

**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
 REGULAR MEETING, HELD ON THURSDAY, DECEMBER 2, 2021 AT 6:00 P.M.
 BEST WESTERN PREMIER DENHAM INN & SUITES,
 MARQUIS ROOM, 5207 – 50 AVENUE LEDUC, AB T9E 6V3
 AND VIA GOTOMEETING (VIRTUAL ATTENDEES)**

1. CALL TO ORDER

Vice Chair Lars Hansen called the meeting to order at 6:13 p.m.

PRESENT:	Councillor Krista Gardner Councillor Don Faulkner Councillor Lars Hansen Councillor Beverly Beckett Councillor Doug Lyseng Councillor Jordon Banack Councillor Clifford Heinz Councillor Paul Patterson Councillor Kelly Vandenberghe Councillor Kelly-Lynn Lewis Mayor Doug Peel Councillor Mathew Starky	Town of Calmar Town of Calmar City of Leduc City of Leduc Camrose County Camrose County Village of Hay Lakes Village of Hay Lakes Leduc County Leduc County Town of Millet Town of Millet
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ALSO PRESENT:	Councillor Kevin Hycha Councillor Lana Broker Malcolm Boyd, City Manager Kristofer Johnson, GM, Infrastructure Roger Steele, Manager, Technical & Utilities Shawn Olson, Commission Manager Rick Sereda, Operations Manager Lauren Padgham, Treasurer Gerard Del Rosario, Accountant Pamela Regier, Project Manager Mark D'aoust, Commission Technician Shannon Bremner, Recording Secretary Des Mryglod, Director of Engineering Chad Maki, Associated Engineering Melanie Richmond, Associated Engineering	City of Camrose City of Camrose City of Camrose City of Camrose EIA City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc Leduc County
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WITH REGRETS:	Mayor Bill Daneluik Councillor Ashley Miller	City of Beaumont City of Beaumont
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2. ADOPTION OF AGENDA

- 48-21** **Motion:** It was **Moved** by Councillor Doug Lyseng that the agenda for the December 2, 2021 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

Motion Carried Unanimously

3. APPROVAL OF MINUTES

A. Minutes of the September 16, 2021 Meeting

- 49-21** **Motion:** It was **Moved** by Councillor Kelly Vandenberghe that the meeting minutes of the September 16, 2021 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

Motion Carried Unanimously

4. REPORTS OF OFFICERS

A. Manager's Report

Memorial Plaque

Administration has now received the bronze plaque in memory of Mayor Tony Wadsworth, which was approved by the Board for production at the September 16, 2021 meeting. Administration confirmed the Board's direction on how they wish to present this to the Town of Millet Council. The CRSWSC Chair and/or Vice Chair will be invited to attend an upcoming Town of Millet Council Meeting with Shawn Olson and Rick Sereda to formally present the plaque.

Strategic Plan

HIGH PRIORITY ITEMS

- 1. Create a regional water conservation plan. (Reduce Per Capital Use – 4.3.4)*
This will be an ongoing annual Strategic Plan item as a reminder to have Board members bring this forward with their councils and administration. Administration will review the "Tips for Saving Water" document with technical members at a Fall meeting, in conjunction with the water demand measures discussed under item 2 below. This meeting was held on November 29, 2021.

2. *Be prepared for water supply-related emergencies. (Plan B Options – 4.4.4)*
This will be an ongoing annual Strategic Plan item, to serve as an annual reminder to review the water demand measures. A letter was circulated to the CAO of each member municipality on May 7, 2021 with the published water demand management. Additionally, Administration reviewed the water demand management measures with the technical members of member municipalities in conjunction with the water conservation tips noted in item 1 above, at a technical member meeting held on November 29, 2021.

COMPLETED ITEMS

1. *Align the Commission's Master Plan with Members municipal plans. (Communicating with Members - 4.1.1)*
2. *Educate Members on water conservation methods. (Managing a Scarce Resource – 4.3.1)*
3. *Charge reasonable rates to Members. (Master Planning – 4.4.1)*
4. *Provide a simplified utility rate structure summary to Members. (Master Planning – 4.4.2)*
5. *Be fiscally sustainable as a Commission. (Operational Consistency – 4.2.3)*
6. *Provide ongoing training to Board members. (Internal Efficiency – 4.2.1)*
7. *Provide comprehensive orientations to Board members. (Internal Efficiency – 4.2.1)*
The Board Orientation Manual was presented at the May 20, 2021 meeting for Board feedback and was adopted by the Board at the September 16, 2021 meeting.
8. *Develop a current governance policy manual. (Internal Efficiency – 4.2.4)*
The governance policy manual was drafted in conjunction with the Orientation Manual outlined in item 5 above and was presented at the May 20, 2021 meeting for Board feedback and was adopted by the Board at the September 16, 2021 meeting.

The Board has previously conducted a review of the CRSWSC Strategic Plan (2019 – 2023) to assess progress towards meeting the goals and priority action items identified within the plan. Since that time, considerable progress has been made on completing the 10 high priority action items that the Board directed Administration to work on over the first 4 years of the Strategic Plan. While we

continue to work on the last two of the high priority items, Administration has heard from Board members that there may be enhanced benefit in conducting training in the first year with the new Board, which aligns with one of the high priority items in the Strategic Plan.

The Commission received a letter from Brownlee LLP on November 2, 2021 advising of their personalized orientation and training sessions for Regional Service Commission Board Members. The session proposed by Brownlee is intended to cover legal principles and statutory obligations that differ from the those received from Municipal Members as a Councillor. The Board previously adopted a Board Orientation Manual at the September 16, 2021 Board meeting, but it does not get into the legal technicalities of the Municipal Government Act (MGA). Bringing in Brownlee or Reynolds Mirth this year to conduct Board training given the number of new Board members and delaying re-examining the high priority items to 2023 was presented as an option. Administration requested direction from the Board in terms of whether to re-engage with a strategic planning consultant or a legal firm that has offered to provide training.

The Board expressed interest in this valuable supplemental training opportunity, to ideally be held in person, which would further support the Strategic Plan priority item to *Provide comprehensive orientations to Board members (Internal Efficiency – 4.2.1)*. Administration will inquire about the costs for the session with Brownlee LLP and present it to the Board for consideration at the January 20, 2022 Board Meeting, including a comparison quote from Reynolds Mirth who the Commission predominantly uses for legal services. The Board also requested that the training include an overview of responsibilities of Commission Board members, review the important aspects of relevant plans such as the Strategic Plan, and provide an explanation of commission budgets to gain an understanding of how they may differ from municipal budgets and responsibilities.

Nisku Booster Station Land Acquisition and RFP

A constructability meeting was held on October 16, 2021 with Graham Construction. This meaningful exercise confirmed some known risks including construction laydown and working space and brought to light new items for consideration as design progresses. Associated Engineering (AE) will be reviewing the option of renting a portion of the GoRV lot to the North and Leduc County Lot 4MR land adjacent to the proposed site.

The Associated Engineering (AE) Proposed Waterline Alignment Technical Memorandum previously distributed to the Board at the September 16, 2021 Board Meeting, recommended Option 2 (routing around the South side of the Nisku Reservoir) as the preferred alignment to Option 5 (routing around the North

side of the Nisku reservoir and parallel to the Commission's existing 500mm supply lines). Option 2 was also the alignment initially shown in the Option to Purchase with Leduc County. This technical memo was circulated to Leduc County on August 8, 2021 for feedback. Administration will provide the Board with a visual reference of the alignment in the January 20, 2022 agenda package.

A meeting was held with Leduc County on September 22, 2021 where they expressed concern with some of the risks of Option 2, including the proximity of the proposed alignment to their reservoir and presented new information for consideration regarding the existing 500mm supply pipelines. Leduc County proposed abandoning the direct supply line to their Nisku West Reservoir and temporarily "back feeding" the water supply to this reservoir from the Leduc County distribution system through the construction window. This would mean that the County's total water demand would be provided to the County through their East Reservoir Connection. Associated Engineering (AE) analyzed this new scenario, including potential supply impacts to other Members and provided an amendment to the Proposed Waterline Alignment Technical Memorandum on October 3, 2021. The recommendation is now to proceed with preliminary design of Option 5 instead of Option 2 based on their analysis. The amendment memorandum and Figure 1-1 from the original Alignment Technical Memorandum depicting the options were attached to the report for reference.

Also discussed at the September 22, 2021 meeting with Leduc County was the potential for leasing Lot 4MR for construction laydown to which the County was amenable. Based on the land discussions, AE will be adding the lease of Lot 4MR to the Land Agreement/Offer to Purchase that we expect to provide to the County by end of year.

With regards to detailed design, the preliminary engineering report is anticipated to be delivered from AE imminently. Further information on the project was provided under Unfinished Business Item 5A. Further detailed design cannot be progressed further without the geotechnical investigation necessary to support structural design of the facility, which can commence after the purchase of the lot.

Beaumont Piping Upgrades

In 2020, the Commission had Associated Engineering (AE) undertake the design of piping upgrades within the Beaumont fill station as part of planned Capital Upgrades identified within the 2020 Water Master Plan. The construction of these upgrades was included in the 2021 budget. Administration is working with AE to update the design as a result of the EPCOR asset sale and new Nisku Booster Station design. Once the new station is commissioned, part of the EPCOR Sale Agreement is that EPCOR will install water flow meters at each facility for

invoicing purposes. Given the logistical challenges of installing 2 meters in some of the facilities, Administration directed AE to review the option of tying into EPCOR's meter. EPCOR was amenable to the preliminary discussions.

A Technical Memorandum comparing meters was provided to EPCOR at the end of October. Administration has not yet received a response as to whether the proposed alternate meter would work for them. Until the metering issue is finalized with EPCOR, the Beaumont Piping Upgrade Project remains on hold.

EPCOR Asset Sale

Brownlee forwarded a letter to the Commission on September 7, 2021 from Alberta Environment and Parks confirming the assignment of the Disposition License of Occupation (DLO 820568) at the old Boundary Station. As part of the Sale Agreement, \$25,000 was being held in trust with Brownlee until assignment of this DLO. These funds were released to the Commission and received on September 10, 2021. This was the final outstanding matter with regards to the EPCOR asset sale.

City of Beaumont Development

The Commission received a letter on October 12, 2021 from the City of Beaumont advising of a timeline extension for Gallerie Beaumont Phase 3. Administration reviewed the development and confirmed there is no conflict with current or planned infrastructure. The letter was attached for reference.

Statistics Canada

The Commission received an email from Statistics Canada on October 21, 2021 regarding Canada's Core Public Infrastructure Survey, 2020 with a due date of 30 days. This survey collects information on infrastructure owned by each municipality/Commission and participation is mandatory under the authority of the Statistics Act. Administration compiled the necessary information and submitted the survey on November 16, 2021.

Regional Water Customers Group (RWCG)

The RWCG discussed the 2020, 2021 and projected 2022 rates at the May 6, 2021 meeting with EPCOR. The 2020 rate is finalized at \$0.96/m³ pending verification and the interim projected rate for 2021 is forecasted at \$0.94/m³ (down from the projected \$1.01/m³ at the beginning of the year, and \$0.98/m³ projected in May). 2022 and 2023 are currently forecasted at \$1.01/m³ and \$1.07/m³ due to the increased costs associated with the orthophosphate system to address any potential lead in drinking water, E.L. Smith upgrades and transmission and distribution upgrades. The RWCG is working with Bill Stannard to review the rates put forward by EPCOR to ensure they are in alignment with

the cost-of-service model. These rates are still within what has been budgeted in the 3-year plan, so Administration sees no reason for concern.

It was noted that the reduction in rates is likely due to increased demand compared to projections from forecasts. It appears that water demand usage has now returned to normal levels.

AMSC Insurance Renewal

The Commission received its insurance renewal reminder for January 1, 2022. The Pre-Renewal Questionnaire was completed and returned to AMSC on September 30, 2021.

EIA Reservoir 2

The Final Acceptance Certificate (FAC) template was sent on November 4, 2021 to the EIA to complete and return for the CRSWSC to sign off on. All outstanding deficiencies have been completed.

Commission Facility Locates

Commission operators have completed 839 1st Call locates year to date on Commission facilities as compared to 1089 in 2020.

50-21

Motion: It was **Moved** by Councillor Beverly Beckett that the Capital Region Southwest Water Services Commission Board of Directors receives as information the Manager's Report as presented by Shawn Olson, Commission Manager, CRSWSC.

Motion Carried Unanimously

B. Treasurer's Report

2021 Financial Update

The financial reports have been prepared up to October 31, 2021. After ten months of operations, there should be approximately 17% of the budget remaining. Revenue is over budget with 5% of the budget remaining. Management expenses are under budget with 35% of the budget remaining and operating expenses are over budget with 9% of the budget remaining. Overall the Commission is slightly over budget with total expenses at 10% of the budget remaining.

Water Sales and Purchases

- Both water sales and purchases are over budget with each at 6% of the budget remaining, primarily due to the high consumption months from June to September. To date the Commission has recorded a line loss of 3% which is consistent with prior years.

Revenue Variances

- Interest earned is over budget by 40% due to the performance of the Commission's investments.

Expenditure Variances

- Other professional fees are under budget with 64% of the budget remaining.
- Audit fees are booked at year end.
- Legal fees are under budget at 46%. Costs to date relate to the Bylaw draft/revision and asset transfer.
- Debenture interest and principal is under budget with half of the budget remaining. The final of the two payments will be made in December.
- Seminars and Conferences have 100% of the budget remaining. Any amount that is not used in the year will be carried forward for one year as per the *Board & Administration Training and Development Policy*.
- Regular & Annual meeting expenses have 96% of the budget remaining due to the virtual nature of the Board meetings to date.
- Other communications/maintenance costs are over budget due to the replacement of SD4 equipment at the Calmar Reservoir.
- Line maintenance is over budget due to a water main repair between New Sarepta and Hay Lakes, as well as a water leak at the Beaumont Recreation Center.
- There are a number of line items with 100% of the budget remaining due to the timing of when work is completed and expenditures occur. To the date of writing this report, no invoices had been received for these budgeted items.

Capital Expenditures

Capital expenditures are below budget with 85% of the overall budget remaining due to timing of capital projects.

- 2017.002 Air Release Manhole Rehab parts have been ordered and are in the process of delivery. Work is likely to commence in 2022.
- 2019.002 Beaumont Piping Upgrades project is on hold.
- 2021.001 Nisku Booster Station project costs incurred thus far relate to preliminary work on the Nisku Booster Station.
- 2021.002 Calmar Piping Upgrades is completed and the project came in slightly under budget.

2021 Water Consumption

Water sales and purchases are over budget to date and are forecasted to be for the year. A report titled *2021 Water Sales and Expenditures Projections* was included in the agenda package, which shows the impact of water sales and purchases to October 31, 2021 in comparison to budget. It also shows the projections for year end. Administration will bring forward the year to date financials at the January 20, 2022 meeting so the Board can see the water purchases for 2021.

Based on current consumption, it is projected that water sales will be an estimated \$905K over budget for the year and purchases will be over budget by an estimated \$575K, for a projected net increase on operating surplus of \$330K.

Regional Water Customers Group

The most recent meeting of the Regional Water Customers Group (RWCG) was held virtually on October 29, 2021.

The forecasted true-up rate for 2020 is \$0.9613 for a difference of \$0.0113 above the interim rate of \$0.95 being paid to EPCOR. This will result in a balance owing to EPCOR which will be covered by the RWCG balancing fund. This rate has not been settled.

The forecasted true-up rate for 2021 is \$0.9356 for a difference of -\$0.0744 below the interim rate of \$1.01 being paid to EPCOR. This will result in a refund from EPCOR. This rate has not been settled.

Based on discussions with the RWCG and EPCOR, a recommended 2022 interim rate of \$1.01/m³ has been incorporated into the 2022 budget .

2022 Interim Budget

The 2022 Interim Operating and Capital Budget was presented following the Treasurer's report.

51-21

Motion: It was **Moved** by Councillor Krista Gardner that the Capital Region Southwest Water Services Commission Board of Directors receive as information the Treasurer's Report as presented by Lauren Padgham, Treasurer, CRSWSC.

Motion Carried Unanimously

C. 2022 – 2024 Interim Budget

Proposed 2022 Interim Budget Highlights

Revenue

Water rates

The CRSWSC sales rate for water is \$1.64/m³ for 2022 – 2023 and \$1.68/m³ in 2024.

Water Flat Rates – Debenture Proceeds

Debenture proceeds charged to the member municipalities has remained the same as the 2021 budget of \$93,903. The 2022 budget is based on actual debenture payments (including principal and interest) for two debentures.

Interest

Interest has increased from \$100,000 to \$125,000 based on projected actuals for 2021. This is due to an increase in the balance of investments and earning interest revenue on the bank balance. The investment interest revenue will be transferred to the Future Water Capacity reserve. 2023 and 2024 see a decrease in investment interest revenue as the Commission draws funds to pay for the new Nisku Booster Station.

Drawn from Operating Reserves

The drawn from operating surplus budget increased from \$41,000 in 2021 to \$95,000 in 2022. \$35,000 is to offset the carry forward for unused Board Member seminar and conference funds based on the *Board & Administration Training and Development Policy*. \$10,000 is to offset the carry forward for Administration. The additional \$50,000 is to fund emergency repairs and offsets the increase in Line Maintenance.

Expenditures

- Operational and management contracts are as per contractual agreements. The current contracts were extended to December 31, 2022. This same amount has been extended out to 2024 as a placeholder.
- Audit fees are based on the fee schedule provided by the Commission's auditor, MNP LLP.
- Other Professional Fees have decreased by \$14,000. The 2022 budget reduction is due to a decrease in Investment Management Fees of \$24,000 (fees are taken from the yield of the investments) and an increase in miscellaneous fees of \$10,000.
- Debenture payments expense (interest + principal) have remained the same at \$93,303.
- The 2022 budget is based on the debenture schedules for both debenture 4000845 at \$68,742 annually & 4002395 at \$25,161 annually.
- Line maintenance has been increased by \$50,000 to cover emergency repairs, an offsetting transfer from reserves results in a net zero addition.
- Water Purchases – For 2022 EPCOR has recommended an interim rate of \$1.01/m³. The Regional Water Customers Group agreed to this interim rate and Administration recommends that the CRSWSC use this as its budgeted water rate for 2022. This is consistent with the water purchase rate in 2021.
- Power has increased in 2022 to better align with current year actuals. A marked increase in 2023 is to account for the Nisku Booster Station.
- The Seminars & Conferences budget for 2022 is \$90,000 and this is a result of a carry forward of \$35,000 from 2021 as per the *Board & Administration Training and Development Policy* and the carry forward of the unused budget of \$10,000 for Administration. The carry forward is funded through the operational reserve.
- All other expense line items have remained unchanged or have not changed by material amounts.

Transfer to Reserves

Operating

- Transfer to General Operations Reserve 2022 – 0.02/m³, 2023 – 0.025/m³, 2024 – 0.01/m³
- Transfer to/from Rate Stabilization reserve to balance budget.

Capital

- Investment revenue to be transferred to the Future Water Capacity Reserve for 2022 - 2024.
- Transfer to General Capital Reserve 2022 – 0.03/m³, 2023 – 0.02/m³, 2024 – 0.02/m³
- Transfer to Future Water Capacity Reserve 2022 – 0.375/m³, 2023 – 0.31/m³, 2024 – 0.295/m³

Capital

- Project 2017.002 – Air Release Manhole Rehabilitation parts have been ordered (2021) with the work expected to commence in 2022. Unspent funds will be carried forward to complete the project in 2022.
- Project 2019.002 – Beaumont Piping Upgrades is currently on hold while the Commission awaits a response from EPCOR regarding its meter.
- Project 2021.001 – Nisku Booster Station preliminary design has been ongoing in 2021. Project details were outlined in the Manager's report.

The Board requested that the financial statements include reference to the percentage change based on previous years. The Board also requested that Administration reviews the CRSWSC budget in detail at a future meeting, focussing on dynamic expenditure items and particular items that relate only to the Commission, so new Board members can better understand the CRSWSC budget.

Administration will present the final budget at the January 20, 2022 meeting and will also add percentages to the reports as requested. Board members are welcome to contact Lauren Padgham directly with any budget or financial related questions or clarifications.

52-21

Motion: It was **Moved** by Councillor Clifford Heinz that the Capital Region Southwest Water Services Commission Board of Directors adopt the 2022 Interim Operating and Capital Budget as presented, with total revenues and transfers from reserves of \$9,857,491 and total expenditures and transfers to reserves of \$9,857,491.

Motion Carried Unanimously

53-21

Motion: It was **Moved** by Councillor Beverly Beckett that the Capital Region Southwest Water Services Commission Board of Directors accept in principle the 2023 - 2024 forecasted Operating and Capital Budget.

Motion Carried Unanimously

5. UNFINISHED BUSINESS

A. Nisku Booster Station Structural Options

At the September 16, 2021 Board Meeting, Associated Engineering (AE) presented preliminary design concepts for the Nisku Booster Station which included solar panels. The Board requested an analysis on the cost of the solar panels, return on investment, and ability to get to a full net-zero facility versus a building electrical only net-zero facility. AE prepared a presentation to address the inquires of the Board and it is recommended that given the cost, return on investment, and energy savings after the return on investment period, that the Board approve Option 1 (which is to maximize the solar panel capacity on the roof to achieve higher than net-zero building only, which also offsets some of the pumping facility energy costs), as opposed to Option 2 (which provides for only enough solar panels to achieve net-zero building only with no further offset for the pumping facility energy costs).

Administration previously sought feedback from the Board with regards to exterior finishes of the Nisku Booster Station at the September 16, 2021 meeting. AE presented 3 options at which time the Board advised of a preference for a masonry and stucco finish (Option 2), but also requested further information on “tilt-up” construction which our consultants and contractors have confirmed is now commonly referred to as prefabricated concrete panel construction or “pre-cast” as an option. As part of this review, the design team toured Leduc County’s New Sarepta Fire Hall on November 5, 2021. Associated Engineering has prepared a presentation to compare Option 2 with the prefabricated concrete panel option. Despite a slightly higher cost which is due to the small size of the facility footprint, Administration is recommending Option 4 (prefabricated concrete panel and masonry) due to the resiliency and longevity of the building for this piece of critical infrastructure.

Chad Maki and Melanie Richmond with AE made a presentation to the Board. They advised that the project is estimated to be \$15 million dollars. They will be installing a larger diameter pipe to ensure there is capacity for future growth. It was noted that inflation has significantly increased recently, so AE has recommended a larger contingency fund of 25% based on what they are noticing in the industry with supply issues, increases in pumps and plastic costs, as well as risk of potentially needing to shore the land considering it is a small parcel of land. Geotechnical work has yet to be completed, but information from the adjacent site indicates sandstone and many utility lines exist, so AE wants to ensure they have set aside sufficient contingency funding to mitigate these risks.

The Board inquired whether the project would be stopped if it were to go over budget. Administration clarified that if the project was to go over the approved project budget, the Board would need to provide direction and approval for any additional budget requirements. As we move closer to actual tender, these unknowns should be addressed and we will have more cost certainty following detailed design. This is similar to the process followed for the Town of Millet pipeline project. In that project, the Commission administration did an excellent

job managing the project and it came in well below budget, based on a very competitive procurement process.

Two solar panel options were presented to the Board for consideration, the first with the maximum solar capacity resulting in \$45,000 savings over 10 years, and the second option of a smaller display achieving net zero (not including pump operations), resulting in \$15,000 savings over 10 years. The Board asked whether the model includes consideration of credits being sold to the grid. AE clarified that it is anticipated that when factoring in the pump operations, demand will still result in a utility bill as the solar panels will likely not fulfill the buildings entire needs. The Board also inquired about maintenance costs relating to solar panels. Administration advised that the City of Leduc Operations Building has had solar panels for several years and have found that they require very little maintenance. The City of Camrose also has experience with solar panels and commented that they have not experienced any maintenance issues or concerns. It was noted that solar panels generally perform more efficiently in the winter months. AE further clarified that the solar panels have a 25 year warranty period, with possibility for warranty extension.

- 54-21** **Motion:** It was **Moved** by Councillor Beverly Beckett that the Capital Region Southwest Water Services Commission Board of Directors approve the Option 1 coverage strategy for solar panels on the new Nisku Booster Station.

Motion Carried Unanimously

AE presented two building exterior options for the Boards consideration as discussed at the September 16, 2021 meeting, noting the advantages and disadvantages for each option. Administration thanked Leduc County for their assistance in coordinating a tour of the New Sarepta Fire Hall, as this was a very valuable and informative experience when reviewing exterior building options.

- 55-21** **Motion:** It was **Moved** by Councillor Don Faulkner that the Capital Region Southwest Water Services Commission Board of Directors approve Option 4, (prefabricated concrete panels and masonry finishes) on the new Nisku Booster Station.

Motion Carried Unanimously

6. NEW BUSINESS

A. Crossing Agreements and Water Supply Policy

Administration has been working on a Water Supply Policy with Associated Engineering (AE) that captures some of the technical requirements specific to the Commission, procedures for new connection requests, and Crossing Agreement procedures.

Included in this document are two items from the initial Strategic Plan that were lowered to a medium priority this year. These are as follows:

1. *Evaluate crossing agreements within Member rights of way. (Managing a Scarce Resource – 4.3.2)*
2. *Request that Members development permitting process includes identifying location of Commission water lines. (Master Planning – 4.4.3)*

A recommendation is included within section 2.1 of the Master Plan regarding protection of the CRSWSC lines. The recommendation states that a CRSWSC policy should be drafted to require member municipalities to have standards that developers must obtain Crossing Agreements from the CRSWSC and have Commission pipelines identified within planning documents by members.

Administration has generated an interactive map that was previously reviewed with the Board and will be hosted by the Commission and made available for member municipalities via a secure login. Following approval by the Board, Administration will send a letter to each member municipality advising them of the Water Policy and login information.

Mark D'aoust walked the Board through the interactive map and its functions. This tool was created by the City of Leduc Administration team at no cost to the Commission, with the intention to provide member municipalities with access to information relating to the CRSWSC distribution system and location of lines. It was clarified that this tool does not release member municipalities responsibility to submit first call locate requests and to request Crossing Agreements through the CRSWSC. Following the meeting, each municipality will receive a shared login and password for viewing capabilities. Municipalities are also welcome to request the shape file from Administration, which members can upload into their systems as an overlay.

It was clarified that the new Water Supply Policy formalizes many of the Commission's existing procedures in an official policy, regarding processes for connection requirements, air gaps, maximum rate of supply, etc.

56-21

Motion: It was **Moved** by Councillor Mathew Starky that the Capital Region Southwest Water Services Commission Board of Directors adopt the Capital Region Southwest Water Services Commission Water Supply Policy.

Motion Carried Unanimously

B. Beaumont Digital Ball Camera Inspection

The fill line is primarily comprised of 400mm C303-Bar-wrapped Pipe (BWP) water transmission main and roughly 8km long.

BWP utilizes a cement-mortar coating placed over the steel cylinder and bars to provide protection to the pipe. The coating places the steel in an alkaline environment that prohibits corrosion. If the coating deteriorates or is damaged due

to improper handling, operations, aggressive environments, etc., the alkaline environment will be compromised which may lead to corrosion of the steel cylinder and bars. As these elements corrode, the steel cylinder and bars will pit, thereby reducing the effective area of steel. If corrosion continues to progress, the pipe will likely develop a small, non-visible leak, which will grow with time. Eventually a large visible leak or a pipe failure will occur.

Pure Technologies offers to provide leak and gas pocket detection utilizing the free-swimming SmartBall® platform to inspect the Beaumont Fill Line while in service. An optional 30-days of transient pressure monitoring and a design check to determine if the C303-BWP is adequate for the anticipated loads in the pipeline has also been proposed. The analysis includes examining pipe design, operating and transient pressures, and internal and external loads.

A pipe design analysis will determine if the C303-BWP pipe is structurally adequate for the anticipated loads. The analysis will include examining in detail the pipe design, operating and transient pressures on the pipeline, as well as the internal and external loads acting on the pipe segments. Using the equations presented in the American Water Works Association (AWWA) design standards, Pure will calculate the minimum requirements to withstand both internal pressure and external loading along the length of the pipeline.

As part of this service, Pure Technologies also provides line detection using a GPS synchronized ultrasonic transmitter located in the Smart ball and collected GPS points to show a more accurate alignment of the pipe, similar to what was done with a different technology on the Calmar line in 2019. The City of Leduc has used this technology in the past with very positive results on a slow leak they could not find using traditional leak detection methods.

This project aligns with Strategic Plan items:

- *Ensure Members know the location of Commission water lines. (Managing a Scarce Resource – 4.4.3)*
- *Complete an asset inventory, including condition assessments. (Managing a Scarce Resource – 4.4.3)*

Deliverables:

- a. Location of any leaks and/or gas pockets in the pipeline;
- b. Estimate to the magnitude of each leak found (small-large);
- c. Pressure monitoring data (optional);
- d. AWWA design analyses for the C303-BWP (optional);
- e. Report summarizing the above findings and the methodology used.
- f. GPS data of pipe alignment.

Administration noted that these types of assessments are essential in order to maintain the distribution system, reduce risk and assess the integrity of the pipe, and to plan for replacements as opposed to costly emergency repairs. This is the only known portion of BWP pipe that is within the CRSWSC system and this portion

of pipe is extremely important as it is one of the Commission's main lines. This test serves as a conditional assessment and will provide an indication of the quality and longevity of the pipe, while identifying any deterioration that requires attention. Following the test, the results will be brought back to the Board for their information.

57-21

Motion: It was **Moved** by Councillor Kelly Vandenberghe that the Capital Region Southwest Water Services Commission Board of Directors direct Administration to inspect and assess a total of approximately 8 km of transmission main from the CRSWSC Main Line to the Beaumont Fill Station at a cost of \$100,000.00.

Motion Carried Unanimously

C. Nisku Booster Station Grant Funding

Administration has recently been advised of an extension to two potential grant funding sources for the Nisku Booster Station. While construction is currently planned for 2023 due to the ATCO gas cabinet relocation, there is opportunity to expedite the supply/discharge piping construction to 2022 if funding was available. Both grants could be used against all future project costs (except administration and operation) that have not yet been expended.

The Alberta Municipal Water/Wastewater Partnership (AMWWP) provides cost-shared funding to eligible municipalities to help build municipal facilities for water supply and treatment, and wastewater treatment and disposal. Eligible projects can receive up to 75% of project costs based on the municipality's official population when the grant is approved. Further information on this grant can be found at the following link: <https://www.alberta.ca/amwwp-apply.aspx>

The Water for Life Program provides cost-shared funding to regional commissions or groups of 2 or more municipalities. Funding is calculated using a weighted average based on eligible project costs prorated by the official populations of each municipality applying for funding. Further information on this grant can be found at the following link: <https://www.alberta.ca/water-life-existing-regional-water-systems.aspx>

It is expected that the Commission's chances of receiving funding are low as the program is significantly over subscribed (more applications than funds) and projects are prioritized based upon need, risk, criticality of infrastructure, etc. Spreading the costs over 2 fiscal years, however, could improve the Commission's chances of receiving funding. It was therefore recommended that the Board direct Administration to apply for these grants.

58-21

Motion: It was **Moved** by Councillor Paul Patterson that the Capital Region Southwest Water Services Commission Board of Directors direct Administration to apply to the Alberta Municipal Water and Wastewater Partnership Program (AMWWP) and the Water for Life Program for grant funding for the Nisku Booster Station project.

Motion Carried Unanimously

7. PROFESSIONAL DEVELOPMENT

Administration reviewed the list of professional development opportunities, many of which are virtual which is a convenient option to avoid travel at this time. Board members are encouraged to register for professional development opportunities, which Administration can assist with organizing.

Each member municipality is afforded \$5,000 each year towards professional development opportunities. The 2020 budget was not used, so as per the *Board and Administration Training and Development Policy*, this budget will be carried forward into 2021, resulting in \$10,000 allotted to each member municipality to use in 2021.

8. NEXT MEETING

The next regular meeting of the Capital Region Southwest Water Services Commission is scheduled for January 20, 2022. This meeting will be held at the Best Western Premier Denham Inn & Suites, located at 5207 – 50 Avenue in Leduc.

9. ADJOURNMENT

59-21 **Motion:** It was **Moved** by Councillor Krista Gardner to adjourn the meeting at 7:50 p.m.

Motion Carried Unanimously

CHAIRMAN

MANAGER