a successful referendum we can start end of June and end 8 months to February

Q John are there no penalties?

A Chair No. We are of course concerned that the construction proceed as quickly as possible and that the operations of the fire department must be uninterrupted, but there are no late penalties.

Q. Alan Shopland What comprises a majority

A Mary 50% plus 1 of all those who vote.

Q. Wayne Ming. Does the notice specifically state there is no off island voting.

A Chair No, and he gave Mr. Ming a copy³ of the Notice of Other Voting.

A Mary No, a Legal Notice of Voting only lists the opportunities for voting.

³ Notice of Other Voting

Wayne Ming stated he believes that the notice needs to state that no off island voting will occur

Q. Bill Warning Please explain the taxes for the Mayne Inn Resort.

A Chair: the Taxes are based on the Title not the number of owners.

The Administrator explained that property taxes are levied on each specific title. However, there may be many registered owners on each title; each of whom is qualified to vote.

Q Angela Pike: The taxes you are quoting of \$34.60 per hundred thousand; would it be the maximum tax?

A Chair Yes, as far as the cost of the fire hall is concerned. It would vary if we have to borrow less money

Q. Angela Pike: If property values increase will the tax increase? Will the payment go up if the assessments go up?

A. Chair No. The interest rate set by the Province will be set for 20 years. Despite assessment increases, the amount of payment will not go up because the amount to be repaid each year will remain constant. Individual rates may vary. If assessments go down, costs per \$100 thousand assessment may go up, but the total cost per property should be very similar to what it would be based on your current assessment.

Q Janine Dodd Where are Liberty hiring trades and getting supplies; will all our money go off island?

A Scott No, we will use local resources to the absolute extent we can and remain on budget. The Board did state they needed an economical build. We are going to use the most economical source or labour as long as it meets the requirements and regulations of the job.

A Chair explained there are some decisions the Board can make to prefer a local contractor or sub-trade.

Q John Larsen what about Grants?

A. Chair As an Improvement District unfortunately we don't qualify for grants which are often available to Municipalities.

Q. Janet Leach I calculated the amount taxes payable and would prefer an opportunity to prepay like you can with a mortgage.

A. Chair Unfortunately, there is no opportunity to prepay. The tax is included on your Rural property tax bill. It is just like your property taxes, which you can't prepay.

Q. Patricia Chauncey You mentioned a continued discussion with property next door. We own that property and don't have replies to our letter.

A. MIID has responded to your letter. The Administrator confirmed that the Chair had signed the reply to their email.

Ms Chauncey stated they have had other correspondence and are now confused

Ian Dow explained he contacted the owners on behalf of the MIRRA to determine costs in order to temporarily house the fire apparatus and save the existing fire hall. He asked if the property is available.

A Discussion ensued between Mr. Dow, Ms Chauncey and the Chair which was not recorded.

Q Ian Dow What costs would be saved if you used the old building?.

A. Chair We (the Board) made the decision not to use the existing building and purchase property next door. There were several considerations that went into that decision.

Q.Tracey DeRousie pointed out that this referendum is for the project as outlined and presented. It cannot be changed to a different concept at this time.

Q. Alan Shopland. How much work will be competitively tendered.

A. Scott -Almost 100%

A. Chair the only item that will not be tendered is the steel building which is being manufactured on order.

A. Scott All the prices in our budget were based on competitive quotes.

Q Lenn Epp What is the dry hydrant system you mentioned

A. Chair explained the dry hydrant system briefly.Explaining that the dry hydrants supply water for fire fighting. Over the long term the hydrants will be installed across the island.

Q. Lenn Epp What is the effect of dry hydrants on Home insurance.

A. Chair. There is a possibility but it is up to the underwriter. This is not something we can control. We have been told the present system of a hydrant discount applies to residences within 300 meters as is present.

Q. Jannine Dodd stated that she asked Amanda her agent, if she would get a discount who said no, not for her

A. Chair there are a lot of factors that go into any premium reduction so we are not making any statement on that aspect. However, a new fire hall might be a consideration.

Q. Alan Shopland is the debt paid in 20 years?

A. Chair That is correct

Q Bill Warning What is the effect of the US \$ on the steel from the US

A: Chair Yes, It has made a difference to us of approximately \$40,000 from our first estimates in August. This delay is because of many factors; several items had to be estimated, calculated and researched before we could make a presentation and ask for the permission to borrow. At this time we feel we have sufficient in our contingency fund to cover a change between now and May.

Q .Patricia Chauncey Why is the Contingency fund so small?

A. There are actually 2 funds one is the builders fund and one is the development fund. We think it is adequate. After speaking to the Ministry we reduced the amount at their suggestion.

Q. Aaron Reith Congratulated the Board on the presentation and proposal The time to do this is now due to the cost of borrowing at present. Please remember to look into the GST refunds..

A. Chair: Thank you.

Q. Bill Maylone Is there a process to donate to the firehall as I understand there were several donations on Saturna for their hall.

A Chair & Administrator Yes, You may donate to the Improvement District. You will be issued a tax receipt for your income taxes. However your property taxes still must be paid.

Q Tracey DeRousie asked to add a comment about the people not knowing about the vote. She asked that everyone please notify all people you know who live off island and encourage them to come and vote.

Chair then asked for further questions and thanked all for coming out today and encouraged everyone to vote.

ADJOURNMENT

Chair adjourned the meeting at 2:10 PM

(Following the meeting the Finance Officer and Administrator assisted a property owner to calculate the levy which would be applicable to their taxes based on their assessment)

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Recorded and submitted by:

G. Wise,

Reviewed and Approved for distribution by:

Bob McKinnon, Chair, MIID Board of Trustees

MAYNE ISLAND IMPROVEMENT DISTRICT

520 Felix Jack Rd, Mayne Island, BC V0N 2J2 Phone or Fax 250-539-5116

Short History of Mayne Island Fire Hall Replacement

Prepared: March, 2014

- 1994 Fire Commissioner's Report listed requirements:
 - Upgrade Fire Hall for Seismic Loading
 - Complete Outdoor Training Area: including Tower, hydrant and drafting pit
 - Establish a long term development plan to ensure growth with the community
- 1995 First Engineering report and quote for Seismic upgrades required.
- 1999 Fire Hall Water Storage upgraded and Tower re-configured
- 2000-2005 Various proposals & reports regarding seismic upgrades, renovations, etc
Lean-to for shelter of Tender built
- 2005 Ad Hoc Committee formed
Engineers 2005 Study & Report stated: The fire hall "will likely be unable to resist the forces of a moderate earthquake without collapse"
- 2006 CRD recommended all Emergency responding agencies be housed "under one roof" EG. Fire, Police, Emergency Program, etc.
- 2006-2009 Public Meetings, Requests for Proposals, development of a design to meet all requirements, including CRD recommendation. Design, plan and proposal for new hall developed and presented to public.
- 2009 Sept: Referendum prepared to borrow \$4,216,000 to construct new fire hall, however the referendum was cancelled by the MIID due to concerns about Bank supplied mortgage costs.
- 2009 WorkSafeBC report – listed Hazardous working conditions in fire hall – electrical hazards, overhead hazards, crowded aisles, trip, slip and fall hazards
- 2010 Task Force established to obtain public input, study requirements, & obtain detailed cost estimates to bring another proposal for replacing fire hall to referendum. New designs, costs, cash flows, etc. obtained, and proposal for new fire hall presented to Public.

MAYNE ISLAND IMPROVEMENT DISTRICT PAGE 2

- 2011 Mar. Referendum for \$3,400,000 to construct new fire hall was defeated.
Aug. Outside Audit requested. Report confirmed a new fire hall was needed
Nov. New building committee formed with members invited from public.
- 2012 Mar. Proposals for metal building “shell” costs received from 3 companies.
Several proposals and suggestions studied throughout 2012.
- 2013 April Requests for Design & Budget Proposals put out to 3 firms
Aug-Nov Refinement of design, design and contractor chosen,
Dec Tax method chosen, Tentative Ministry approval for the capital project
obtained
- 2014- Feb Public Information meeting, brochure published, Information on websites,
Referendum date set, and appointment of Returning Officer
Mar Public Information meeting
Apr Referendum for \$2,400,000 to construct new fire hall: Voting Day April 19,
2014. Advance Polls: April 9th, and 12th

Further information is available in the Improvement District Archives which may be accessed by the public upon request and appointment; and some reports referred to are found on our website at www.miidonline.com

MAYNE ISLAND IMPROVEMENT DISTRICT NOTICE OF OTHER VOTING

Public Notice is hereby given the electors of Mayne Island Improvement District will be asked to vote on the following question on **Saturday April 19th, 2014**:

Are you in favour of the Board of Trustees of the Mayne Island Improvement District adopting Bylaw No 155 cited as "Mayne Island Improvement District Borrowing Bylaw, 2014", to borrow the sum of up to Two Million Four Hundred Thousand Dollars (\$2,400,000.00) to finance the construction of a new Fire Hall including Improvement District Offices to be located on the Improvement District property at 520 Felix Jack Road?

YES or NO

TAXATION IMPACT

The total cost of the construction shall not exceed two million four hundred thousand dollars (\$2,400,000.00). The Board of trustees has determined that the total cost will be financed by borrowing for an amortization period of 20 years, the estimated the yearly repayment costs will be \$172,000. resulting in a yearly levy estimated at:

The cost to residential properties would be \$34.60 per \$100,000 of Assessed Value

The cost to commercial properties would be \$84.80 per \$100,000 of Assessed Value

MAYNE ISLAND IMPROVEMENT DISTRICT BYLAW NO. 155

A Bylaw to borrow the sum of \$2,400,000.00 on the credit of the Improvement District

Whereas it is deemed desirable to undertake debt in the amount of \$2,400,000.00 in order to build a new Fire Hall

The Trustees of the Mayne Island Improvement District enact as follows:

1. It shall be lawful for the Improvement District to borrow up to the sum of Two Million Four Hundred Thousand Dollars (\$2,400,000.00) and to pledge the toll collecting and taxing powers of the Improvement District for the 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 borrowed and pay interest thereon at the rate per annum in effect.
3. Until the terms of the long term borrowing has been finalized it shall be lawful for the Improvement District to borrow temporarily up to the sum of Two Million Four Hundred Thousand Dollars from the Royal Bank of Canada and pay interest thereon at the prime rate per annum in effect, for the purpose of proceeding with the construction of the Fire Hall
4. The maximum term for which the money for the construction of the Fire Hall can be borrowed is twenty years
5. This Bylaw maybe cited as the Mayne Island Improvement District Borrowing Bylaw, 2014"

I hereby certify that this is a true copy of Bylaw No.155

EXPLANATION

The present fire hall lower floor, built in 1969, is cinder block, and the second floor, added in 1984 housing the offices, training and meeting room and record storage is wood frame construction. This building does not meet post-disaster standards, or current public access requirements. With the growth of our community, the current building is far too small to house the equipment necessary to provide adequate fire protection to the community. If the question above is approved by the electors the Board of Trustees can proceed with the necessary borrowing and the long term borrowing can then be approved by the Inspector of Municipalities and construction of the fire hall can proceed.

VOTING OPPORTUNITIES

VOTING DAY will be open on **Saturday the nineteenth (19th) day of April 2014**,
TO QUALIFIED ELECTORS OF THE MAYNE ISLAND IMPROVEMENT DISTRICT at:
ST. Mary Magdalene Church House, 360 Georgina Point Road
AND SUCH VOTING PLACE SHALL BE OPEN BETWEEN THE HOURS OF
Eight (8:00) A.M. and Eight (8:00) P.M.

ADVANCE VOTING shall be open on Wednesday **the ninth (9th) of April 2014 and**
Saturday the twelfth (12th) day of April 2014
TO QUALIFIED ELECTORS OF THE MAYNE ISLAND IMPROVEMENT DISTRICT
between the hours of Eight (8:00) A.M. and Eight (8:00) P.M. at:
St. Mary Magdalene Church House, 360 Georgina Point Road

Given under my hand at Mayne Island, B.C. this eighteenth (18th) day of March 2014.

Thomas F. Moore
Returning Officer

ELECTOR QUALIFICATIONS

You are qualified as an Elector if you are:

- (a) **A Canadian Citizen,**
 - (b) eighteen years or older on Voting Day,
 - (c) a resident in the Province for at least six months before Voting Day,
 - (d) an owner of land within the boundaries of Mayne Island Improvement District.
- OR** (e) an authorized agent, designated in writing as the said agent, of a Board or Corporation that owns land within Mayne Island Improvement District

If more than one person is registered on title as owner of land then those owners are entitled to vote providing they meet the qualifications set out above. No persons may vote more than once with the exception that they may vote as an authorized agent and personally if they own land on a personal basis. **Please note that when checking the list of owners provided by the B.C. Assessment Authority the multiple ownership of some properties may not have been recorded. If the property that is being used for voting purposes is held in multiple ownership it is recommended that the persons intending to vote bring suitable identification, as listed below, to avoid any inconvenience.**

If you are not on the List of Registered Electors you may register on Voting Day providing you produce two pieces of identification, one of which has your signature, preferably with pictorial identification, e.g drivers licence, and documentation proving ownership of the land for which you are owner, e.g tax notice, assessment notice or duplicate certificate of title

NOTE: information packages available at the Mayne Island Library or Mayne Island Fire Hall or Web Sites at www.Miidoonline.com or www.mayneislandfire.com