



#11

City of Parksville

Town of Qualicum Beach

ARROWSMITH WATER SERVICE (AWS)

PROJECT MANAGEMENT COMMITTEE MINUTES

LOCATION: Council Chamber, City of Parksville
DATE: April 7, 1999 - 2:00 p.m.

ATTENDEES:

Bill Luchtmeijer
Mark Brown
Bob Weir, P.Eng.
Jim Banks
Jon Walters
Rob Roycroft
Fred Manson
Gary O'Rourke, P. Eng.
George Holme
Kelly Daniels
John Finnie

Town of Qualicum Beach
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City of Parksville
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City of Parksville
City of Parksville
Regional District of Nanaimo
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DISTRIBUTION:
All attendees

ITEM	DESCRIPTION	ACTION BY
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Jim Banks chaired the meeting

1.0 Review of Minutes from December 3, 1998 meeting

1.1 Bob Weir advised on construction progress. ~~KRD~~ issues change orders - the Engineering budget was revised \$863,000 - \$200,000 over original budget. The impact was discussed and a report was to come however it is not ready yet. Bob Weir said it was felt the new City Engineer needed to become familiar with the project first. The engineering billing reached \$1.124M about a month ago. The project is up to change order #28. Jim Banks expressed concern with where the project was in relation to the overall budget and asked if we were guaranteed a maximum price. Bob Weir responded the he did not believe the project had exceeded the referendum amount approved nor exceeded approved annual budgets. It has exceeded the original estimate but considerable changes in scope and engineering changes

must be taken into account. Jim Banks asked for an accounting of the overall monetary situation and requested a financial report that gives the bottom line.

Fred Manson advised the project has exceeded our budget by \$200,000 so far and agreed it had not exceeded the borrowing budget but has exceeded Council's approved budget. He advised the original budget was for \$5,660,000 and we need to know what has transpired since with a summary of the change orders that brought us to where we are now. It was discussed the change orders have been with the Engineers but have not filtered to the Treasurer.

Bob Weir said the financial report is overdue and is being worked on to show the changes in the scope to the initial budget. The engineering cost overrun with Koers had to be addressed first. A proposal was taken to Koers and they have accepted a proposal to cap fees at the end of 1998 and finish the project with no additional costs. The delay of the report has been due to negotiations with Koers.

Jim Banks said he expected to be kept apprised and expected the financial data to help him make decisions, and assumed the financial people would have been kept better informed and asked again for a comparative statement of the budget to actual with notes explaining the changes, and especially indicating why the engineering costs have increased.

George Holme said he did not understand why elected officials that sit on this Committee were not apprised of the change orders and Bill Luchtmeijer said it wasn't expected that the Committee would get involved in the technical issues.

Bob Weir said he would have a report available by April 19, 1999 that includes a forecast to complete the project. Bob Weir asked that the report be considered an "in camera" document.

BOB WEIR

Rob Roycroft pointed out that Freedom of Information must be considered; this is public information and that we should make it available to the public as soon as we can.

ITEM	DESCRIPTION	ACTION BY
2.0	<u>SPERE vs. AWS</u>	
2.1	George Holme advised the court costs came to \$35,000 and we should make application for the full amount of court costs. Jim Banks said AWS needs to get approvals from municipal councils and the RDN Board. MOVED by George Holme SECONDED by Bill Luchtmeijer That AWS make application for full court costs recovery in the matter of SPERE vs. AWS. CARRIED.	← Parksville DID NOT VOTE IN FAVOUR OF THIS MOTION?
	Bob Weir said advice from Grant Anderson was that operating decisions of the AWS Committee do not have to go to Councils or the Board for approvals.	
3.0	<u>OTHER</u>	
3.1	Rob Roycroft asked if the dam would put an end to water rationing. Bob Weir responded that this was not the case; the design life of this project is predicated on consumption. It was discussed that briefing papers should be prepared to advise the public.	
3.2	Rob Roycroft asked if there would be time releases to benefit Fisheries. Bob Weir responded the Ministry of Environment tell us what our operating rules are and we would release only when we go below a critical riverflow.	
4.0	<u>Next Meeting:</u>	
	The date and time for the next meeting were not set.	

Please advise the writer of any errors or omissions in the minutes. Unless otherwise advised in writing, the minutes shall stand as an accurate representation of the items discussed.

ARROWSMITH WATER SERVICE

Gary O'Rourke, P.Eng.

/lk

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