

**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
 REGULAR MEETING, HELD ON THURSDAY, FEBRUARY 16, 2017 AT 6:00 P.M.
 BEST WESTERN PLUS DENHAM INN & SUITES, MARQUIS A ROOM,
 5207 – 50 AVENUE, LEDUC, AB.**

1. CALL TO ORDER

Vice Chairman Beverly Beckett called the meeting to order at 6:15 p.m.

PRESENT:	Mayor John Whaley	Leduc County
	Councillor Rick Smith	Leduc County
	Mayor Wally Yachimetz	Town of Calmar
	Councillor Terry Balaban	Town of Calmar
	Councillor Kathy Barnhart	Town of Beaumont
	Councillor Bill McNamara	Town of Beaumont
	Councillor Doug Lyseng	Camrose County
	Councillor Faye Leicht	Village of Hay Lakes
	Deputy Mayor Shannon Yearwood	Village of Hay Lakes
	Vice Chairman Beverly Beckett	City of Leduc
	Councillor Dana Smith	City of Leduc
	Councillor Pat Garrett	Town of Millet
	Mayor Tony Wadsworth	Town of Millet

ALSO PRESENT:	Shawn Olson, Commission Manager	City of Leduc
	Rick Sereda, Operations Manager	City of Leduc
	Kyle Van Steenoven, Project Manager	City of Leduc
	Carol Hounsell, Treasurer	City of Leduc
	Amber Ouellette, Accountant	City of Leduc
	Shawn Tooth, Water Technician	City of Leduc
	Shannon Bremner, Recording Secretary	City of Leduc
	Mary Coyne, Project Manager, Infrastructure	EIA
	Steve Rumley, Vice President, Infrastructure	EIA
	Graham Backus, Manager of Public Works	Camrose County

WITH REGRETS:	Chairman John Schonewille	Leduc County
	Councillor Greg Gillespie	Camrose County

2. ADOPTION OF AGENDA

There was an addition to the agenda for 4. Information Item, to follow after Approval of Minutes and before the Report of Officers.

- 01-17** **Motion:** It was **Moved** by Councillor Terry Balaban that the agenda for the February 16, 2017 Capital Region Southwest Water Services Commission regular meeting be approved as amended.

Carried

3. APPROVAL OF MINUTES

A. Minutes of the December 1, 2016 Organizational Meeting

There were no changes to the minutes.

- 02-17** **Motion:** It was **Moved** by Councillor Dana Smith that the meeting minutes of the December 1, 2016 Capital Region Southwest Water Services Commission organizational meeting be approved as circulated.

Carried

B. Minutes of the December 1, 2016 Regular Meeting

There were no changes to the minutes.

- 03-17** **Motion:** It was **Moved** by Mayor Wally Yachimetz that the meeting minutes of the December 1, 2016 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

Carried

4. INFORMATION ITEM

Board members were asked whether they would like to continue with extensively reviewing each officer's report at the Board meetings, or whether they would prefer to simply have a brief question and answer period for each report, before motioning to approve the officer's report. Board members typically receive the agenda package a week prior to the meeting, which includes the Reports of Officers, so it is believed that Board members have sufficient time to review the reports prior to the meeting. This inquiry was posed to the Board for consideration in order to improve the efficiency of the CRSWSC meetings. Board members were asked to consider this recommendation and provide their feedback at the next CRSWSC meeting on March 30, 2017.

5. REPORTS OF OFFICERS

A. Manager's Report

Water Allocation Update

Brownlee has returned a final draft of Bylaws 2 and 3, Fees and Administration. These are attached to this report for information. We ask that all board members review and discuss the proposed bylaw in anticipation of a more formal discussion

at the next commission meeting. Any feedback or questions about the bylaw amendment may be passed to the commission manager at any time between now and the next meeting on March 30, 2017.

As the commission moves from an allocation based system to an unallocated system, it is important that the commission be aware of any significant growth that may alter the timelines necessary for future infrastructure investments. In reviewing the water demand projections provided to the commission, there are increases in water demands projected at the Edmonton International Airport (from 334,339 m³ / yr. to 419,541 m³ / yr. a 26% increase from 2017 to 2021) and in Camrose County (from 5,099 m³ / yr. to 9,278 m³ / yr. a 182% increase from 2017 to 2021). At the last meeting additional information was requested, however it has not yet been received.

Camrose County has requested that water volumes (m³) be included in the CRSWSC reports, rather than simply stating the percentages which may be obscure. It is important to indicate the water volume as well, as it adds context to the water allocations. Administration has updated the Manager's Report accordingly.

Millet Water Supply Line Project

All HDPE pipe is currently installed from Leduc to Millet other than the Robinson Reservoir connection. The specialty spool piece required for the Robinson Reservoir connection was fabricated and delivered to the site for installation the first week of February.

The Hot Tap into the existing Commission line in northern Leduc was performed successfully in late January. Additional concrete removal was required as the tie in section of the commission line was incased in concrete. This extra work took approximately two days to complete.

The crossing at 45th Street and 65th Avenue in Leduc over the two deep water and sanitary lines was accomplished without any issues.

The Fortis transformer installed by the Fortis subcontractor was the wrong one which has caused a couple weeks delay, as they need to return and swap it out with the correct transformer. Without power, commissioning work cannot begin. All electrical and mechanical work is complete in the building. We anticipate the power to be turned on by the 20th of February when commissioning can begin. There is outstanding work required by Westcan, the Radio Communications contractor, but this is not necessary for the function of the building as we will be operating under cellular service until the Commissions radio overhaul project is complete in the spring. Work at the Millet Reservoir is ongoing.

A new pipe will be required to allow for raw water to continue flowing until the transition period occurs because the same pipe cannot be used for the raw water and commission water feeds.

Due to the delay at the booster station caused by the wrong transformer being installed, we anticipate final Commissioning to finish and for the line to be operational in early to mid-March.

To date all work is within project budget.

The Town of Millet is currently preparing for the Millet grand opening ceremony and they are seeking input from CRSWSC Board Members. The Town of Millet is proposing to hold the event on Friday, April 21, 2017 or Wednesday, April 26, 2017 from 2:00 p.m. – 3:30 p.m. at Griffiths-Scott School Gymnasium. It was suggested to perhaps schedule the grand opening for mid to late May when the weather improves. The school shuts down on June 3 so it is important to hold the ceremony before this date in order to engage the students and have them attend the opening ceremony. Students are preparing water projects which will be placed on display in the gymnasium for the grand opening ceremony and some students may be asked to provide a verbal or visual presentation of their water projects as well. While the students vacate the gymnasium after the ceremony, invited guests can view the water project displays. It was further suggested that the Town of Millet Council members may wish to turn on the water valve together, similar to what was done for the Armena grand opening.

Town of Millet – Transition Period, Alberta Environment and CRSWSC's Role

There will be a transition period where Commission water will be added to the Millet reservoir. This will require an adjustment by the Town of Millet. Essentially, the Town of Millet's current water supply does not have combined chlorine, rather a free chlorine water which when mixed with the combined chlorine found in the Commission water, will have a chemical reaction which may cause the chlorine to go inert if not monitored properly.

Alberta Environment recommends that Millet continues to apply free chlorine for the next 3 months into their system. In the spring, when all the ground and snow is thawed, Millet will be able to complete a unidirectional flushing program to purge any free chlorine still remaining in their system.

The concern with the transition is that it will take considerable effort by the Town of Millet to maintain the chlorine dosage to maintain adequate residuals. Constant sampling at the reservoir and throughout the system will be required to ensure the dosage is correct. Alberta Environment has committed to assisting the Town of Millet with this process. The Town of Millet is encouraged to prepare an action plan so their operators are prepared for this transition period.

It is important to note that the CRSWSC is responsible to convey water to the Town of Millet air gap, however, once water enters the reservoir it becomes the Town of Millet's jurisdiction. As always, the CRSWSC will be available to assist in answering any questions the Town of Millet has, however it is the responsibility of the Town of Millet and Alberta Environment to manage the Town of Millet's storage and distribution system during the transition.

Commission Main Infrastructure and EIA

The Commission has received a crossing agreement from Alberta Transportation indicating that they will not be requiring the CRSWSC line to relocate along the QE2 and that the lane widening will occur in the interior of the current QE2 corridor. AT will pay for any exposure to the line during construction and construction is intended to begin this upcoming construction season. This is great news, as Alberta Transportation had the right to require the commission to relocate the pipeline which would have been a significant unplanned expense.

Insurance Renewal

The AMSC insurance was renewed for 2017.

Town of Beaumont

The Town of Beaumont has requested the as-built information from the Commission that resides in their annexed town limits. We are currently waiting on the draft license agreement to be finalized and sent to Beaumont prior to sending them the information.

Leduc County / City of Edmonton Annexation

The commission received a letter from the Municipal Government Board (MGB) in response to the letter that the commission previously sent requesting more information regarding EPCOR's plans in the areas under proposed annexation from the City of Edmonton. The letter encouraged the Commission to engage the subject municipalities as soon as possible. It indicated that if the City of Edmonton proceeds with the annexation that they must prepare a report detailing their consultation with other parties such as the CRSWSC. There was also an indication that the letter has been placed on file and will be brought forward should the City of Edmonton submit their annexation application. The letter from the MGB is attached for reference.

The commission recently received an amended formal notice from the City of Edmonton regarding the annexation application. This notification was distributed to all affected local authorities as defined in Section 1(1)(m) of the *Municipal Government Act*. The notification includes a map and description of the lands to be annexed, annexation justification and the proposed public consultation program. Furthermore, the commission also received a letter from Don Iveson, Mayor of the City of Edmonton, recommending that the CRSWSC and annexation staff connect with EPCOR so infrastructure and assets and any potential franchise agreement changes can be discussed. The commission will start conversations with Lindsey Butterfield from the City of Edmonton's annexation unit, as requested in the letter. The amended formal notice and letter from the City of Edmonton are attached for reference. A second amended formal notice from the City of Edmonton regarding the annexation application for lands surrounding Beaumont was received, after the Manager's Report was prepared and distributed. A copy of this second amended formal notice was distributed to Board members for reference.

- 04-17** **Motion:** It was **Moved** by Councillor Kathy Barnhart that the Capital Region Southwest Water Services Commission receives as information the Manager's Report as presented by Shawn Olson, Commission Manager, CRSWSC.
Carried

B. Operator's Report

Commission operators completed **1626** 1st Call locates on Commission facilities in 2016 as compared to **1954** in 2015. Commission operators have completed **63** 1st Call locates year to date on Commission facilities.

December 12, 2016 – Nason Contracting Ltd. programmed a fourth flow setpoint for the Town of Beaumont. Commission operators felt it was needed to soften the flow variations in the commission system. The goal for commission operators is to maintain reasonable flow through the commission system at all times.

December 19 – 21, 2016 – Arc Cathodic Protection performed our annual cathodic protection survey. Some minor repairs are required:

- 1) One of our test stations was damaged and no longer has a good connection to our pipeline.
- 2) Four of our sacrificial anodes which are connected to valves on the Beaumont line are in need of replacement.

Commission operators will coordinate the necessary repairs in the coming summer months.

December 29, 2016 – Leduc Plumbing and Heating was contracted to repair the furnace exhaust piping located at the City of Leduc's fill station.

January 11, 2017 – The new alarm dialer was installed by Nason Contracting Ltd. at the Boundary station. The voice portion of the dialer was installed and activated without issue but the text and email proved more difficult; Nason was forced to reschedule due to difficulties.

January 31, 2017 – QQR Mechanical was contracted to repair the leaking fill station piping at our EIA fill station, the issue was caused by a failed weld. QQR will return once the pipe has cured to address the heat trace connection.

February 1, 2017 – Nason Contracting Ltd. returned to complete the installation of the alarm dialer. All of the alarm dialer's capabilities (voice, text & email) are now active.

- 05-17** **Motion:** It was **Moved** by Councillor Dana Smith that the Capital Region Southwest Water Services Commission receive as information the Operator's Report as presented by Rick Sereda, Operations Manager, CRSWSC.
Carried

C. Treasurer's Report

2016 Customer Sales

Bylaw 02-2015, section 6.7 states that Commission members are required to pay a minimum of 90% of the volume requested by the member for the year. In 2016, all of the member municipalities were below their estimated consumption but only Leduc County (84%) and Camrose County (84%) fell below the 90% requirement. The Commission as a whole was at 93.84% of their consumption estimate. Since the Commission as a whole exceeded the 90% requirement, administration is recommending that Leduc County and Camrose County not be assessed any additional charges or penalties. However, the 93.84% of estimated consumption referenced above is based on a 97% recovery rate that is used for budgeting. The estimated annual consumption submitted to the RWCG was 5,917,246 M₃. The 2016 actual consumption of 5,366,140 M₃ is 91% of that amount.

2016 Financial Update

At yearend, total expenditures are below budget with 7.58% of the budget remaining. Management expenses are over budget by 4.63%. Operational expenses are under budget with 8.10% of the budget remaining. Explanations for the variances are discussed below. Please note that there are some additional yearend adjustments still pending so the information provided is not final. There will be carry forwards into 2017 for the following capital projects:

- 1) Armena Line Expansion - \$298,942
- 2) Millet Water Line Expansion - \$1,667,571
- 3) Calmar Radio Tower - \$31,683
- 4) Boundary Station Transfer Switch - \$100,000

Revenue Variances

- Water sales are 6.51% under budget for the year due primarily to a rainy summer.
- Debenture proceeds is below budget because a payment for the Armena line debenture was budgeted for in 2016 but the debenture funding has not yet been applied for.
- Interest earned is above budget by 39.94% due to better than expected returns. However, yearend adjustments for interest were not completed at the writing of this report so this is not the final number.
- Capital provincial government grant funding and transfers from other governments are below budget due to the Armena Line and Millet Line not being completed by yearend.
- Some yearend accounting entries are still to be posted.
- The Commission has recorded a line loss of 3.12%.

Expenditure Variances

- Other professional fees is over budget due to an additional charge of \$7,228 for consulting fees for 2016 from the RWCG. This cost is related to additional consulting fees (Raftelis) for a review of the 2017 EPCOR

rate model and work around the impact of Water Demand Management on the RWCG high 5 day calculation and the upgrade of the SCADA system for all RWCG members. These cost were one-time costs for 2016.

- Debenture interest is below budget with 5.42% of the budget remaining because a payment for the Armena line debenture was budgeted for in 2016 but the debenture funding has not yet been received.
- Seminars and Conferences is under budget with 86.51% of the budget remaining due to the fact that only one board member attended a conference in 2016. It was suggested that if there are municipalities that do not intend to use the allocated \$5,000 for their appointed Council members, they may wish to extend this to their administration or technical staff for professional development.
- Legal Fees are over budget due to the additional legal fees incurred in 2016 for the review and revision of the Commission bylaws.
- Engineering fees are under budget with 46.27% of the budget remaining due to less consulting and advisory services required in 2016.
- Power and gas are below budget with 25.15% and 19.97% respectively of the budget remaining. Power is below budget mainly because of the new contract with Enmax which was effective on April 1, 2016. The new contract offers a significantly lower rate than we were previously paying. (new rate = \$0.05473/KWh; old rate = \$0.08318).
- Facility Maintenance is under budget with 84.24% of the budget remaining. The arc flash study (\$35,000 budget) that was budgeted for in 2016 did not get completed and has been carried forward to 2017.
- Line maintenance is over budget due to manhole repairs.
- Cathodic Protection still has 100% of the budget remaining. There was no work completed in 2016.
- Water purchases is under budget with 6.41% of the budget remaining which is consistent with water sales being under budget.

2016 Audit

As of the writing of this report the Commission auditors, Hawkings, Epp Dumont LLP will begin the 2016 Audit review on February 14th, 2017. The audit report and findings along with the Commission's final financial results will be presented at the AGM on April 20th, 2017 as per best practice. Copies of the Audit Engagement letter and Audit Planning letter are included for you information.

2016 Capital Project Summary

A copy of the 2016 Capital Projects Summary is attached for your information. The final work for the Armena Line and Millet Line projects is anticipated to be completed in 2017. Funding and expenditure budgets have been carried forward to the 2017 budget for both of these projects. The Calmar Radio Communication Tower and the Boundary Station Transfer Switch projects have also been carried forward to the 2017 budget. The Vacuum Release Valve project was completed in 2016 and came in slightly under budget at \$19,372.

ALAIRE Update

In January 2017 we received an update from AUMA on the ALARIE redistribution of assets. A court hearing has been scheduled for March 19, 2017. A copy of the correspondence is attached for your information.

Regional Water Customers Group

Nothing new to report since last meeting.

Armena Line Update

It is anticipated that the Armena Line project will be completed in 2017. As per MPE Engineering the estimated cost to complete is \$2,793,618. Based on the expenditures-to-date and the Water-for-Life grant received to date, we will require an additional \$45,000 in grant funding from the Provincial government and the request for this will be submitted shortly. The amount of the debenture required based on 10% of the project cost is \$279,362. The debenture we will apply for is \$215,622 (\$279,362 less \$63,740 which is the unused debenture from the Hwy 21 project). The debenture application will be submitted for a June 2017 draw date.

Millet Line – Water for Life Grant

An additional \$2,000,000 in Water-for-Life grant funding was received from Alberta Transportation for the Millet Line extension.

- 06-17** **Motion:** It was **Moved** by Mayor Wally Yachimetz that the Capital Region Southwest Water Services Commission does not assess any additional charges or penalties to the County of Camrose and Leduc County for being below the 90% water consumption estimate.

Carried

- 07-17** **Motion:** It was **Moved** by Mayor Tony Wadsworth that the Capital Region Southwest Water Services Commission receive as information the Treasurer's Report as presented by Carol Hounsell, Treasurer, CRSWSC.

Carried

D. 2017 Final Budget Report**2017 Final Budget Adjustments**

On December 1, 2016, the Board approved the 2017 Interim Budget. Highlights of the budget approved on that date are recapped later in this report. Presented to the Board at this time is the 2017 Final Budget. The only changes to the budget since adoption of the 2017 Interim Budget are as follows:

Capital Budget

- Project 2013.002 Armena Line was updated to reflect the 2016 actual cost and the most recent estimate of the cost to complete. It was adjusted from \$300,091 to \$348,837.

- Project 2015.003 Millet Water Line Extension was updated to reflect the 2016 actual cost. It was adjusted from \$3,657,915 to \$1,677,571.

Accumulated Surplus

- Drawn from accumulated surplus was decreased from (\$2,935) to (\$2,392). This was to balance the budget after the adjustments were completed.

Reserves

- An amount of \$10,000 is budgeted to be drawn from the general operating reserve to fund the cathodic protection anodes replacement.
- The amount budgeted as a transfer to the Rate Stabilization Reserve was adjusted to reflect the change in operating expenses. It increased from \$43,457 to \$44,000.

Provincial Government Capital Grant/Debenture Proceeds/Loans

- Funding for the Armena Line Project was adjusted to reflect the 2016 actual expenditures and the most recent estimated cost to complete. Additional Water-for-Life funding was requested in the amount of \$45,000.
- Funding for the Millet Line Project was adjusted to reflect the 2016 actual expenditures and recoveries.

Expenditures

- An additional \$10,000 was added under Cathodic Protection to fund the replacement of anodes. This is to be funded from the general operating reserve.

December 31, 2016 Actuals

- The 2016 Actuals were updated to reflect the 2016 yearend balances prior to the Audit but are not the final numbers. At the writing of this report there were some final entries to be processed.

2017 Final Budget Highlights (prior to changes referenced above)

Revenue

Water rates

The CRSWSC sales rate for water has increased to \$1.33/m³ from \$1.25/m³ in 2016. The increase is due to a number of factors. The 2017 interim rate for EPCOR was set at \$0.85/m³ up from \$0.82/m³ in 2015. This rate has been approved as the interim rate by the RWCG. The increase of \$0.08/m³ is required for the following:

- \$0.03/m³ for the EPCOR rate increase.
- \$0.075/m³ increase for Future Water Expansion Reserve.

- \$0.0075/m³ decrease for the transfer to the rate stabilization reserve since the rate stabilization is capped at \$161,053 based on the Rate Stabilization Reserve Fund Policy.
- \$0.0175/m³ decrease in the rate to cover management and operating expenses. Management expenses are lower than in 2016 due mainly to a decrease in professional fees because the Filing/Records Project was completed in 2016. Operating expenses are higher by \$39,000 overall (*after expenses are adjusted for water purchases and reserve transfers*) but the increase in consumption more than offsets the revenue requirements for the increased expenses.

Interest

Interest has increased from \$22,500 to \$40,000 based on projected actuals for 2016 and budgeted reserve transfers for 2016 being invested.

Accumulated Surplus

It was decided not to draw funds from accumulated surplus for the Annual Revenue Requirement and Rate Design Policy due to the low balance in accumulated surplus at 2015 year end. The required net balancing amount of - \$2935 will result in an increase to accumulated surplus.

The rate stabilization reserve balance is currently \$31,500 which is \$129,553 below the 15% cap of \$161,053. \$0.015/M³ was budgeted as a reserve transfer in 2016 to replenish this reserve. The \$0.015/m³ budgeted reserve transfer for 2016 and the reduced \$0.0075/m³ budgeted reserve transfer for 2017 will result in this reserve reaching its cap.

Expenditures

- Operational and management contracts are as per contractual agreements.
- Honorariums and Mileage have not changed and AUMA rates have remained unchanged.
- Legal fees has increased by \$5,000 to cover any additional legal fees required for contract review or review of policies or bylaws.
- Audit fees are as per contractual agreement.
- Other professional fees has decreased due to the Filing/Records System project being completed in 2016.
- Debenture payments expense (interest + principal) has remained very close to the same as budgeted for in 2016. It is anticipated the Armena project will be completed in 2017 and that the funding for the debenture for the Armena line extension will be received in 2017. Only one payment of \$11,557 (principal & interest) will be required in 2017.
- Computer maintenance, supplies & licenses has increased in 2017 due to UPS batteries replacement.
- Instrumentation & mechanical has increased due to this line item being over budget in 2016.

- Telephone expenses has decreased over 2016 due to contracts being lower than anticipated in 2016.
- Other Communication Maintenance Costs has increased in 2017 due to an upgrade being required to the central control panel monitors at Strathcona County for automated meter reads.
- Line Maintenance has increased over 2016 due to being over budget in 2016 and additional costs being anticipated in 2017.
- Easement Leases has increased slightly due to the additional water line added for Millet possibly resulting in increased calls to Alberta One Call for line locates.
- Engineering Fees has increased to allow for any additional engineering costs related to construction inspections that are completed on the Commission's behalf.
- Insurance has increased because the 2016 insurance premiums were higher than budgeted.
- Water Purchases – For 2017 EPCOR has set an interim rate of \$0.85/m³. Members of the RWCG have agreed to this interim rate. Administration recommends that the CRSWSC use this as its budgeted water rate for the 2017.
- Power has decreased over the 2015 budget due to a new contract with ENMAX that was signed in 2016 which gives the Commission a much lower rate. The new rate is \$0.05473/KWH. The contract period is for the five years from April 1, 2016 to March 31, 2021. This is a savings from the previous contract rate which was \$0.08318/KWH.
- Gas has increased due to two new facilities being added in 2017. Also, the impact of the new carbon tax has been estimated.
- Facility maintenance has decreased due to the boundary station roof inspection having been completed in 2016 and the budget reduced accordingly.
- "Transfers to Operating Reserves" has decreased over the 2016 budget. The reserve transfer required to replenish the Rate Stabilization Reserve was reduced due to the reserve reaching its cap.
- All other expense line items have remained unchanged or have not changed by material amounts.

Capital

- "Transfers to Capital Reserves" has increased in 2017. The increase is due to a \$0.075/m³ increase to the reserve for the Future Water System Expansion. This will increase the reserve transfer amount from \$0.11/m³ in 2016 to \$0.185/m³ in 2017.
- Project 2013.002 – Armena Waterline Expansion will not be completed by the end of 2016 as previously anticipated and will extend into 2017. Therefore dollars have been budgeted for this project in 2017.
- Project 2015.001 – Calmar Radio Communication Tower was not completed as planned in 2016 and has been carried forward to 2017.
- Project 2015.003 – Millet Waterline Expansion was started but not completed in 2016 and will be carried forward into 2017. The 2017

budget was adjusted to reflect the update to the cost estimate after the tender was awarded.

- Project 2016.002 – Boundary Station Transfer Switch was not completed in 2016 and has been carried forward into 2017 with an increased budget of \$200,000.
- Project 2017.001 – Boundary Station Roof Replacement is new for the 2017 budget.
- Project 2017.002 – Air Release Manhole Rehabilitation is new for the 2017 budget.

08-17 **Motion:** It was **Moved** by Councillor Terry Balaban that the Capital Region Southwest Water Services Commission adopt the 2017 Final Operating and Capital Budget as presented by Carol Hounsell, Treasurer, CRSWSC, with total revenues and transfers from reserves of \$10,165,668 and total expenditures of \$10,165,668.

Carried

09-17 **Motion:** It was **Moved** by Councillor Pat Garrett that the Capital Region Southwest Water Services Commission Board of Directors accept in principle the 2018-2019 forecasted Operating & Capital Budget as presented by Carol Hounsell, Treasurer, CRSWSC.

Carried

6. UNFINISHED BUSINESS

Samantha Folster, the CRSWSC Engineering Project Manager, is now on maternity leave. Kyle Van Steenoven is currently attending the CRSWSC meeting on behalf of Samantha Folster, until her replacement Pamela Regier starts in March.

7. NEW BUSINESS

A. RWCG Inc. Request for Appointment

The commission received an email from the RWCG Inc. on January 10, 2017 requesting a CRSWSC Board resolution by March 1, 2017 to appoint a Director and Alternate Director for the Regional Water Customers Group (RWCG) Inc. The previous resolution by the CRSWSC board on September 12, 2013 did not specifically use the terminology that the RWCG Inc. is requesting, which is why they are asking for a new resolution. It is suggested that the commission appoint the Manager of the CRSWSC as the Director and the Operations Manager of the CRSWSC as the Alternate Director.

10-17 **Motion:** It was **Moved** by Councillor Rick Smith that the Capital Region Southwest Water Services Commission Board of Directors approves appointing the position of Manager, CRSWSC, currently Shawn Olson, as the "Director" for

the RWCG Inc. and the position of Operations Manager, CRSWSC, currently Rick Sereda, as the "Alternate Director" for the RWCG Inc.

Carried

8. NEXT MEETING

The next regular meeting of the Capital Region Southwest Water Services Commission will be held on March 30, 2017 at the Best Western Plus Denham Inn & Suites, located at 5207 – 50 Avenue, Leduc, AB.

Dinner at 5:30 p.m. and the meeting will begin at 6:00 p.m.

9. ADJOURNMENT

11-17 **Motion:** It was **Moved** by Councillor Dana Smith to adjourn the meeting at 6:59 p.m.

Carried

CHAIRMAN

MANAGER