An information meeting for Keats leaseholders was held on July 20 to provide an update on the subdivision process as well as septic system cost estimates from construction companies, and plans relating to the BC Hydro project.

**Subdivision**

Chairman Glen Donaldson summarized some of the reasons for the subdivision initiative:

- The Convention intends to subdivide DL696, as they have stated for many years
- It will provide an opportunity for leaseholders to own their lots
- Funding will be available to support Keats Camps
- Cross liability risks between leaseholders and the Camp will be minimized
- Leaseholders will comply with Health and Islands Trust regulations.

Glen noted that the regulations for subdividing land in B.C. are contained in the booklet [http://www.vch.ca/media/SubdivisionGuidelinesJuly2012.pdf](http://www.vch.ca/media/SubdivisionGuidelinesJuly2012.pdf) issued by the Vancouver Coastal Health Authority. This overview summarizes the role of all government agencies and outlines the subdivision process, and specifies requirements for water and septic systems. All leaseholders are encouraged to read this document.

To date, the subdivision application stage has been completed (see page 4) and the Approving Officer is reviewing the documentation provided. Following evaluation, it is expected that Preliminary Layout Approval (PLA or PLNA) will be issued in the Fall 2013. The PLA/PLNA will outline deficiencies and requirements that must be addressed before final approval can be granted.

Ian Grant, Chair of the Baptist Convention Subdivision Committee, confirmed that the Convention supports the subdivision plan and expressed support for the initiatives to date. He congratulated Glen and the KILA Executive for developing positive working relationships with government agencies and moving the process toward completion. Ian advised that the Convention will be sending a letter to each leaseholder in late August or September with the buyout price for each lot and Convention requirements concerning the septic and water systems. Ian confirmed that leaseholders will not be required to purchase their lots.

**Community Septic System**

Bryson Milley, Infrastructure Coordinator, provided details of the planned water/septic upgrade and introduced Kevin Heeley (Creus Engineering). Kevin noted that the Type 2 community septic system proposed by John Enevoldson and Scott Benson is considered to be the most cost effective means to achieve health department approval and is supported by the local Environmental Health Officer (EHO). The Health Authority (HA) requires that the septic system be upgraded as a condition of subdivision, however an upgrade is still necessary to meet health regulations even if the subdivision does not go ahead.
Kevin summarized the costs submitted by three contractors invited to bid for the septic system/water upgrade project. The three bidders were shortlisted based on experience on the Sunshine Coast/ Howe Sound islands area, cost approach, track record and ability to work cooperatively with clients. The three bidders were Ray Contracting, Capilano Highway Services and North Construction.

The average of the three bids, with BC Hydro participation, was $4.7 million. Without any BC Hydro trenching, the costs were projected as high as $7.5 million. Further meetings will be held with the bidders, and analysis and refinement of plans will occur, in order to reduce expenditures where possible. These costs include an upgrade to the current water system, and the installation of additional pressurized standpipes for firefighting.

The benefits to leaseholders of the BC Hydro initiative to install a power line across Keats to Bowen Island have been presented at the last three AGMs. The recent bids on the upgraded septic system suggest that this Hydro project could save leaseholders from roughly $1.5 to $2.5 million, mostly on blasting and trenching costs (the project also benefits Hydro). To date BC Hydro has been receptive to KILA input. Construction funding at BC Hydro is expected to be decided in the Fall of 2013.

Graeme Davies, Treasurer, informed the meeting that, given progress to date, there may be a call to leaseholders this fall for money to pay for the community septic system. He proposed that based on a per lot cost of $40,000, approximately half of this - $20,000 - may be needed this fall in anticipation of construction next winter/spring. The next draw will be determined by the construction schedule, which is expected to be four to six months. Graeme acknowledged that the costs could be a hardship for some leaseholders and said there may be a financing plan. It may be possible for example to finance individual lot septic costs over 3 years with a market interest rate secured by the lease. He asked that anyone interested in this type of plan contact him as soon as possible.

Questions:

Leaseholders raised a number of questions regarding the subdivision and the planned septic system. Glen noted that some of the issues require further analysis and will be considered by the executive as the process moves forward. He urged leaseholders to contact him, or any member of the executive, with further questions or concerns. Email addresses for KILA executive members are included on the AGM notice sent out in April.

Significant Project Dates/Next Steps:

1. The Baptist Convention letter to all leaseholders will contain the cost of purchasing each lot as well as possible financing options and requirements for complying with subdivision regulations – anticipated August/September 2013
2. BC Hydro project approval – anticipated Fall 2013
3. PLA/PLNA from the Provincial Approving Officer – anticipated Fall 2013

Once these communications have been received, another information meeting will be scheduled.