



**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION  
TO BE HELD THURSDAY, JANUARY 18, 2024  
DINNER AT 5:30 P.M., MEETING AT 6:00 P.M.,  
LEDUC GOLF CLUB, 5725 BLACK GOLD DRIVE, LEDUC, AB T9E 8C4**

**1. CALL TO ORDER**

Chairman Hansen called the meeting to order at 6:07 p.m.

**PRESENT:**

Mayor Bill Daneluik	City of Beaumont
Councillor Catherine McCook	City of Beaumont
Councillor Krista Gardner	Town of Calmar
Councillor Don Faulkner	Town of Calmar
Councillor Lars Hansen	City of Leduc
Councillor Beverly Beckett	City of Leduc
Councillor Doug Lyseng	Camrose County
Reeve Cindy Trautman	Camrose County
Councillor Clifford Heinz	Village of Hay Lakes
Councillor Paul Patterson	Village of Hay Lakes
Mayor Ron These	Village of Hay Lakes
Councillor Dal Viridi	Leduc County
Mayor Doug Peel	Town of Millet
Councillor Mathew Starky	Town of Millet

**ALSO PRESENT:**

Des Mryglod, Director, Engineering & Utilities	Leduc County
Shawn Olson, Commission Manager	City of Leduc
Rick Sereda, Operations Manager	City of Leduc
Lauren Padgham, Treasurer	City of Leduc
Gerard Del Rosario, Accountant	City of Leduc
Pam Regier, Project Manager	City of Leduc
Melanie White, Project Manager	City of Leduc
Kyle Van Steenoven, Project Manager	City of Leduc
Mark D'aoust, Commission Technician	City of Leduc
Katherine O'Dwyer, Recording Secretary	City of Leduc

**WITH REGRETS:**

Councillor Jordon Banack	Camrose County
Councillor Rick Smith	Leduc County
Councillor Kelly-Lynn Lewis	Leduc County
Councillor Steven van Nieuwkerk	City of Beaumont
Roger Steele, Manager, Technical & Utilities	EIA
Councillor Kevin Hycha	City of Camrose
Elie Tymchyshyn, Accountant	City of Leduc

**ADOPTION OF AGENDA**

**01-24**            **Motion:** It was **Moved** by Councillor Don Faulkner that the agenda for the January 18, 2024 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

**Motion Carried Unanimously**

**2. APPROVAL OF MINUTES**

**A. Minutes of the Organizational and Regular November 16, 2023 Meeting.**

**02-24**            **Motion:** It was **Moved** by Councillor Beverly Beckett that the meeting minutes of the November 16, 2023 Meeting of the Capital Region Southwest Water Services Commission Organizational and Regular meeting be approved as circulated.

**Motion Carried Unanimously**

**3. PUBLIC COMMENTARY**

There was no public commentary.

**4. REPORTS OF OFFICERS**

**A. Manager's Report**

**Recommendation:**

- 1) It is recommended that the CRSWSC Board of Directors receive this report as information.

**Nisku Booster Station**

***Construction***

The west water line installation, including all boring under the QEII, is now complete less tie-ins to the EPCOR main which will be done in Spring. The subcontractor is planning to remobilize to the east side to install thrust blocks and close the original launch pit excavation for winter. They will return in Spring for demo of the existing supply/discharge lines and installation of new. They plan to perform some initial pressure tests over the winter to identify any issues well in advance of Commissioning next fall. Building progress is ongoing. Backfill is completed and structural steel erection is nearing completion. Precast panel installation is scheduled for early January 2024.





Several non-conformance items identified with the underground subcontractor have now been remediated and are closed, including the east/west casing alignment deviations, and the north/south PVC alignment on the west side of the highway. The contractor has remediated all non-conforming backfill with the exception of one location which is under review by Associated Engineering. This subcontractor has raised concerns that part of the challenge and delays they have experienced on this project is a result of unforeseen ground conditions; that the material encountered on-site is different than that identified in the geotechnical report issued as part of the contract. Their geotechnical consultant took 4 additional boreholes on December 18 & 19, 2023 and the Commission's geotechnical representation was on-site to witness the sampling. It is anticipated that Maple Reinders may bring forth a claim on this basis, contesting the validity of the original geotechnical investigation, on behalf of their subcontractor. More information will be shared as it becomes available.

The Leduc County West internal bypass connection is complete and was turned over to the County on November 27, 2023. The County has completed their pressure testing and will be preparing for cleaning and commissioning in January. All significant coordination items appear to now be complete. The Commission will fill the County reservoir when notified their project is ready from the existing supply line.

Pricing has been received from Maple Reinders for the County East piping modifications required as a result of the EPCOR asset transfer, but some painting scope was excluded so it is back with the contractor to revise their pricing. The costing received so far supports the decision to scope it with the Nisku Booster Station project and not issue a separate tender to the market.

### **EPCOR Amending Agreement**

The amending agreement from EPCOR to modify the new demarcation points has been received by Administration and is being reviewed prior to bringing it forward to the board for approval and execution.

### **City of Beaumont Utility Master Plan**

At the last board meeting Administration indicated they met with Beaumont's Administration on November 6, 2023 regarding their draft utility master plan. Administration completed a review of Beaumont's draft master plan and provided comments on the potable water sections as it pertained to CRSWSC supply assumptions and provided those comments on December 20, 2023. The most significant comments were that Administration explained that the Commission provides water supply to a single point and it is up to the member municipality to distribute the water within their municipality. Beaumont Administration indicated that it is not possible for further expansion at the Main reservoir location and are looking for expansions at their St. Vital Reservoir in the next 4-5 years (the new feed from Edmonton for a new Reservoir in the north west of Beaumont's annexed area is not planned until longer into the future). The Commission advised that a member municipality can fund an extension to the Commission line if its desired to extend it to a different location, subject to approval from the board. The City of Leduc did this with their new Robinsons Reservoir where they funded a connection point to the new line to Millet as it was constructed to provide looping and redundancy to the supply within the City of Leduc. Additional comments that were relayed can be provided at the request of the board, and were excluded from this report due to the length of the masterplan.

### **Municipal Developments**

The Commission has seen varying levels of participation in referrals from our member municipalities since the Water Supply Policy was adopted. Administration has drafted a letter to all member municipalities as a reminder to notify the CRSWSC for all subdivision and statutory plan approvals in proximity to Commission infrastructure. A copy of the letter is attached.

The Water Supply Policy requires that Member Municipalities identify the existence of Commission infrastructure during the planning / permitting process for new development. Members must then refer any new development that is in proximity to the Commission infrastructure to the CRSWSC for crossing permits or proximity agreements. This ensures that Commission infrastructure is identified and protected to the greatest extent possible and allows the CRSWSC to identify areas where rights of way may be required for waterline extensions. This also reduces the risk of construction delays for proponents.

Administration received 2 notifications of Subdivision developments/extensions (2 from City of Beaumont) and 1 Area Structure Plan (City of Beaumont) from Members since the last meeting. Administration had no concerns with the documents provided and no comments were provided back to the Members.

### **Statistics Canada Core Infrastructure Survey**



Administration received the Statistics Canada Core Public Infrastructure Survey 2022 on October 13, 2023. This survey comes out approximately every 2 years. The survey was completed and submitted on November 17, 2023 prior to the deadline.

### **Statistics Canada Job Vacancy and Wage Survey**

Administration received an email from Statistics Canada on December 1, 2023 advising of a mandatory survey on job vacancy within the CRSWSC organization. The deadline to complete the survey was December 8, 2023. This survey was completed and submitted by Administration in advance of the deadline.

### **Regional Water Customer's Group (RWCG)**

Further to the November 16 board meeting update, the minutes from the referenced RWCG meeting on October 31, 2023 are attached for record.

### **RWCG - The Cost of Service Discussion**

A cost of service meeting with EPCOR was held on December 14, 2023. The group included representatives from EPCOR and from the RWCG (Jason Casault – Strathcona County, Shawn Olson – CRSWSC, Regan Lefebvre – St. Albert, Neil Jamieson – Parkland County, and Bill Stannard – Raftelis rate consultant). The group reviewed the hydraulic model and assumptions used to determine which pipes are classified as transmission mains and thus are costs shared with the Regional Water Customers Group. The presentation from EPCOR that outlines the agreed to methodology from 2012 is attached. The region is reviewing whether changes are appropriate to be considered, however initial indications are that transmission main classifications likely will remain. The next meeting is scheduled for January 2024.

### **EPCOR Water Treatment Plant Flood Protection**

Following the last RWCG meeting with EPCOR, the RWCG requested additional information on the flood protection initiative being undertaken by EPCOR. Highlights of the information received are as follows. The current water treatment plants would experience extreme flooding during a 1:180 year return period flood event. For reference, the North Saskatchewan River experienced floods that exceeded that intensity in both 1824 and 1915. If this flooding occurred, the water treatment plant would be inoperable for 3 to 10 months with near-zero capacity for 3 to 6 months. This would result in a projected \$140 million in expenses to truck in water, and a loss of an estimated \$28-45 billion dollars in GDP.

EPCOR has started work to increase flood protection measures at both locations and plans to increase the plants' protection to a 1:500 year return period flood by 2027. Measures include flood barriers, embankment improvements, bypass pumping pipelines, transformer relocation out of flood areas, and

backflow prevention. These improvements are already included in the future EPCOR rate model projections. This is important to share because it directly relates to the board's strategic plan initiatives around water security, and thus the CRSWSC is contributing to those critical upgrades through our water rate. In addition, EPCOR has been promised funding under the Provincial Alberta Community Resilience Program and the Federal Disaster Mitigation and Adaptation Fund in the amount of \$6.74 million out of a total forecasted cost of approximately \$22.47 million.

### **Water Treatment Plant Tour**

Further to direction provided at the November 16, 2023 board meeting, Administration has reached out to EPCOR to line up a tour of the E. L. Smith Water Treatment Plant in Edmonton. Administration is proposing that the tour take place immediately before the regularly scheduled May 16, 2024 board meeting, unless there are any objections from the board. Further information will be provided upon confirmation with EPCOR to provide the time, date and PPE requirements for the tour. If this date does not work, Administration will propose an alternate tour date of September 19, 2024, prior to the board meeting.

### **Drought Conditions in Alberta**

On December 20, 2023, a letter was sent to Alberta municipalities from the Minister of Environment and Protected Areas regarding drought conditions in Alberta. A copy of the letter is attached. The letter states that Alberta is currently in a Stage 4 drought, one step away from a Stage 5 drought which is a province-wide emergency. Municipalities are being advised to prepare by reviewing the terms of your water license, being prepared to work with the Drought Command Team, and ensuring the municipality has plans for water shortages.

The water license for all municipalities in the Capital Region Southwest Water Services Commission is held by the Regional Water Customers Group (RWCG). In review of that license, under section 4.9, the Director of Environment and Protected Areas has the right to require additional monitoring or scale back water demand if the North Saskatchewan River cannot supply it.

On January 9, 2024, Administration contacted the license holder at the RWCG to inquire on any forecasted actions that may be taken. Administration can report that we are not presently forecasting extreme restrictions in our area. That is because the current snow pack in stations contributing to the north Saskatchewan River at Southesk and Limestone Ridge are measuring at 48% and 141% respectively, and the water diversion for the North Saskatchewan River is significantly less allocated than other major rivers in the province. For additional perspective, the relative quantity of water for the entire Regional Water Customers Group (2 m<sup>3</sup>/s) is relatively low compared to the last recorded flow in the North Saskatchewan River in Edmonton (113 m<sup>3</sup>/s on December 14, 2023 at Station 05DF001). The regional situation will continue to be monitored moving forward and collaboration with regional stakeholders will continue to ensure we are prepared. Administration is also reaching out to EPCOR to enquire about any actions they may be aware of and will report back to the board with any new information.



The CRSWSC will alert your municipalities technical and board members if the situation changes. In the meantime, the CRSWSC encourages members to review the water demand management process that is available on the crswsc.ca website (<https://crswsc.ca/about/#policies>) to ensure your municipality is prepared for what actions to take in case of water restrictions.

### **Building Valuation & Loss Control Program**

CRSWSC received a follow up from Suncorp Valuations, stating that the results will be provided to us by AB municipalities team after they have updated their system with the costs they were provided by Suncorp Valuations. Annual updates from AB municipalities comes out in January of 2024. Suncorps provided high level information; most assets had modest increases since a previous valuation and updates, generally between 10 – 20%. This is in-line with what they've been seeing in other municipalities across all asset types as some of the previous updates were not keeping pace with construction costs, particularly due to the 2020-2022 impacts.

### **Millet Transmission Main Water Break**

On December 20 the on-call operator received low pressure alarms at both Robinson and Millet reservoirs. It was established through CRSWSC SCADA that the output flow at Telford Booster Station exceeded the sum of the incoming flows at Robinson Fill and Millet Fill. There was 300 m<sup>3</sup>/hr. of output flow from the Telford Booster Station and 150 m<sup>3</sup>/hr. of flow entering the Robinson Reservoir and no flow at Millet. The operator found water surfacing near the site of a previous repair. All pumps at the Telford Booster Station were shut down to reduce flow and pressure but maintain EPCOR pressure as to not depressurize the line completely. Early December 21, Nikiforuk was contracted to perform the repair as an emergency repair. Water was trucked out to Millet to maintain acceptable reservoir levels. The repair was completed around 9:00 pm, and both reservoirs were placed back into automated fill by 10:00 pm. We thank all the operators and contractors involved.

On December 23rd potable water was again noticed by the on-call operator while inspecting the repair site. It appears the issue requires a more fulsome repair to bond pipes together instead of the repair clamps that have been utilized in the past due to the deflection in the pipes at the location of the failures. Administration is working on plans to bond the pipes, however that has been a challenge as it has not been possible to fully isolate that section of line. The current line loss is not extensive so there is some time to work on a solution. Follow-up repairs likely include valve repairs and/or line stops to isolate the line, fusion bonding the pipe which would require a 3-4 day shut down (which is being confirmed by the contractor), and water hauling.

Total estimated water loss is estimated to be around 4500m<sup>3</sup> as of January 3.

### **EIA Reservoir 2**

The CRSWSC is still awaiting completion of the work required at EIA Reservoir 2 prior to providing acceptance certificates (FAC) of the donated assets from the EIA. The EIA has debated the necessity of

some of the repairs that the CRSWSC has indicated are required through Associated Engineering, before Final Acceptance of the assets can be granted, and ownership transferred to the commission. A copy of the Inspection Report by Associated Engineering is attached. Until all the repairs are completed, there are risks to the commission system. The high priority issues and those still being debated are outlined below (there are lower priority issues as well that are attached as reference). Please note that no timelines have been provided for even the agreed to repairs.

1. **\*High Priority\*** It is not known whether the system was properly flushed prior to the system coming online which presents a risk in terms of contaminants that could be flushed into the EIA system when higher velocities are encountered. The EIA has indicated they will complete this work, but no schedule has been provided to date.
2. **\*High Priority\*** - The air relief on the fill line is on the downstream side of the butterfly valve which means there is no air relief protection on the upstream side of the bypass, which could lead to cavitation in the pipe if there were air added to the system. The EIA has verbally agreed to do this work and indicated that they would do it at the same time the system is flushed.
3. **\*Debated\*** - There is no connection to the CRSWSC security system which means the fill side could have intrusion without warning to the CRSWSC. The EIA has indicated that this work is not planned to be completed because they believe their own site security is sufficient. This is counter to security measures at every other CRSWSC facility and is required to connect to our SCADA system for alarm notifications. This is estimated to be up to a \$2,500 one-time charge.
4. **\*Debated\*** - There is an unapproved flow control valve in use at the site (estimated \$5k to replace). The CRSWSC and Associated Engineering are concerned for two reasons:
  - a. If it fails, replacement parts may not be available and,
  - b. We cannot operate the valve in manual as it requires the power to be disconnected and that power disconnect is on the EIA side of the room that the CRSWSC is not the owner of. this can be a significant risk as the CRSWSC cannot manually close the valve in an emergency which could lead to an overflow or damage to the valve itself, if operated while still connected to power.

The EIA has challenged the practices at the time with respect to the fill valve, however, there are no records from the 2011/2012 review to indicate that anything different was approved. It is the CRSWSC opinion that it is the onus of the party donating assets to the commission to prove out that their assets are acceptable to the commission at the time of turnover.

Until resolved these risks will be present in the EIA system. The CRSWSC is awaiting formal notice from the EIA on their intended next steps before discussing this further with Leduc County as their host municipality to determine recommended options to move forward. More information will be brought forward to the board at the next board meeting.



### EIA Reservoir 1 Roof Hatch

EIA was performing work on the roof hatch of R1 on November 13, 2023. During their scheduled work the level sensors for R1 were disconnected by the contractor during the hatch work. The commission promptly followed up with EIA, and levels were monitored manually by EIA staff and reported to the commission operator. Level sensors were restored on November 16.

### Armena Line Locates

At the beginning of November, contractors working on the 65<sup>th</sup> east and Spine Road project, were unable to daylight the Armena line in order to secure crossing and proximity agreements. The CRSWSC was unable to find the line based on our GIS and ultimately contracted a third-party excavation company that was successful in daylighting the pipe at multiple locations. The locations were then entered into our GIS software for future locates.

### Highway 21 Electrical Issues

The commission had Associated Engineering perform an inspection on the incoming power to the Variable Frequency Drive's (VFD) and pumps. The commission has begun working through the possible issues, including;

1. Performing an insulation resistance test (Megger) on the cable from Motor control center (MCC) to Passive filter, the Passive filter to the VFD, and the VFD to motor.
2. Checking the VFD parameters to ensure they are set correctly for the motor load. Incorrect parameters can result in false alarms.
3. Checking the power filters and visually inspecting for physical deformation on all capacitors.
4. Checking the condition of capacitors.

### Commission Facility Locates

Commission operators completed 708 Utility Safety Partner locates in 2023 on Commission facilities, as compared to 355 in 2022.

### Professional Development Opportunities

Attachment vii.

**03-24**

**Motion:** It was **Moved** by Mayor Bill Daneluik 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****2023 Financial Update**

The financial reports have been prepared up to Dec 31, 2023. After twelve months of operations, there should be 100% of the budget spent. Management expenses are under budget with 89% of the budget spent and operating expenses are slightly over budget for the year by 3%.

Please note that we will still be entering invoices and making year end entries up to the conclusion of the year end audit. A final representation of the Commissions finances will be presented at the completion of the audit at the AGM.

***Water sales and purchases***

- Water sales and purchases are over budget by 6%, due to high consumption months from May to August.
- To date the Commission has recorded a line loss of 2.95%.

***Revenue Variances***

- Interest earned is over budget by 455% due to interest earned on investments and bank deposits. Investment and bank balances will begin to decline as spending on the Nisku Booster Station occurs throughout 2024.
- Capital Provincial Government Grants has a balance of \$300K due to receipt of an initial payment of the Water for Life Grant from Alberta Transportation.

***Expenditure Variances***

- Legal, Engineering and Other Professional fees are under budget due to less work required outside of the capital projects occurring in 2023.
- Audit fees came in 11% over budget this year due to additional work required for new auditing standards.
- Seminars & Conferences fees have 70% of the budget remaining. This is due to the carry forward of the prior year's budget and the number of conferences attended by the Board and Administration in the year.

Line Maintenance is under budget with 66% of the budget spent. However, the base budget of \$35K has been spent and the commission has utilized a portion of the \$50K annual allotment for emergency maintenance.

- Instrumentation & Mechanical has spent 35% of the budget to date due to less maintenance required in 2023.
- Honorariums are slightly over budget by 8% due to extra sub-committee and other meetings required from the board outside of regular meetings.



***Capital Expenditures***

Capital expenditures are below budget with 31% of the overall budget spent due to the multi-year projects. Any unspent funds in the following projects are requested to be carried forward to the 2024 budget:

- 2017.002 Air Release Manhole Rehab.
- 2021.001 Nisku Booster Station & Beaumont Piping Upgrades (combined carry forward).
- 2023.001 Highway 21 Booster Pump station Repairs.

**2023 Audit**

The Commission Auditors, MNP LLP are scheduled to complete the 2023 audit field work in February 2024. The audit report and findings along with the Commission's final financial results will be presented at the AGM on April 18, 2024.

# CRSWSC



Capital Region Southwest  
Water Services Commission

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## Statement of Operations to Dec 31, 2023

	Actual 2023	Budget 2023	Variance	Budget % Spent
<b>Revenue</b>				
Water Sales	10,725,537	10,070,956 -	654,581	106%
Water Flat Rate Debenture Proceeds	93,903	93,903	0	100%
Interest Earned	568,671	125,000 -	443,671	455%
Capital Prov Gov't Grants	300,000			
<b>Total Revenue</b>	<b>11,688,110</b>	<b>10,289,859 -</b>	<b>1,098,251</b>	<b>114%</b>
<b>Expenses</b>				
<b>Management Expenses</b>				
Management Contract	140,000	140,000	-	100%
Debenture payments	93,903	93,903	0	100%
Legal Fees	1,529	20,000	18,471	8%
Other Professional Fees	3,990	20,500	16,510	19%
Honorarium	16,225	15,005 -	1,220	108%
Audit Fees	14,963	13,500 -	1,463	111%
Office Supplies	1,630	3,500	1,870	47%
Mileage	3,386	4,000	614	85%
Bank Charges & Interest	264	500	236	53%
<b>Total Management Expenses</b>	<b>275,889</b>	<b>310,908</b>	<b>35,019</b>	<b>89%</b>
<b>Operating Expenses</b>				
Water Purchases	6,436,088	6,054,056 -	382,032	106%
Operating Contract	345,000	345,000	-	100%
Seminars & Conferences	27,063	90,000	62,937	30%
Line Maintenance	56,082	85,000	28,918	66%
Power	81,804	75,000 -	6,804	109%
Engineering Fees	34,857	50,000	15,143	70%
Instrumentation & Mechanical	15,843	45,000	29,157	35%
Insurance	27,305	30,000	2,695	91%
Facility Maintenance	16,706	16,000 -	706	104%
Regular & Annual Meeting Expenses	10,604	14,000	3,396	76%
Cathodic Protection	8,933	10,000	1,067	89%
Materials & Supplies	10,232	10,000 -	232	102%
Computer Maintenance & Supplies	2,839	8,000	5,161	35%
Easement Leases	2,600	7,550	4,950	34%
Gas	7,944	7,500 -	444	106%
Telephone	5,402	6,000	598	90%
Other Communication / Maintenance Costs	1,733	2,500	767	69%
Tools & Equipment	162	1,000	838	16%
Membership Dues	55	100	45	55%
<b>Total Operating Expenses</b>	<b>7,091,254</b>	<b>6,856,706 -</b>	<b>234,548</b>	<b>103%</b>
<b>Total Expenses</b>	<b>7,367,143</b>	<b>7,167,614 -</b>	<b>199,529</b>	<b>103%</b>
<b>Net of Revenue over Expenses</b>	<b>4,320,967</b>	<b>3,122,245 -</b>	<b>898,722</b>	<b>138%</b>
<b>Net Interfund Transfers</b>				
Drawn from Accumulated Surplus	-	-	-	0%
Transfer to Operating Reserves	-	111,690 -	111,690	100%
Transfer from Operating Reserves	-	95,000	95,000	100%
Transfer to Capital Reserves	-	3,105,555 -	3,105,555	100%
<b>Total Interfund Transfers</b>	<b>-</b>	<b>3,122,245 -</b>	<b>3,122,245</b>	
<b>Net Surplus (Deficit)</b>	<b>4,320,967</b>	<b>-</b>	<b>4,020,967</b>	



**Statement of Financial Position to Dec 31, 2023**

**Financial Assets**

Bank	\$	7,591,895
Accounts Receivable	\$	824,667
Accrued Receivables		
Investment Interest Receivable	\$	94,373
GST Receivable	\$	44,862
Short Term Investments	\$	8,913,286
<b>Total Financial Assets</b>	<b>\$</b>	<b>17,469,083</b>

**Liabilities**

Trade Accounts Payable	\$	1,153,403
Accrued Accounts Payable	\$	13,230
Accrued Interest on Debentures	\$	1,423
Debenture 4000845 - 2010	\$	628,916
Debenture 4002395 - 2018	\$	127,313
<b>Total Liabilities</b>	<b>\$</b>	<b>1,924,284</b>

**Net-Financial Assets**

<b>\$</b>	<b>15,544,799</b>
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**Non-Financial Assets**

Land	\$	208,298
Machinery & Equipment	\$	430,738
Accum. Depreciation - Mach & Equip	\$	(342,496)
Engineering Structures	\$	25,935,158
Work in Progress - Buildings	\$	1,068
Work in Progress - Equipment	\$	10,620
Work in Progress - Eng Structure	\$	116,152
Accum. Depreciation - Eng Stru	\$	(4,991,204)
Work in Progress - Nisku Booster Station	\$	7,721,131
<b>Total Non-Financial Assets</b>	<b>\$</b>	<b>29,089,464</b>

**Accumulated Surplus**

Rate Stabilization Op Reserve	\$	177,066
Emergency & Operations - Op Res	\$	200,000
General Reserves - Op Reserve	\$	990,054
Equipment - Cap Reserve	\$	1,874,489
Future Water Capacity - Cap Reserve	\$	14,107,438
Total Reserves for Future Use	\$	17,349,047
Unrestricted Surplus	\$	1,346,789
Investment - remeasurement gains/losses		
Equity in Fixed Assets	\$	21,617,460
Current Earnings (Net surplus (deficit) + add back debenture principle)	\$	4,320,967
<b>Total Accumulated Surplus</b>	<b>\$</b>	<b>44,634,263</b>

**Capital Summary to Dec 31, 2023**

<b>2017.002 Air Release Manhole Rehab</b>	
2023 Budget	175,000
2023 Expenditures	(3,278)
<b>Budget Remaining</b>	<b>171,722</b>
<b>2019.002 Beaumont Piping Upgrades</b>	
2023 Budget	165,000
2023 Expenditures	-
<b>Budget remaining</b>	<b>165,000</b>
<b>2021.001 Nisku Booster Station</b>	
2023 Budget	21,600,000
2023 Expenditures	(6,691,812)
<b>Budget Remaining</b>	<b>14,908,188</b>
<b>2023.001 Highway 21 Booster Pump Station Repairs</b>	
2023 Budget	23,000
2023 Expenditures	(13,291)
<b>Budget Remaining</b>	<b>9,709</b>
<b>2023.002 SCADA computer replacement</b>	
2023 Budget	15,000
2023 Expenditures	(10,620)
<b>Budget Remaining</b>	<b>4,380</b>
<b>2023 Total Capital Budget</b>	<b>21,978,000</b>
<b>2023 Total Capital Expenditures</b>	<b>(6,719,000)</b>
<b>Budget Remaining</b>	<b>15,259,000</b>
<b>Budget Spent</b>	<b>31%</b>



- 04-24**      **Motion:** It was **Moved** by Councillor Paul Patterson 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. Final Budget Report**

**Recommendation:**

- It is recommended that the CRSWSC Board of Directors adopt the 2024 Final Operating & Capital Budget as presented, with total revenues and transfers from reserves of \$10,519,413 and total expenditures and transfers to reserves of \$10,519,413.
- It is recommended that the CRSWSC Board of Directors accept in principle the 2025-2026 *forecasted Operating & Capital Budget*.

**2024 Final Budget Adjustments**

**Operating**

No proposed changes from the interim Operating budget to the Final budget presented.

**Capital**

The following 2023 projects are not complete and therefore are requesting to carry forward the remaining budget from 2023 into 2024. These will be added to the 2024 Capital Budget, see attachment iii.

- Air Release Manhole: \$171,700 Carry forward
- Nisku Booster Station & Beaumont Piping Upgrades: \$15,073,180 Carry forward
- Highway 21 Booster Pump Station Repairs: \$9,700 Carry Forward

- 05-24**      **Motion:** It was **Moved** by Mayor Doug Peel the Capital Region Southwest Water Services Commission Board of Board of Directors adopt the 2024 Final Operating & Capital Budget as presented, with total revenues and transfers from reserves of \$10,519,413 and total expenditures and transfers to reserves of \$10,519,413.

**Motion Carried Unanimously**

- 06-24 Motion:** It was **Moved** by Councillor Doug Lyseng the Capital Region Southwest Water Services Commission Board accept in principle the 2025-2026 forecasted Operating & Capital Budget.

**Motion Carried Unanimously**

**A. Policy 1 - Board & Administration Training and Development**

**Recommendation:**

- 1) That the CRSWSC Board of Directors approve 1 – Board and Administration Training and Development Policy.

**Board Administration Training and Development**

Board History

On the May 18, 2023 Board Meeting, Administration was instructed to bring forward a Policy Sub-Committee to update the CRSWSC policies according to Motion 28-23. At the September 21, 2023 board meeting, a Policy Sub-Committee was formed and Councilor Kelly-Lynn Lewis volunteered to chair the sub-committee, which would consist of Administration and any other board members that volunteer. Councilor Krista Gardner subsequently volunteered to participate on the Policy Sub-Committee.

On October 23, the first meeting of the Policy Sub-Committee was held. The policies were reviewed and updated to be a consistent format. On November 9, 2023, the Policy Sub-Committee met for the second time and reviewed proposed changes, proposed board reports and updated policies to specify consistent responsibilities and authorities. Specific to Policy 1 – Board and Administration Training and Development, the following changes are recommended:

- 1) The Policy Sub-Committee recommended the next review date of this policy to be on or before January 1, 2025. In general, the Policy Sub-Committee is recommending that the board review two policies per year, to ensure all policies are updated on a 4-year rotation.
- 2) The Policy Sub-Committee recommended the addition of the underlined verbiage to 1) a) Each member municipality of the Commission is entitled to an annual allowance of \$5000 in the currency of the country in which the training occurs.
- 3) The Policy Sub-Committee recommended the addition of the underlined verbiage to 2) a) Each member municipality of the Commission is entitled to an annual allowance of \$10,000 in the currency of the country in which the training occurs.



4) The Policy Sub-Committee recommended the addition of 1) d) Unused Director funding may be utilized to equally share the cost of a member municipalities administrative representatives related training.

#### Implementation / Communications

The Policy Sub-Committee brought this policy to the board to review on November 16, 2023 and requested any additional feedback be provided to the CRSWSC by December 31, 2023. No additional feedback was received and as a result the policy is being brought forward to the board for approval as planned, at the January 18, 2024 board meeting. Pending approval, the policy will be posted to crswsc.ca and the board orientation manual will be updated with the current policies.

**07-24**      **Motion:** It was **Moved** by Councillor Krista Gardner the Capital Region Southwest Water Services Commission Board of Directors approve 1 - Board & Administration Training and Development Policy as presented by Shawn Olson, CRSWSC.

**Motion Carried Unanimously**

#### **B. Policy 2 – Investment**

##### **Recommendation:**

1) It is recommended that the CRSWSC Board of Directors approve 2 – Investment Policy.

##### **Investment**

##### **Board History**

On the May 18, 2023 Board Meeting, Administration was instructed to bring forward a Policy Sub-Committee to update the CRSWSC policies according to Motion 28-23. At the September 21, 2023 board meeting, a Policy Sub-Committee was formed and Councilor Kelly-Lynn Lewis volunteered to chair the sub-committee, which would consist of Administration and any other board members that volunteer. Councilor Krista Gardner subsequently volunteered to participate on the Policy Sub-Committee.

On October 23, the first meeting of the Policy Sub-Committee was held. The policies were reviewed and updated to be a consistent format. On November 9, 2023, the Policy Sub-Committee met for the second time and reviewed proposed changes, proposed board reports and updated policies. Specific to Policy 2 – Investment, the following changes are recommended:

- 1) The Policy Sub-Committee recommended the next review date of this policy to be on or before January 1 2025. In general, the Policy Sub-Committee is recommending that the board review two policies per year, to ensure all policies are updated on a 4-year rotation.

#### Implementation / Communications

The Policy Sub-Committee brought this policy to the board to review on November 16, 2023 and requested any additional feedback be provided to the CRSWSC by December 31, 2023. No additional feedback was received and as a result the policy is being brought forward to the board for approval as planned, at the January 18, 2024 board meeting. Pending approval, the policy will be posted to crswsc.ca and the board orientation manual will be updated with the current policies.

**08-24**

**Motion:** It was **Moved** by Councillor Mathew Starky the Capital Region Southwest Water Services Commission Board of Directors approve Policy 2 - Investment as presented by Shawn Olson, CRSWSC.

**Motion Carried Unanimously**

### C. Policy 3 - Procurement

#### Recommendation:

- 1) It is recommended that the CRSWSC Board of Directors approve 3 – Procurement Policy.

### Board Administration Training and Development

#### Board History

On May 18, 2023 Board Meeting, Administration was instructed to bring forward a Policy Sub-Committee to update the CRSWSC policies according to Motion 28-23. At the September 21, 2023 board meeting, a Policy Sub-Committee was formed and Councilor Kelly-Lynn Lewis volunteered to chair the sub-committee, which would consist of Administration and any other board members that volunteer. Councilor Krista Gardner subsequently volunteered to participate on the Policy Sub-Committee.

On October 23, the first meeting of the Policy Sub-Committee was held. The policies were reviewed and updated to be a consistent format. On November 9, 2023, the Policy Sub-Committee met for the second time and reviewed proposed changes, proposed board reports and updated policies to specify consistent responsibilities and authorities. Specific to Policy 3 Procurement, the following changes are recommended:



- 1) The Policy Sub-Committee recommended the next review date of this policy to be on or before January 1 2026. In general, the Policy Sub-Committee is recommending that the board review two policies per year, to ensure all policies are updated on a 4 year rotation.
- 2) The Policy Sub-Committee recommended the addition of a definitions section to define what is meant by the term Commission Managers host municipality.

#### Implementation / Communications

The Policy Sub-Committee brought this policy to the board to review on November 16, 2023 and requested any additional feedback be provided to the CRSWSC by December 31, 2023. No additional feedback was received and as a result the policy is being brought forward to the board for approval as planned, at the January 18, 2024 board meeting. Pending approval, the policy will be posted to crswsc.ca and the board orientation manual will be updated with the current policies.

**09-24**                      **Motion:** It was **Moved** by Councillor Catherine McCook the Capital Region Southwest Water Services Commission Board of Directors approve 3 – Procurement Policy.

**Motion Carried Unanimously**

#### D. Policy – 4 Remuneration and Expenses

##### Recommendation:

- 1) It is recommended that the CRSWSC Board of Directors approve 4 – Remuneration and Expenses Policy.

#### Board Administration Training and Development

##### Board History

On May 18, 2023 Board Meeting, Administration was instructed to bring forward a Policy Sub-Committee to update the CRSWSC policies according to Motion 28-23. At the September 21, 2023 board meeting, a Policy Sub-Committee was formed and Councilor Kelly-Lynn Lewis volunteered to chair the sub-committee, which would consist of Administration and any other board members that volunteer. Councilor Krista Gardner subsequently volunteered to participate on the Policy Sub-Committee.

On October 23, the first meeting of the Policy Sub-Committee was held. The policies were reviewed and updated to be a consistent format. On November 9, 2023, the Policy Sub-Committee met for the second time and reviewed proposed changes, proposed board reports and

updated policies. Specific to Policy Remuneration and Expenses, the following changes are recommended:

- 1) The Policy Sub-Committee recommended the next review date of this policy to be on or before January 1 2026. In general, the Policy Sub-Committee is recommending that the board review two policies per year, to ensure all policies are updated on a 4 year rotation.
- 2) The Policy Sub-Committee has not included changes to allow for travel seat upgrades, however at the September 21, 2023 board meeting, Chairman Daneluik directed Administration to include consideration on travel allocations in a new business item for the November Board meeting. This is considered in this report. If the board would like to consider that option, it would be recommended that clause 5) c) be modified to state "The commission will reimburse for seat upgrades, business, priority, or first class so long as total expenditures do not exceed allowances specified in Policy 1 – Board and Administration Training and Development, clause 1) a) Each member municipality of the Commission is entitled to an annual allowance of \$5,000 in the currency of the country in which the training occurs.
- 3) The Policy Sub-Committee has not included changes to the maximum gratuity, however should the board wish to modify gratuity maximums it would be a change to clause 12) a) Tipping is limited to a maximum of 15%.

#### Implementation / Communications

The Policy Sub-Committee brought this policy to the board to review on November 16, 2023 and the board directed Administration to make change 2) as indicated above to include the allowance for seat upgrades. Following the board meeting, the City of Leduc modified its policies to increase allowable gratuity to 18%. As such, Administration is recommending implementing change 3 as indicated above to allow gratuities of up to 18% for consistency in transactions. No additional feedback was received and as a result the policy is being brought forward to the board for approval as planned, at the January 18, 2024 board meeting. Pending approval, the policy will be posted to crswsc.ca and the board orientation manual will be updated with the current policies.

**10-24**                      **Motion:** It was **Moved** by Deputy Mayor Clifford Heinz the Capital Region Southwest Water Services Commission Board of Directors approve 4 – Renumeration and Expenses Policy.

**Motion carried with 11 votes in favour and 1 votes opposed.**

In favour: Chairman Hansen, Councillor Don Faulkner, Councillor Dal Viridi, Mayor Bill Daneluik, Councillor Catherine McCook, Councillor Paul Patterson, Deputy Mayor Clifford Heinz, Councillor Doug Lyseng, Reeve Cindy Trautman, Mayor Doug Peel & Councillor Mathew Starky.

Opposed: Councillor Krista Gardner.



**E. Policy – 5 Reserve**

**Recommendation:**

- 1) It is recommended that the CRSWSC Board of approve 5 – Reserve Policy.

**Board Administration Training and Development**

**Board History**

On May 18, 2023 Board Meeting, Administration was instructed to bring forward a Policy Sub-Committee to update the CRSWSC policies according to Motion 28-23. At the September 21, 2023 board meeting, a Policy Sub-Committee was formed and Councilor Kelly-Lynn Lewis volunteered to chair the sub-committee, which would consist of Administration and any other board members that volunteer. Councilor Krista Gardner subsequently volunteered to participate on the Policy Sub-Committee.

On October 23, the first meeting of the Policy Sub-Committee was held. The policies were reviewed and updated to be a consistent format. On November 9, 2023, the Policy Sub-Committee met for the second time and reviewed proposed changes, proposed board reports and updated policies. Specific to Policy 5 - Reserve, the following changes are recommended:

- 1) The Policy Sub-Committee recommended the next review date of this policy to be on or before January 1 2027. In general, the Policy Sub-Committee is recommending that the board review two policies per year, to ensure all policies are updated on a 4 year rotation.

**Implementation / Communications**

The Policy Sub-Committee brought this policy to the board to review on November 16, 2023 and requested any additional feedback be provided to the CRSWSC by December 31, 2023. No additional feedback was received and as a result the policy is being brought forward to the board for approval as planned, at the January 18, 2024 board meeting. Pending approval, the policy will be posted to crswsc.ca and the board orientation manual will be updated with the current policies.

**11-24**

**Motion:** It was **Moved** by Councillor Dal Virdi the Capital Region Southwest Water Services Commission Board of Directors approve 5 – Reserve Policy

**Motion Carried Unanimously**

**F. Policy - 6 Water Supply**

**Recommendation:**

- 1) It is recommended that the CRSWSC Board of Directors receive this report as information.

### **Board Administration Training and Development**

#### **Board History**

On May 18, 2023 Board Meeting, Administration was instructed to bring forward a Policy Sub-Committee to update the CRSWSC policies according to Motion 28-23. At the September 21, 2023 board meeting, a Policy Sub-Committee was formed and Councilor Kelly-Lynn Lewis volunteered to chair the sub-committee, which would consist of Administration and any other board members that volunteer. Councilor Krista Gardner subsequently volunteered to participate on the Policy Sub-Committee.

On October 23, the first meeting of the Policy Sub-Committee was held. The policies were reviewed and updated to be a consistent format. On November 9, 2023, the Policy Sub-Committee met for the second time and reviewed proposed changes, proposed board reports and updated policies to specify consistent responsibilities and authorities. Specific to Policy 6 – Water Supply, the following changes are recommended:

- 1) The Policy Sub-Committee recommended the next review date of this policy to be on or before January 1 2027. In general, the Policy Sub-Committee is recommending that the board review two policies per year, to ensure all policies are updated on a 4 year rotation.
- 2) The Policy Sub-Committee recommended the addition of a catch all clause to cover the CRSWSC be added to this policy for any unintended gaps in policy that may exist. The Policy verbiage addition is as follows: The Capital Region Southwest Water Services Commission formally acknowledges that any policies and procedures not addressed in this or other posted policies adhere to the Commission managers host municipalities Policies and Procedures.
- 3) The Policy Sub-Committee recommended the addition of a definitions section to define what is meant by the term Commission Managers host municipality and to define the relationship between Associated Engineering and the CRSWSC as it related to the Water Supply Policy creation.

**12-24**

**Motion:** It was **Moved** by Councillor Doug Lyseng the Capital Region Southwest Water Services Commission Board of Directors approve 6 – Water Supply Policy

#### **G. Policy – 7 Service Connection Demarcation Point**

#### **Recommendation:**

\*motion carried  
Unanimously



- 1) It is recommended that the CRSWSC Board of Directors receive this report as information.

### **Board Administration Training and Development**

#### **Board History**

On May 18, 2023 Board Meeting, Administration was instructed to bring forward a Policy Sub-Committee to update the CRSWSC policies according to Motion 28-23. At the September 21, 2023 board meeting, a Policy Sub-Committee was formed and Councilor Kelly-Lynn Lewis volunteered to chair the sub-committee, which would consist of Administration and any other board members that volunteer. Councilor Krista Gardner subsequently volunteered to participate on the Policy Sub-Committee.

On October 23, the first meeting of the Policy Sub-Committee was held. The policies were reviewed and updated to be a consistent format. On November 9, 2023, the Policy Sub-Committee met for the second time and reviewed proposed changes, proposed board reports and updated policies to specify consistent responsibilities and authorities. Specific to Policy 7 – Legacy Service Connection Demarcation Point, the following changes are recommended:

- 1) The Policy Sub-Committee recommended the next review date of this policy to be on or before January 1, 2028. In general, the Policy Sub-Committee is recommending that the board review two policies per year, to ensure all policies are updated on a 4 year rotation.
- 2) The Policy Sub-Committee recommended changing the name of the policy to “Legacy Service Connection Demarcation Point” to better describe the intent of the policy.
- 3) Context was added in the policy objective to better clarify where the ownership of the private owner and the commission transitions.
- 4) The Policy Sub-Committee recommended the addition of a definitions section to define what is meant by the terms demarcation point, upstream and downstream.

#### **Implementation / Communications**

The Policy Sub-Committee brought this policy to the board to review on November 16, 2023 and requested any additional feedback be provided to the CRSWSC by December 31, 2023. No additional feedback was received and as a result the policy is being brought forward to the board for approval as planned, at the January 18, 2024 board meeting. Pending approval, the policy will be posted to crswsc.ca and the board orientation manual will be updated with the current policies.



- 13-24**      **Motion:** It was **Moved** by Councillor Mathew Starky the Capital Region Southwest Water Services Commission Board of Directors approve 7 – Legacy Service Connection Demarcation Point Policy.

**Motion Carried Unanimously**

**NEXT MEETING**

The next meeting of the Capital Region Southwest Water Services Commission will be the Organizational and Regular meetings, scheduled for March 21, 2024.

**5. ADJOURNMENT**

- 14-24**      **Motion:** It was **Moved** by Mayor Daneluik to adjourn the meeting at 7:00 p.m.

**Motion Carried Unanimously**

  
\_\_\_\_\_  
CHAIRMAN

  
\_\_\_\_\_  
MANAGER