

**REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
TO BE HELD THURSDAY, JANUARY 22, 2026
LEDUC GOLF CLUB, 5725 BLACK GOLD DRIVE, LEDUC, AB, T9E 8C4
DINNER: 5:30 P.M., MEETING: 6:00 P.M.**

1. CALL TO ORDER**2. ADOPTION OF AGENDA****3. APPROVAL OF MINUTES**

- * A. Minutes of the November 20, 2025 Organizational meeting (pages 2 - 5)
- * B. Minutes of the November 20, 2025 Regular meeting (pages 6 - 23)

4. PUBLIC COMMENTARY**5. REPORTS OF OFFICERS**

- * A. Manager's Report (pages 24 - 30)
- * B. Treasurer's Report (pages 31 - 36)
- * C. Final Budget Report (pages 37 - 38)

6. UNFINISHED BUSINESS

- * A. Master Plan / Strategic Update (page 39)

7. NEW BUSINESS**8. CLOSED SESSION**

- *** A. Management and Operations Contract (ATIA s.22, 28 & 29)

9. NEXT MEETING

The next meeting is scheduled for March 19, 2026, to be held at the Leduc Golf Club.

10. ADJOURNMENT

* Items attached to agenda
** Verbal agenda item
*** Items to be circulated

**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
ORGANIZATIONAL MEETING, HELD ON THURSDAY, NOVEMBER 20, 2025 AT 6:00 P.M.
LEDUC GOLF CLUB, 5725 BLACK GOLD DRIVE, LEDUC, AB T9E 8C4**

1. CALL TO ORDER

The meeting was called to order at 6:00 p.m. by Shawn Olson, Commission Manager, CRSWSC. Shawn Olson welcomed members, completed round table introductions and provided a brief orientation of the Commission. A Board Orientation Manual was also distributed to new Board members.

2. APPOINTED MEMBERS

The following list of members were appointed to the Capital Region Southwest Water Services Commission Board by their municipality.

- I. Mayor Lisa Vanderwaak, City of Beaumont
- II. Councillor Anthony Kohlsmith, City of Beaumont
- III. Councillor Steven vanNieuwkerk, City of Beaumont (alt.)
- IV. Mayor Krista Gardner, Town of Calmar
- V. Councillor Jaime McKeag Reber, Town of Calmar
- VI. Councillor Don Faulkner, Town of Calmar (alt.)
- VII. Mayor Lars Hansen, City of Leduc
- VIII. Councillor Laura Tillack, City of Leduc
- IX. Councillor Jill Spinks, City of Leduc (alt.)
- X. Councillor Doug Lyseng, Camrose County
- XI. Councillor Jordon Banack, Camrose County
- XII. Councillor Martin Maxwell, Camrose County (alt.)
- XIII. Deputy Mayor Ron These, Village of Hay Lakes
- XIV. Councillor Paul Patterson, Village of Hay Lakes
- XV. Councillor Kimberlee Hunter, Village of Hay Lakes (alt.)
- XVI. Councillor Dal Virdi, Leduc County
- XVII. Councillor Bonnie Thomas, Leduc County
- XVIII. Councillor Kelly-Lynn Lewis, Leduc County (alt.)

- XIX. Councillor Glen Bienert, Leduc County (alt.)
- XX. Mayor Doug Peel, Town of Millet
- XXI. Councillor Mathew Starky, Town of Millet
- XXII. Councillor Susie Petrisor, Town of Millet (alt.)

The following members were appointed to the CRSWSC Board by their municipality, as observers with no voting rights.

- I. Councillor Wayne Thronsdson, City of Camrose
- II. Councillor Lana Broker, City of Camrose
- III. Malcolm Boyd, City Manager City of Camrose (alt.)

35-25 **Motion:** It was **Moved** by Mayor Lars Hansen to receive the list of Appointed Members as information.

Motion Carried Unanimously

3. ELECTION OF OFFICERS

Manager Shawn Olson proposed Gerard Del Rosario and Elie Tymchyshyn to be the scrutineers if a vote was required.

36-25 **Motion:** It was **Moved** by Mayor Krista Gardner that the Capital Region Southwest Water Services Commission accept Gerard Del Rosario and Elie Tymchyshyn as the scrutineers for the nominations of Chair and Vice Chair of the Capital Region Southwest Water Services Commission.

Motion Carried Unanimously

Manager Shawn Olson explained that this will be a nomination process. If someone wishes to do so, they can indicate if they wish to let their name stand for a position.

A. Nomination of Chair

Manager Shawn Olson called for nominations and/or anyone who wished to let their name stand for the position of the Capital Region Southwest Water Services Commission Chair.

Board Member Mayor Lars Hansen nominated Board Member Mayor Krista Gardner for Chair.

Second call for nominations or to let name stand.

Third and final call for nominations or to let name stand.

No further nominations received.

37-25 **Motion:** It was **Moved** by Councillor Bonnie Thomas to appoint Mayor Krista Gardner as Chair of the Capital Region Southwest Water Services Commission, elected by Acclamation.

Motion Carried Unanimously

Board member Mayor Krista Gardner thanked the members for the appointment and assumed the position as Chair.

B. Nomination of Vice Chair

Chair Krista Gardner called for nominations and/or anyone who wished to let their name stand for the position of the Capital Region Southwest Water Services Commission Vice Chair.

Board Member Mayor Lars Hansen nominated Board Member Councillor Laura Tillack for Vice Chair.

Second call for nominations or to let name stand.

Third and final call for nominations or to let name stand.

No further nominations received.

38-25 **Motion:** It was **Moved** by Mayor Lars Hansen that nominations for the position of Vice Chair of the Capital Region Southwest Water Services Commission cease.

Motion Carried Unanimously

Chair Krista Gardner declared Board Member Councillor Laura Tillack, elected by Acclamation, as Vice Chair of the Capital Region Southwest Water Services Commission.

Board member Councillor Laura Tillack thanked the members for the appointment.

4. MEETING DATES

A. Proposed 2026 Meeting Dates

The following 2026 meeting dates were reviewed by the Board.

- Thursday, January 22, 2026 – Regular Meeting
- Thursday, March 19, 2026 – Regular Meeting
- Thursday, April 16, 2026 – Annual General Meeting

- Thursday, May 21, 2026 – Regular Meeting
- Thursday, September 17, 2026 – Regular Meeting
- Thursday, November 19, 2026 – Organizational & Regular Meeting

The Regular meetings will be held at the Leduc Golf Club, located at 5725 Black Gold Drive, Leduc, AB, T9E 8C4. Dinner will be served at 5:30 p.m., with meetings beginning at 6:00 p.m.

The location of the Annual General Meeting is yet to be confirmed. Cocktails will start at 5:00 p.m., dinner will be served at 6:00 p.m., with the meeting to follow at 7:00 p.m. Formal invitations will be distributed for this event.

39-25 **Motion:** It was **Moved** by Councillor Mathew Starky that the 2026 meeting dates be approved as circulated.

Motion Carried Unanimously

5. ADJOURNMENT

40-25 **Motion:** It was **Moved** by Councillor Jaime McKeag Reber to adjourn the meeting at 6:33 p.m.

Motion Carried Unanimously

CHAIR

MANAGER

**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION,
REGULAR MEETING, HELD ON THURSDAY, NOVEMBER 20, 2025
DINNER AT 5:30 P.M., MEETING AT 6:00 P.M.,
LEDUC GOLF COURSE 5725 BLACK GOLD DR, LEDUC, AB T9E 8C4**

1. CALL TO ORDER

Chair Krista Gardner called the meeting to order at 6:34 p.m.

| | | |
|----------------------|--|--|
| PRESENT: | Mayor Krista Gardner Councillor Jaime McKeag Reber Mayor Lars Hansen Councillor Laura Tillack Mayor Lisa Vanderkwaak Councillor Anthony Kohlsmith Deputy Mayor Ron These Councillor Paul Patterson Councillor Bonnie Thomas Councillor Dal Virdi Councillor Doug Lyseng Councillor Jordon Banack Mayor Doug Peel Councillor Mathew Starky | Town of Calmar Town of Calmar City of Leduc City of Leduc City of Beaumont City of Beaumont Village of Hay Lakes Village of Hay Lakes Leduc County Leduc County Camrose County Camrose County Town of Millet Town of Millet |
| ALSO PRESENT: | Councillor Jill Spinks (alt.) Councillor Shawn Raymond Councillor Kimberlee Hunter (alt.) Councillor Martin Maxwell (alt.) Councillor Lana Broker Kristofer Johnson, G.M., Infrastructure Roger Steele, Manager Des Mryglod, Director, Eng., Utilities & Transit Shawn Olson, Commission Manager Rick Sereda, Operations Manager Gerard Del Rosario, Commission Treasurer Elie Tymchyshyn, Accountant Mark D'aoust, Operations Technician Melanie White, Project Manager Shannon Bremner, Recording Secretary Kyle van Steenoven, Director, Eng. & Env. Katherine O'Dwyer, Administrator Lauren Padgham, Director, Finance Chelsey Iles, Acting Manager, Capital Projects Blair Martin, Manager, Infrastructure & Main. Chris Parfitt, Project Manager | City of Leduc City of Leduc Village of Hay Lakes Camrose County City of Camrose City of Camrose EIA Leduc County City of Leduc City of Leduc Associated Engineering |

Ian McCormack, President
Lauren Driver, Senior Consultant

Strategic Steps
Strategic Steps

WITH REGRETS:

2. ADOPTION OF AGENDA

41-25 **Motion:** It was **Moved** by Mayor Lisa Vanderkwaak that the agenda for the November 20, 2025, Capital Region Southwest Water Services regular meeting be approved as circulated.

Motion Carried Unanimously

3. APPROVAL OF MINUTES

A. Minutes of the September 18, 2025 Meeting

42-25 **Motion:** It was **Moved** by Mayor Doug Peel that the meeting minutes of the September 18, 2025 meeting of the Capital Region Southwest Water Services Commission regular meeting be approved as amended.

Motion Carried Unanimously

4. PUBLIC COMMENTARY

There was no public commentary.

5. REPORTS OF OFFICERS

A. Manager's Report

Administration Personnel Changes

Several administrative personnel have changed positions recently within the City of Leduc, which led to some changes to CRSSWC responsibilities. Shawn Olson was promoted to the position of General Manager of Infrastructure and Planning and will remain as the CRSSWC Manager. Kyle van Steenoven was promoted to the Director of Engineering and Environment and will transition to the management of the Leduc and District Regional Waste Management Commission, with the incoming Manager of Capital Projects and Development taking over his position on the CRSSWC. As part of these organizational changes, Shannon Bremner will transition back into the CRSSWC Administrative role which she previously held from 2016 - 2022, with Katherine O'Dwyer continuing to provide cross training, coverage and support.

Nisku Booster Station

The 2020 Water Master Plan specified the need to construct a booster station to ensure adequate water flow for Commission Members' current and future growth. The Commission started construction of the Nisku Booster Station in 2023.

The new Nisku Booster Station achieved Substantial Completion on August 19, 2025 and the Commission has now assumed ownership and operation of the booster station. Work continues to address deficiencies that must be rectified in order to achieve Total Performance. Some of the remaining deficiencies include fencing, line painting, a roof repair and PRV troubleshooting. The two-year warranty period will begin once all deficiencies are resolved and Total Performance is achieved.

New insurance documents were attached to the agenda package, showing that the new booster station was added to the Commission's insurance policy.

The project team continues to work on financial close-out. Carry-forward of funds was discussed further in the Financial Report. All indications are that this project will be completed within budget.

Municipal Developments

Administration received 7 notifications of subdivision developments/extensions (6 from City of Beaumont, 1 from City of Leduc), 1 Notice of Subdivision (Town of Calmar), and 1 Municipal Development Plan (Town of Calmar). Administration responded to one notification for the Elan 6 subdivision in the City of Beaumont.

Regional Water Customer Group

A Regional Water Customer Group (RWCG) meeting was held on October 27, 2025. Some key points discussed were:

1. Review of water license – The RWCG has currently utilized 61% of the existing water diversion licence from the North Saskatchewan River and can apply to increase our allocation once utilization exceeds 80%. Annual diversion amount utilized in 2024 was 36,372,675 m³ of the total permitted allocation of 60,000,000 m³.
2. Cost of Service discussion – This was discussed in the Financial Report.
3. Technical meeting review – Highlights included below.

Water Master Plan and Feasibility Study

Associated Engineering (AE) distributed letters to members in September requesting information about their water demands, growth projections, and other relevant information for the Water Master Plan. At the time of the report, 2

members had not yet submitted their information; AE will be following up with those members. Once all of the data has been received, AE will begin the water modeling portion of the Master Plan. AE completed the facility assessment portion of the Master Plan in October.

In early November, Board Members received information to review for the strategic planning portion of the Water Master Plan, including an online survey. The first session of strategic planning, led by Strategic Steps, was held on November 20, 2025 under New Business Item 7.A. A second strategic planning session will be held at the January 22, 2026 Board meeting. More information pertaining to the January session will be provided in advance of that meeting.

The Camrose-Wetaskiwin Feasibility Study is being completed in conjunction with the Water Master Plan. Modeling performed for the Water Master Plan will also be used for the feasibility study.

Miquelon Lake Connection

Administration was contacted by a consultant working for Alberta Parks about a possible water connection to feed Miquelon Lake Provincial Park campground from the CRSWSC. Preliminary water modeling shows that connecting directly to the Armena line would require AB Parks to build a dedicated booster station on their service line and may remove future capacity for existing customers on the Armena line. This solution is not recommended, and instead Administration has asked Associated Engineering to add Miquelon Lake onto the Camrose Feasibility Study. That analysis will explore the possibility of a shared line.

City of Beaumont Line Extension to St. Vital Reservoir

Administration has no further updates on the City of Beaumont's line extension to St. Vital. The following is a summary of activity to date as it is expected that this project will be progressing shortly.

City of Beaumont Administration previously submitted a new connection application for a water transmission line connecting the St. Vital Reservoir to the CRSWSC water transmission line to Beaumont. CRSWSC Administration understands that Beaumont plans to construct a temporary water transmission line from their Main Reservoir to their St. Vital Reservoir. Once in place, they plan to perform repairs / upgrades to the Main Reservoir, then will return to operating with the Main Reservoir as the primary connection to CRSWSC and the new line to St. Vital will form part of Beaumont's distribution system.

At the June 19, 2025 CRSWSC Board meeting, Motion 22-25 was passed giving conditional approval for the City of Beaumont's connection subject to submission and administration review of all required documentation. Following that meeting, the City of Beaumont submitted the request and Administration and Associated Engineering reviewed the new information provided. A conditional approval was issued on July 9, 2025, for the new, temporary connection to St. Vital. Note that

this approval has several conditions which must be met before full approval will be granted.

The City of Beaumont has indicated that they will commence with pump house modifications at St. Vital this Fall with a tender for the fill line planned for early 2026.

Future Construction near Beaumont Transmission Line

Administration has become aware of future projects that are in close proximity to the Beaumont water transmission line. The CRSSWC water line to Beaumont is located in a shared utility right-of-way (ROW) belonging to Arrow Utilities. Arrow Utilities plans to twin its sanitary line in the shared ROW, installing a new 900 mm diameter pipe in between the existing sanitary line and the Commission water line. Administration has reached out to Arrow Utilities to gain clarification about the project and to inform them of the sensitivity of working immediately next to Beaumont's only supply line. Arrow Utilities responded that the project is expected to be tendered in late 2026, with construction to be completed by 2028. Administration will continue to work with Arrow Utilities as this project advances.

Another future project is a 600 mm diameter water line being planned by Leduc County. This water line may also share the Arrow Utilities ROW but that remains to be confirmed. Administration will work with Leduc County as the design for the project is finalized to ensure that additional precautions are taken for any work in proximity to the Commission water line. Currently, no additional information is known about the alignment and schedule of this project.

As previously noted over the past year, the Beaumont transmission line is a C303 pipe, a material that has shown in recent years across North America to be highly susceptible to vibration and construction activities causing damage or failure. This type of pipe is also very difficult to repair compared to other pipe materials, often taking weeks to repair rather than hours or days. In this case, the Beaumont transmission line is the sole water line feeding the City of Beaumont, and the City's water demand is too great to be able to rely 100% on trucking water during an extended emergency situation.

As a response to this elevated risk profile, the Commission has increased requirements for crossing / proximity agreements where work takes place adjacent to the Beaumont transmission water line. CRSSWC Operations has also updated the emergency plan and entered into a Memorandum of Understanding with GS Construction to ensure a timely and effective response in case of critical service interruptions and infrastructure failures. The Operations Team also proactively purchased spare materials with long lead times to reduce the duration of a repair in case of emergency.

These added measures were put in place for the development of Beaumont's 2025 Elan Stage 4 subdivision which backs directly onto the Commission water line. Administration worked with the developer's consultant to meet additional

requirements for a crossing agreement, which included preparing a Constructability Report with vibration monitoring for the duration of construction, as well as requiring the developer to pay for a Commission representative to be on site supervising all work within 10 meters of the water line.

Administration has received notice that Elan Stage 6 is expected to be constructed in Summer 2026 and will continue to work with Elan's team to ensure safe construction activities are followed with the upcoming crossing / proximity agreement.

Hazardous Building Material Assessment

Following the completion of the hazardous materials assessment earlier this year, the Standard Operating Procedures (SOPs) have now been distributed to all applicable facilities, and warning signage has been installed. These measures ensure that all Commission operators and contractors are aware of potential asbestos and lead paint hazards and are equipped with the necessary guidance to perform work safely. This completes the Commission response to the near miss at Nisku West where unknown asbestos was discovered. This ensures that all sites, regardless of ownership, are aware of potentially hazardous materials.

Air Relief Valve Capital Project

Air relief valves (ARV) are being installed or replaced throughout the system to meet current standards. As a point of reference, it was an ARV that failed at 41st Avenue in Edmonton which resulted in extended outages in water supply from EPCOR to all Commission members. This proactive project is planned for completion by year-end, pending favorable weather conditions.

Regional Water Customer Group Technical Committee

During the most recent Regional Water Customer Group (RWCG) technical committee meeting, several key operational and planning topics were discussed. The group reviewed the proposal to update reservoir level displays on SCADA (Supervisory Control and Data Acquisition). SCADA is the remote monitoring and controls system which will now include fire storage indicators for all reservoirs monitored by the RWCG. This improvement will enhance visibility of available fire storage capacity and support coordinated response across member municipalities.

Water demand management recommendations were also brought forward to the RWCG Steering Committee for discussion, with member input to be gathered before the measures are finalized.

The group also discussed opportunities to share information on emerging water line assessment technologies, noting that CRSWSC had previously utilized Smart Ball technology to assess the City of Beaumont transmission line, providing valuable data on pipeline integrity and leak detection. In addition, the

CRSWSC will be providing EPCOR with shapefiles for custody transfer points to ensure data consistency and improve system mapping accuracy across the regional network.

Emergency Planning

The following progress has been made since the September 18, 2025 Board meeting based on ongoing emergency planning:

- Fusing parts for HDPE pipe were purchased.
- The team is awaiting recommendations for lightning rod and surge protection upgrades at the Calmar Fill Station.
- Proactive daylighting of the Millet line leading to the reservoir, as well as inspection of an old repair clamp to assess its condition and check for potential leaks.
- Ordered and awaiting delivery from Westcan on upgrading the grounding at Calmar like they did for Highway 21.

Commission Facility Locates

Commission operators completed 339 Utility Safety Partner locates as of November 1, 2025 on Commission facilities, as compared to 610 as of November 1, 2024.

Professional Development Opportunities

The list of professional development opportunities was attached to the agenda.

Management and Operations Contract

The Management and Operations Contract, currently held by the City of Leduc, extends until December 31, 2026. The Contract provides an option to extend the term of the Agreement by a one-year period ending December 31, 2027. This option was requested by the Board at the time of the initial contract to allow for additional stability recognizing the 2025 municipal election.

Administration advised that they will require direction at the January 22, 2026 Board meeting to exercise the one-year extension currently priced out in the original proposal, or whether to direct Administration to prepare the RFP for a new 5-year contract. This will be brought forward as an in-camera item in January for Board discussion and direction.

43-25 **Motion:** It was **Moved** by Councillor Anthony Kohlsmith 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

2025 Financial Update

The financial reports were prepared up to October 31, 2025. After ten months of operations, there should be approximately 83% of the budget spent/earned. The Commission is slightly over budget in expenses with 88% of the budget spent, which is offset by earning more revenue than budgeted at 95%.

Management expenses are under budget with 68% of the budget spent and operating expenses are slightly above budget for the year with 89% of the budget spent.

Water sales and purchases

- Water sales and purchases are slightly over budget with 93% of the budget spent/earned due to higher than projected consumption.
- To date the Commission has recorded a line loss of 2.98%.

Revenue Variances

- Interest earned (381%) exceeds the budget due to a combination of interest in our bank balance as well as investment returns. Once costs for the Nisku Booster Station are finalized, excess bank balances will be transferred into investments.

Expenditure Variances

Management:

- The Management contract is on budget with 83% of the budget spent.
- Debentures are under budget at 50%, however payments are made in June and December.
- Legal fees are under budget at 4% as the focus for the year has been on the Nisku Booster Station.
- Other Professional Fees are over budget at 160% due to the Hazardous Building Material Assessment.
- Audit fees will be booked in Q4 during the interim audit of the Commission's financials.
- Honorariums (41%) and mileage (59%) are both under budget. These budgets were increased to account for annual policy reviews and directly correlate to the number of Board members attending these reviews.

Operating:

- The Operating contract is on budget with 83% of the budget spent.
- Seminar and Conference fees are under budget with 42% of the budget spent to date. Unused funds from this year's training allocation will be carried forward into 2026.
- Power and Gas are under budget at 40% and 52% as the budget had additional funds added in 2025 for a full year of operating the Booster Station (Commission took ownership in August).

- Engineering fees are under budget at 66% as the Booster Station has been the primary focus.
- Insurance is under budget at 67% as the Commission's insurance company waived the pro-rated invoice for the Commission.
- Infrastructure Maintenance is under budget at 21% however, \$50K of this budget is for emergency repairs.
- There are several line items that are well under budget due to the timing of when work is completed and expenditures occur.

Capital Expenditures

Capital expenditure is below budget with 12% of the budget spent.

2017.002 Air Release Manhole Rehab

- The Operations Team has obtained quotes for this project and selected a preferred proponent. Additional funding is required to accommodate unforeseen component needs and higher than anticipated contract costs.
- Depending on contractor availability during sub-zero temperatures, this may be completed within the year. Any unused funds will be carried forward into 2026 to complete the project.

2021.001 Nisku Booster Station & Beaumont Piping Upgrades (10.5%)

- There is currently ~\$480K in holdbacks to be released; additional details were presented in the Manager's Report.
- Remaining budget will be carried forward into 2026 to close out the project.

2024.002 Scada Upgrade (38%)

- This is not expected to be completed by the end of the year, and funds will be carried forward into 2026.

2025.001 Water Master Plan & Strategic Plan (5%)

- This will not be completed in 2025 and will be carried forward into 2026. Further details were provided in the Manager's Report.

2025.002 Emergency Planning (54%)

- No carryforward is required as there is a budget line for this project in 2026 and 2027. Details were provided in the Manager's Report.

2025.003 Camrose Feasibility Study

- This will not be completed this year and will be carried forward into 2026. Further details were provided in the Manager's Report.

2025 Budget Adjustment for Air Release Manhole Rehab

The total budget for the Air Release Manhole Rehabilitation project is \$171,700. After a thorough procurement process, Administration has selected a qualified contractor to perform the work. The contractor is estimated to cost \$192K and additional parts to complete the work have been estimated at \$77K. Administration

requested a Capital Budget Adjustment of \$100K funded by the Equipment Capital Reserve to complete this project.

Regional Water Customer's Group (RWCG)

At the October 27, 2025 RWCG meeting the following financial updates were presented:

2023 EPCOR Actual Rate of \$0.9453/M3, the Commission paid \$1.01/M3 for the first half of the year and \$0.90/M3 for the last half of the year.

- The impact to the balancing fund as a result of the overpayment totals ~\$280K, added back to the balancing fund. The 2023 settlement is still being finalized.

2024 EPCOR Actual Rate of \$0.9886/M3, the Commission paid \$0.90/M3.

- The impact to the balancing fund as a result of the underpayment results in the RWCG owing EPCOR ~\$3.1M. This amount will be deducted from the balancing fund, once settled (2026).

2025 EPCOR Forecasted Rate of \$1.0163/M3, the Commission currently pays \$1.00/M3.

- The impact to the balancing fund will not be known until total consumption for the year is finalized.

The RWCG is still expecting the balancing fund to be over the maximum threshold of \$5M as the balance after the impacts above would result in a fund balance of ~\$7.3M. The RWCG has continued the strategy of underpaying EPCOR to reduce the balancing fund as the interim rate for 2026 has been set at \$1.00/M3, while EPCOR's forecasted rate is \$1.07/M3.

Audit Request for Proposal (RFP)

The Commission's RFP for audit services is set to close on November 20, 2025. Administration will review and select the proponent by November 28, 2025.

Revolving Line of Credit

The line of credit has not been utilized as of October 31, 2025. With the final settlements coming due for the Booster Station, Administration does not expect to draw into this fund and will not renew this Line of Credit for 2026.

Statement of Operations to October 31, 2025

| | Actual 2025 | Budget 2025 | Variance | Budget % Spent |
|--|-------------------|-------------------|----------------|-------------------|
| Revenue | | | | |
| Water Sales | 10,093,549 | 10,800,212 | 706,663 | 93% |
| Water Flat Rate Debenture Proceeds | 78,252 | 93,903 | 15,651 | 83% |
| Interest Earned | 190,659 | 50,000 | (140,659) | 381% |
| Total Revenue | 10,362,460 | 10,944,115 | 581,655 | 95% |
| Expenses | | | | |
| Management Expenses | | | | |
| Management Contract | 124,167 | 149,000 | 24,833 | 83% |
| Debenture payments | 46,895 | 93,903 | 47,008 | 50% |
| Legal Fees | 413 | 10,000 | 9,587 | 4% |
| Other Professional Fees | 16,753 | 10,500 | (6,253) | 160% |
| Honorarium | 6,720 | 16,200 | 9,480 | 41% |
| Audit Fees | 6,563 | 15,500 | 8,938 | 42% |
| Office Supplies | 251 | 2,000 | 1,749 | 13% |
| Mileage | 2,364 | 4,000 | 1,636 | 59% |
| Bank Charges & Interest | 262 | 500 | 238 | 52% |
| Total Management Expenses | 204,388 | 301,603 | 97,215 | 68% |
| Operating Expenses | | | | |
| Water Purchases | 6,153,784 | 6,588,307 | 434,523 | 93% |
| Operating Contract | 305,000 | 366,000 | 61,000 | 83% |
| Seminars & Conferences | 33,040 | 79,000 | 45,960 | 42% |
| Power | 65,193 | 165,000 | 99,807 | 40% |
| Engineering Fees | 23,189 | 35,000 | 11,811 | 66% |
| Instrumentation & Mechanical | 25,039 | 45,000 | 19,961 | 56% |
| Insurance | 30,208 | 45,000 | 14,792 | 67% |
| Infrastructure Maintenance | 24,983 | 117,000 | 92,017 | 21% |
| Regular & Annual Meeting Expenses | 12,326 | 16,000 | 3,674 | 77% |
| Cathodic Protection | 1,066 | 6,000 | 4,934 | 18% |
| Materials & Supplies | 11,630 | 13,000 | 1,370 | 89% |
| Computer & Comm. Maintenance, Supplies, Licenses | 14,747 | 30,500 | 15,753 | 48% |
| Easement Leases | 2,183 | 5,000 | 2,817 | 44% |
| Gas | 6,453 | 12,500 | 6,047 | 52% |
| Telephone | 5,536 | 7,500 | 1,964 | 74% |
| Total Operating Expenses | 6,714,376 | 7,530,807 | 816,431 | 89% |
| Total Expenses | 6,918,764 | 7,832,410 | 913,646 | 88% |
| Net of Revenue over Expenses | 3,443,696 | 3,111,705 | - | 331,991 |
| | | | | 111% |
| Net Interfund Transfers | | | | |
| Drawn from Accumulated Surplus | - | - | - | 0% |
| Transfer to Operating Reserves | - | 148,486 | - | 148,486 |
| Transfer from Operating Reserves | - | 84,000 | 84,000 | 100% |
| Transfer to Capital Reserves | - | 3,047,219 | - | 3,047,219 |
| Total Interfund Transfers | - | 3,111,705 | - | 3,111,705 |
| Net Surplus (Deficit) | 3,443,696 | - | - | 3,443,696 |

Statement of Financial Position as at October 31, 2025

Financial Assets

| | | |
|--------------------------------|-----------|-------------------|
| Bank | \$ | 5,160,895 |
| Accounts Receivable | \$ | 1,139,159 |
| Accrued Receivables | \$ | - |
| Investment Interest Receivable | \$ | 84,794 |
| GST Receivable | \$ | 16,395 |
| Short Term Investments | \$ | 7,929,604 |
| Total Financial Assets | \$ | 14,330,847 |

Liabilities

| | | |
|--------------------------------|-----------|------------------|
| Trade Accounts Payable | \$ | 1,233,928 |
| Accrued Accounts Payable | \$ | 17,544 |
| Accrued Interest on Debentures | \$ | 1,202 |
| Deferred Revenue - Gov't Grant | \$ | - |
| Debenture 4000845 - 2010 | \$ | 546,366 |
| Debenture 4002395 - 2018 | \$ | 83,279 |
| Total Liabilities | \$ | 1,882,318 |

Net-Financial Assets

| | |
|-----------|-------------------|
| \$ | 12,448,528 |
|-----------|-------------------|

Non-Financial Assets

| | | |
|--|-----------|-------------------|
| Land | \$ | 208,298 |
| Machinery & Equipment | \$ | 405,377 |
| Accum. Depreciation - Mach & Equip | \$ | (396,881) |
| Engineering Structures | \$ | 25,935,158 |
| Work in Progress - Buildings | \$ | - |
| Work in Progress - Equipment | \$ | 173,606 |
| Work in Progress - Eng Structure | \$ | - |
| Accum. Depreciation - Eng Stru | \$ | (5,719,575) |
| Work in Progress - Nisku Booster Station | \$ | 20,221,223 |
| Total Non-Financial Assets | \$ | 40,827,207 |

Accumulated Surplus

| | | |
|---|-----------|-------------------|
| Rate Stabilization Op Reserve | \$ | 168,664 |
| Emergency & Operations - Op Res | \$ | 200,000 |
| General Reserves - Op Reserve | \$ | 1,041,464 |
| Equipment - Cap Reserve | \$ | 1,995,572 |
| Future Water Capacity - Cap Reserve | \$ | 4,406,363 |
| Total Reserves for Future Use | \$ | 7,812,063 |
| Unrestricted Surplus | \$ | 2,431,508 |
| Investment - remeasurement gains/losses | \$ | |
| Equity in Fixed Assets | \$ | 39,599,931 |
| Current Earnings (Net surplus (deficit) + add back debenture principle) | \$ | 3,432,233 |
| Total Accumulated Surplus | \$ | 53,275,735 |

2025 Capital Summary to October 31, 2025

| | |
|---|------------------|
| 2017.002 Air Release Manhole Rehab | |
| 2025 Budget | 171,700 |
| 2025 Expenditures | - |
| Budget Remaining | 171,700 |
| | |
| 2021.001 Nisku Booster Station & Beaumont Piping Upgrade | |
| 2025 Budget | 4,205,400 |
| 2025 Expenditures | (441,255) |
| Budget Remaining | 3,764,145 |
| | |
| 2024.002 SCADA upgrade | |
| 2025 Budget | 182,500 |
| 2025 Expenditures | (70,000) |
| Budget Remaining | 112,500 |
| | |
| 2025.001 Water Master Plan & Strategic Plan | |
| 2025 Budget | 230,000 |
| 2025 Expenditures | (11,463) |
| | 218,537 |
| | |
| 2025.002 Emergency Planning | |
| 2025 Budget | 160,000 |
| 2025 Expenditures | (86,106) |
| | 73,894 |
| | |
| 2025.003 Camrose Feasibility Study | |
| 2025 Budget | 250,000 |
| 2025 Expenditures | - |
| | 250,000 |
| | |
| 2025 Total Capital Budget | 5,199,600 |
| 2025 Total Capital Expenditures | (608,824) |
| Budget Remaining | 4,590,776 |
| Budget Spent | 12% |

44-25

Motion: It was Moved by Councillor Jordon Banack that the Capital Region Southwest Water Services Commission Board of Directors receive this report as information.

Motion Carried Unanimously

45-25

Motion: It was **Moved** by Mayor Lisa Vanderkwaak that the Capital Region Southwest Water Services Commission Board of Directors approve a 2025 Capital Budget Adjustment of \$100,000 funded by the Equipment Capital Reserve for the Air Release Manhole Rehab capital project.

Motion Carried Unanimously

Kyle van Steenoven and Katherine O'Dwyer left the meeting at 7:05 p.m.

C. Interim Budget Report

Gerard Del Rosario delivered a presentation to provide an overview of the interim budget.

Proposed 2026 Interim Budget Highlights

Management & Operating

Water Sales & Purchases:

- Water Sales – proposed water sales rate at \$1.74/m3 for 2026, in line with the increase as presented in the Water Master Plan.
- Water Purchases – purchase rate for 2026 from EPCOR has been set by the Regional Water Customers Group (RWCG) at \$1.00/m3 as per the attached interim rate letter.

The Regional Water Customer Group (RWCG) voted for an interim rate of \$1.00/m3 for 2026. EPCOR's projected rate is approximately \$1.07/m3. This strategy is being utilized to continue to reduce the balancing fund by a projected \$0.07/m3 while still maintaining a balance to be used in the future. This has been reflected in the 2026 interim budget as water purchases have been set to \$1.00/m3. This will only be for 2026 as the 2027 & 2028 purchase rates are forecasted back at EPCOR's projected rate increases. The additional one-time dollars, as a result of the 2026 voted rate and EPCOR's projected rate, will be transferred to the Future Water Capacity reserve.

Other Revenue:

- Drawn from Operating reserves \$85K:
 - \$35K unused Board Training from 2025. As per the Board & Administration Training Policy, unused Board & Administration budget can be carried forward into 2026.
 - \$50K to fund emergency repairs

Management Expenses:

- Management contract \$153K – increased per contractual Agreement; 2026 & 2027 is based on the extension option being executed. 2028 has been extrapolated to align with yearly increases based on the current contract.
- Audit Fees \$16K – a nominal increase of \$500 to align with prior year actuals. The RFP for Audit Services will be completed by the end of November. Updates to this line item may be presented as part of the Final Budget at the January 22, 2026 Board meeting once all bids are received.

Operating Expenses:

- Operating contract \$377K – increased per contractual agreement; 2026 & 2027 is based on the extension option being executed. 2028 has been extrapolated to align with yearly increases based on the current contract.
- Easement leases \$3K – reduced by \$2K to align with prior year actuals.
- Power \$200K – increased by \$35K; the Commission's rate for power is currently at the City of Leduc's preferred rate. This rate is set to expire in 2026 and a significant increase is expected.
- Gas – inflationary increase of \$500 and to account for a full year of operating the Nisku Booster Station.
- Seminars & Conferences \$111K
 - Board Training 2025 – The American Water Works Association (AWWA) Annual Conference & Expo (ACE) costs have not been finalized. However, due to the carry forward from 2024, none of the \$35K 2025 budget is expected to be used and will be carried forward into 2026.
 - 2026 training budgets have been increased to align with the recent policy review.
 - Board training has increased from \$5K to \$6K per municipality (total from \$35K to \$42K)
 - Administration training has been increased from \$10K to \$12K
 - The two most utilized training opportunities by the Commission's Board members have been ACE and the Water Environment Federation's Technical Exhibition (WEFTEC). Since these two conferences are in the United States, and to align with our policy that the budget is based on local currency, we have translated the 2026 training amounts into Canadian funds for easier tracking.
- Transfer to Reserves has increased due to a combination of projected increase in consumption across the Commission's member municipalities and the resulting surplus from the interim rate of \$1.00/M3.

- Operating – 2026 - 2028 \$0.024/m³
- Capital – Equipment – 2026 \$0.035/m³, 2027 - 2028 \$0.034/m³
- Future Water Capacity reserve – 2026 \$0.487/m³, 2027 \$0.417/m³, 2028 \$0.418/m³
- All other expense line items have remained unchanged or have not changed by material amounts.

Capital

The CRSWSC forecasts the next three years capital projects with approval in the first year and subsequent years approved in principle. No new capital projects have been identified for the 2026 - 2028 horizon.

Carry Forward projects:

The following projects will be carried forward from the 2025 budget. The final budget amount will be finalized at the conclusion of the 2025 Year End Financial Audit. Carry forwards based on year-to-date costs include:

- Air Release Manhole \$271K
- Nisku Booster Station & Beaumont Piping Upgrades \$3.76M
- Scada Upgrade \$112.5K
- Water Master Plan & Strategic Plan \$218K
- Camrose Feasibility Study \$250K

46-25

Motion: It was **Moved** by Councillor Paul Patterson that the Capital Region Southwest Water Services Commission Board of Directors adopt the 2026 Interim Operating & Capital Budget as presented, with total revenues and transfers from reserves of \$12,490,286 and total expenditures and transfers to reserves of \$12,490,286.

Motion Carried Unanimously

47-25

Motion: It was **Moved** by Councillor Anthony Kohlsmith that the Capital Region Southwest Water Services Commission Board of Directors accept in principle the 2027 - 2028 forecasted Operating & Capital Budget.

Motion Carried Unanimously

6. UNFINISHED BUSINESS

There was no unfinished business.

7. NEW BUSINESS

A. Master Plan / Strategic Plan (Strategic Steps)

Ian McCormack from Strategic Steps led the Board in a discussion regarding strategic planning and provided an overview of the strategic planning survey results which ranked the following strategies as:

1. Emergency Preparedness
2. Rate Predictability
3. Governance
4. Environmental Stewardship
5. Member Communications (to municipalities, not customers)
6. Member Education
7. Commission Member Expansion

Board members and Administration were asked to provide feedback on the ranking of priorities, most of which are interconnected. Participants agreed that Emergency Preparedness and Rate Predictability remained high priorities. The Commission has focused on these areas in recent years and is currently in a strong position. The Board and Administration emphasized the importance of Member Education as a key priority to ensure members are well-informed and empowered to contribute effectively. Shawn Olson advised that the Commission's impact on Environmental Stewardship is limited due to the confined nature of its operations; however, efforts continue through initiatives such as installing solar panels at the Nisku Booster Station. It was suggested that Member Education be elevated in priority ahead of Environmental Stewardship and Member Communications. Commission Member Expansion was also noted as a strategy that may be considered to increase in priority, considering strong growth of communities and interest expressed from several organizations to join the Commission.

Board members were divided into small groups to discuss what they felt the Commission should focus on achieving through the next 5-year term to provide strategic guidance for the Master Plan, and what the most important thing Board members need to know to serve well. Administration emphasized that Board members should recognize the complexity of the Commission system. It functions as a large, interconnected ecosystem where each member's actions and decisions have a direct impact on others, reinforcing the need for collaboration and awareness of interdependencies. Board members should also be familiar with the Commission's Water Supply Policy and have a clear understanding of the Commission's scope of operations - specifically, what falls within its authority to execute and what lies outside its control.

Shawn Olson noted that the Commission has a "one-for-all mentality", fostering a mindset of unity and collective responsibility. To this point, Mayor Doug Peel shared that the City of Leduc has demonstrated that they are there to support and assist member municipalities as the contract holders, as evident in the emergency line repair incident in the Town of Millet, where the Commission trucked in potable water while the repair was completed. This incident demonstrated the collaborative nature of the Commission and its members.



Capital Region Southwest
Water Services Commission

CRSWSC – November 20, 2025 - 18 -

Following this exercise, Ian McCormack advised that Strategic Steps would compile the feedback provided and return to the January 22, 2026 Board meeting with a draft of the strategic goals for the Board's review and feedback.

8. NEXT MEETING

The next meeting of the Capital Region Southwest Water Services Commission is scheduled for January 22, 2026.

9. ADJOURNMENT

48-25 **Motion:** It was **Moved** by Councillor Laura Tillack to adjourn the meeting at 7:47 p.m.

Motion Carried Unanimously

CHAIR

MANAGER

Report Name: Manager's Report January 22, 2026

Recommendation:

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

Nisku Booster Station

Administration continues with the close-out of the construction of the Nisku Booster Station. The Commission continues to own and operate the Booster Station, while the Contractor continues to address deficiencies. Most deficiencies have now been remediated, though there remains an issue with cavitation in a pressure reducing valve (PRV) which needs to be resolved in order to achieve Total Performance. As previously mentioned, the two-year warranty period will begin once all deficiencies are resolved and Total Performance is achieved. Despite not having Total Performance, the Booster Station is operating and supplying water to member municipalities.

EPCOR installed their new meter at County East in early January and will likely install the new meter at Beaumont in the spring. The Nisku West meter will be installed once EPCOR receives all the required parts.

The project team continues to work on financial close-out. All indications are that this project will be completed within budget.

Municipal Developments

Administration received 5 notifications of subdivision developments/extensions (4 from City of Beaumont, 1 from Leduc County), 1 Notice of Subdivision (Town of Calmar), and 1 Outline Plan (City of Leduc). Administration had no concerns with the documents provided and no comments were provided back to the members.

Water Master Plan and Feasibility Study

Associated Engineering (AE) has started the water modeling portion of the Master Plan while finalizing parameters and demand projections with members. If needed, AE will reach out to members before adjusting any projections.

Board Members attended the first session of the Strategic Update at the November 20, 2025 Board meeting, led by Strategic Steps. Direction from this meeting was incorporated into a draft

Strategic Update which was distributed with the January 22, 2026 Board meeting agenda package. Further information about the Strategic Update will be discussed later in the meeting.

The Camrose-Wetaskiwin Feasibility Study is being completed in conjunction with the Water Master Plan. Usage and demand projections have been supplied by City of Camrose, County of Wetaskiwin and City of Wetaskiwin. Modeling performed for the Water Master Plan will also be used for the feasibility study.

City of Beaumont Line Extension to St. Vital Reservoir

Administration has reached out to the City of Beaumont requesting an update on their line extension to St. Vital. The intent of the line is ultimately to allow Beaumont to supply water from their primary reservoir, that the Commission supplies, to their St. Vital reservoir. In the interim, the line will be used to directly supply the St. Vital reservoir while their primary reservoir is temporarily taken down for rehabilitation. This line will be owned and operated by the City of Beaumont; however, while the main reservoir is down, the Commission will operate the line and EPCOR will temporarily increase the pressure to reach the St. Vital reservoir. For this reason, the Commission must ensure that the water line is constructed to Commission standards, in addition to City of Beaumont standards.

The Commission is interested in learning more about the construction timelines for the line, as the ultimate rehabilitation of the main reservoir can only occur in off-peak times due to limitations in how much the pressure can be temporarily increased. Peak day demand (May–October) supply to St. Vital exceeds the pressure EPCOR can temporarily provide, making timing critical.

Beaumont Second Feed Line

Administration received a letter from the City of Beaumont on November 19, 2025, affirming the importance of advancing the second feed line from EPCOR (see attached). The Commission sent a response letter to Beaumont on November 26, 2025, and met with City of Beaumont Commission Board Members on December 8, 2025 to discuss the second feed line. The response letter is attached.

It is important to note that the CRSSWC submits a 5-year forecast of demand projections to EPCOR annually, and ultimately the decision to build the second feed line is up to EPCOR. While the 5-year forecast shows that EPCOR is unable to meet the required demand beyond 2028 based on the pressures in our agreement, EPCOR has opted to increase their supply pressure to meet demands in order to delay construction of the second feed line. EPCOR must

balance short term needs to increase pressure to Beaumont with the long term need to lower the system pressure to address issues in the rest of their distribution system.

Construction of the second feed line from EPCOR will not increase pressure to the City of Beaumont, and as a result it will not be able to directly feed the St. Vital Reservoir, which is at a higher elevation than the current connection point. The secondary feed line will provide redundancy and additional flow for a growing population. The redundancy is important as the primary feed line to Beaumont is the pipe material that is the highest risk to the Commission.

In terms of the pipe type, it is not the same as the Calgary South Bearspaw Feeder pipe, which is a PCCP (prestressed concrete cylinder pipe). This is a type of CPP (Concrete Cylinder Pipe) called C301 with a concrete inner pipe, then steel pipe, more concrete pipe with a high strength steel wire wrapped around it under high tension, with a mortar coating on top of the steel. The pipe is always under compression from the wires. This pipe is prone to catastrophic failures due to the steel wire being under high tension. Note that it is difficult to evaluate the condition of the steel because it is under the concrete and mortar from both the inside and outside. Reports have shown that corrosion of the high tension steel wires due to ground conditions are the most likely cause of the failures in Calgary.

The CRSWSC Beaumont feed line is a type of CPP (Concrete cylinder pipe) called C303 bar-wrapped concrete pipe. This pipe consists of a concrete inner lining, steel pipe, mild steel bar wrapped around the steel pipe (not under high tension), and a mortar coating over the steel bar. This type of pipe is much less at risk of catastrophic failure because the steel bars are not under high tension. It is however still very difficult to determine the condition of the pipe due to the steel being hidden within the concrete/mortar and being unable to see the outside of the pipe once underground.

C303 pipe is still vulnerable to failure, but far less so than C301 pipe. A C303 failure is likely to be less "spectacular" than a C301 failure. Lengthy repair times and hard-to-source repair materials increase the risk associated with these pipe materials, which is why the Commission has stocked emergency repair parts for our C303 line.

In summary, for both redundancy and ensuring ultimate flows to our members, the Commission is committed to advocating to EPCOR for the second feed line to Beaumont and will be sending EPCOR a report specific to Beaumont's 5-year projections later this winter.

Board Policy Updates

There are two Board policies that are up for renewal this year: (1) Procurement, and (2) Remuneration and Expenses. A new privacy policy will also be adopted this year to reflect

changes in legislation in which the Access to Information Act (ATIA) and Protection of Privacy Act (POPA) have replaced the Freedom of Information and Protection of Privacy Act (FOIP). Administration is seeking Board members to volunteer to form a sub-committee to review the policies. Once complete, the sub-committee will present recommendations to the Board. Volunteers are asked to voice their interest in sitting on the sub-committee at the January 22, 2026 Board meeting.

Regional Water/Wastewater Assessment Initiative (RWWAI)

Administration received a questionnaire from Public Works Management Corporation (PWMC) who is the project management team for the RWWAI. The RWWAI is a grant-funded initiative conducting a province-wide review of operational, financial, and governance models in regional water/wastewater entities, identifying strengths, gaps, and opportunities for collaboration. A response to the questionnaire was submitted on December 18, 2025.

Further to the questionnaire, PWMC reached out to the CRSSWC requesting copies of all as-built drawings for the entire Commission system. Administration is hesitant to provide this sensitive information as the approximate location, sizes and materials of pipes are already available publicly in the Water Master Plan posted on our website. Administration responded to the request by asking for justification for as-built drawings and have yet to receive a response.

ARROW Utilities New Sanitary Line

ARROW Utilities provided further information about their upcoming project to install a new 900 mm diameter PVC sanitary pipe next to the CRSSWC feed line to Beaumont. The CRSSWC water line is within ARROW Utilities right-of-way in many sections of this line. The new sanitary line is expected to be installed 8-9 metres north of the water line and is approximately 7 metres deep. An open cut excavation of this depth is likely to come within 1-2 metres of the Commission water line. ARROW plans to use locations on the south side of the water line as lay down areas which will require several crossing points over the water line during construction. Administration responded to ARROW informing them of the requirements for work near the C303 water line to Beaumont, including a constructability report and vibration monitoring plan which need to be in place prior to signing off on a crossing agreement. Full-time supervision of the work within 10 metres of the water line is required for this type of work to ensure the contractor follows all requirements. As the CRSSWC line is located within the ARROW right-of-way, costs for monitoring may need to be borne by the Commission.

Air Relief Valve Capital Project

The CRSWSC air relief valve replacement and retrofit project was undertaken to upgrade and improve the reliability of existing air relief valves along the system. The project included a combination of full valve replacements and retrofits, depending on the condition and configuration at each location.

A total of 23 air relief valves were included in the project's scope, and all 23 valves have now been completed. During final review, one valve was identified as leaking. As such, replacement parts have been ordered, and repairs will be completed once those parts are received.

The project was completed on schedule. Two planned service interruptions were required to facilitate repairs below the isolation valves. These interruptions were coordinated to minimize operational impacts.

As part of this work, air relief valves across the CRSWSC system are now standardized and properly sized based on the diameter of the pipe they are installed on. This improves system performance, reduces the risk of air-related issues, and simplifies ongoing maintenance.

Planned Shutdown at Blackmud Booster Station

EPCOR notified the CRSWSC that they have scheduled maintenance work on the Blackmud Booster Station for late January 2026. Administration is working with EPCOR to ensure the scheduled dates/times work to minimize impact. The Commission will be unable to fill our reservoirs during this time.

Commission Personnel

Andy Humphreys, a City of Leduc operator, will be rotating into the position of Commission Operator beginning in January 2026. Keung Lee, the Commission Operator for the last 4 years, will continue to provide support to Andy during the transition. Maintaining the rotation of Commission operators ensures redundancy, supports cross training and vacation coverage, and provides ongoing operational support.

Calmar Line Repair

A small leak was detected on the Calmar feed line piping inside the reservoir building. The leak has been temporarily repaired with a pipe clamp. The pinhole leak is believed to be caused by cavitation in the line, and there are concerns that the remaining section of pipe within the building and extending down underground below the building may be in similar condition. While

performing a permanent repair on the leaking pipe, Administration intends to also replace the connected weakened sections of pipe. The high-level cost estimate for this work is \$200,000, which has been included in the 2026 budget, to be discussed under the Final Budget Report. The plan is to design the repair this winter for spring construction so that an above-ground bypass option can be available if needed.

Arc Flash Study

A previous change in the electrical code introduced the requirement for an arc flash study and the installation of specific warning signage on booster stations like the Commission's. The Telford and Highway 21 Booster Stations were grandfathered in and therefore the study was not required on them. The recently constructed Nisku Booster Station had an arc flash study completed during construction, and Administration recommends bringing the grandfathered Telford and Highway 21 Booster Stations up to that standard as well. The electrical arc flash study and the installation of specific warning signage are part of electrical safety standards and occupational health and safety requirements. The study identifies potential electrical hazards and determines appropriate safety controls for staff and contractors working on energized equipment. The standard is that the arc flash study is completed every 5 years or when changes are made to the electrical system.

Administration is reviewing the scope of work, estimated cost, and scheduling requirements to complete the studies and install the required signage. Administration estimates \$10,000 for the work, which has been included in the 2026 budget for Board consideration, to be presented for approval later in the meeting. The goal is to complete the arc flash studies in 2026.

Emergency Planning

The following progress has been made since the last Board meeting based on ongoing emergency planning:

- Ordered and awaiting delivery of a lightning rod and other equipment to improve the grounding at Calmar, as was done at the Highway 21 Booster Station. This work will happen in the spring.

Commission Facility Locates

Commission operators completed 345 Utility Safety Partner locates in 2025 on Commission facilities, as compared to 650 in 2024. The decreased number is due to a tightening of the notification offset from our main line.



5A Manager's Report
CAPITAL REGION SOUTHWEST
WATER SERVICES COMMISSION

Professional Development Opportunities

Professional development opportunities are listed in Attachment iii.

Attachments

- i. 2025.11.19 City of Beaumont Letter – Second Feed Line (*pages 40 - 41*)
- ii. 2025.11.26 CRSWSC Response to Beaumont – Second Feed Line (*pages 42 - 43*)
- iii. Professional Development Opportunities (*pages 44 - 45*)

Report Name: **Treasurer's Report January 22, 2026**

Recommendation:

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

2025 Financial Update

The financial reports have been prepared up to December 31, 2025. After twelve months of operations, there should be 100% of the budget spent. Management expenses are slightly under budget with 93% of the budget spent and Operating expenses are slightly above budget for the year by 7%. Overall expenses for the Commission are slightly over budget by 6%.

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 Commission's 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 11% due to higher than projected consumption.
- To date the Commission has recorded a line loss of 3.02%.

Revenue Variances

- Interest earned is over budget at 426% due to the combination of the Commission's investment returns and earning interest on the Commission's high bank balance throughout the year.

Expenditure Variances

Management:

- The Management contract is on budget with 100% of the budget spent.
- Debentures are on budget with 100% of the budget spent.
- Legal fees are under budget at 4% as focus for the year has been on the Nisku Booster Station.
- Other Professional Fees are over budget at 169% due to the Hazardous Building Material Assessment.
- Audit fees will be recorded as part of the year end process.

Prepared by: Gerard Del Rosario, Treasurer & Elie Tymchyshyn, Accountant

Date: January 22, 2026

Pages: Page 1 of 6

- Honorariums (55%) and mileage (77%) are both under budget. These budgets were increased to account for annual policy reviews and directly correlate to the number of Board members attending these reviews.

Operating:

- The Operating contract is on budget with 100% of the budget spent.
- Seminars and Conference fees are under budget with 46% of the budget spent to date. Unused funds from this year's training allocation will be carried forward into 2026.
- Power and Gas are under budget at 53% and 60% as the budget had additional funds added in 2025 for a full year of operating the Booster Station (the Commission took ownership in August).
- Engineering fees are under budget at 67% as the Booster Station has been the primary focus.
- Insurance is under budget at 67% as insurance was budgeted with a full year of ownership of the Booster Station. Additionally, the Commission's insurance company waived the pro-rated invoice for the Commission.
- Infrastructure Maintenance is under budget at 58% however, \$50K of this budget is for emergency repairs.
- Computer & Comm. Maintenance, Supplies, Licenses is under budget as the new VT Scada (which is still in progress) annual license is part of this budget line.
- Several line items, including office supplies, bank charges, and easement leases, are tracking below budget; however, their overall financial impact is minimal.
- Transfers to and from reserves are entries that will be made during the year end process.

Capital Expenditures

Capital expenditure is below budget with 20% of the budget spent.

2017.002 Air Release Manhole Rehab (93%)

- Details have been provided in the Manager's Report. The remaining budget will be carried forward to close out the project.

2021.001 Nisku Booster Station & Beaumont Piping Upgrades (13%)

- Remaining budget will be carried forward into 2026 to close out the project.

2024.002 Scada Upgrade (62%)

- This project is still ongoing, expected to be finished in May - June of 2026 with testing to follow. The remaining budget will be carried forward into 2026 to close out the project.

Prepared by: Gerard Del Rosario, Treasurer & Elie Tymchyshyn, Accountant

Date: January 22, 2026

Pages: Page 2 of 6

2025.001 Water Master Plan & Strategic Plan (34%)

- This will not be completed this year and will be carried forward into 2026. Further details are provided in the Manager's Report.

2025.002 Emergency Planning (35%)

- Details are provided in the Manager's Report. No carryforward of the 2025 budget as there is a budget line for this project in 2026 and 2027.

2025.003 Camrose Feasibility Study (8%)

- This will not be completed this year and will be carried forward into 2026. Further details are provided in the Manager's Report.

2025 Audit

The Commission's Request for Proposals (RFP) for audit services closed on November 20, 2025. Upon completion of the evaluation process, Administration re-selected MNP as the successful proponent. Although there is a slight increase in fees, the impact is negligible.

The Commission Auditors, MNP LLP, are scheduled to complete the 2025 audit field work in February 2026. The audit report and findings, along with the Commission's final financial results, will be presented at the Annual General Meeting on April 16, 2026.

Revolving Line of Credit

The line of credit has not been utilized as of December 31, 2025. With the final settlements coming due for the Booster Station, we do not expect to draw into this fund and will not renew this Line of Credit for 2026.

Prepared by: Gerard Del Rosario, Treasurer & Elie Tymchyshyn, Accountant

Date: January 22, 2026

Pages: Page 3 of 6



Capital Region Southwest
Water Services Commission

5B Treasurer's Report
CAPITAL REGION SOUTHWEST
WATER SERVICES COMMISSION

Statement of Operations to December 31, 2025

| | Actual 2025 | Budget 2025 | Variance | Budget % Spent |
|--|-------------------|-------------------|--------------------|-------------------|
| Revenue | | | | |
| Water Sales | 12,012,356 | 10,800,212 | - 1,212,144 | 111% |
| Water Flat Rate Debenture Proceeds | 93,903 | 93,903 | 0 | 100% |
| Interest Earned | 213,247 | 50,000 | (163,247) | 426% |
| Total Revenue | 12,319,505 | 10,944,115 | - 1,375,390 | 113% |
| Expenses | | | | |
| Management Expenses | | | | |
| Management Contract | 149,000 | 149,000 | - | 100% |
| Debenture payments | 93,903 | 93,903 | 0 | 100% |
| Legal Fees | 413 | 10,000 | 9,587 | 4% |
| Other Professional Fees | 17,753 | 10,500 | (7,253) | 169% |
| Honorarium | 8,960 | 16,200 | 7,240 | 55% |
| Audit Fees | 6,563 | 15,500 | 8,938 | 42% |
| Office Supplies | 251 | 2,000 | 1,749 | 13% |
| Mileage | 3,062 | 4,000 | 938 | 77% |
| Bank Charges & Interest | 341 | 500 | 159 | 68% |
| Total Management Expenses | 280,245 | 301,603 | - 21,358 | 93% |
| Operating Expenses | | | | |
| Water Purchases | 7,327,127 | 6,588,307 | - 738,820 | 111% |
| Operating Contract | 366,000 | 366,000 | - | 100% |
| Seminars & Conferences | 35,982 | 79,000 | 43,018 | 46% |
| Power | 87,263 | 165,000 | 77,737 | 53% |
| Engineering Fees | 23,515 | 35,000 | 11,485 | 67% |
| Instrumentation & Mechanical | 40,937 | 45,000 | 4,063 | 91% |
| Insurance | 30,208 | 45,000 | 14,792 | 67% |
| Infrastructure Maintenance | 68,160 | 117,000 | 48,840 | 58% |
| Regular & Annual Meeting Expenses | 14,680 | 16,000 | 1,320 | 92% |
| Cathodic Protection | 7,246 | 6,000 | 1,246 | 121% |
| Materials & Supplies | 11,630 | 13,000 | 1,370 | 89% |
| Computer & Comm. Maintenance, Supplies, Licenses | 12,330 | 30,500 | 18,170 | 40% |
| Easement Leases | 2,183 | 5,000 | 2,817 | 44% |
| Gas | 7,547 | 12,500 | 4,953 | 60% |
| Telephone | 6,077 | 7,500 | 1,423 | 81% |
| Total Operating Expenses | 8,040,883 | 7,530,807 | - 510,076 | 107% |
| Total Expenses | 8,321,129 | 7,832,410 | - 488,719 | 106% |
| Net of Revenue over Expenses | 3,998,377 | 3,111,705 | - 886,672 | 128% |
| Net Interfund Transfers | | | | |
| Drawn from Accumulated Surplus | - | - | - | 0% |
| Transfer to Operating Reserves | - | 148,486 | - 148,486 | 100% |
| Transfer from Operating Reserves | - | 84,000 | - 84,000 | 100% |
| Transfer to Capital Reserves | - | 3,047,219 | - 3,047,219 | 100% |
| Total Interfund Transfers | - | 3,111,705 | - 3,111,705 | |
| Net Surplus (Deficit) | 3,998,377 | - - | 3,998,377 | |

Prepared by: Gerard Del Rosario, Treasurer & Elie Tymchyshyn, Accountant
Date: January 22, 2026
Pages: Page 4 of 6

Statement of Financial Position as at December 31, 2025

Financial Assets

| | | |
|--------------------------------|-----------|-------------------|
| Bank | \$ | 4,843,307 |
| Accounts Receivable | \$ | 1,065,816 |
| Accrued Receivables | \$ | - |
| Investment Interest Receivable | \$ | 84,794 |
| GST Receivable | \$ | 55,659 |
| Short Term Investments | \$ | 7,930,470 |
| Total Financial Assets | \$ | 13,980,047 |

Liabilities

| | | |
|--------------------------------|-----------|-------------------|
| Trade Accounts Payable | \$ | 770,226 |
| Accrued Accounts Payable | \$ | 17,544 |
| Accrued Interest on Debentures | \$ | 1,202 |
| Deferred Revenue - Gov't Grant | \$ | - |
| Debenture 4000845 - 2010 | \$ | 546,366 |
| Debenture 4002395 - 2018 | \$ | 83,279 |
| Total Liabilities | \$ | 1,418,617 |
| Net-Financial Assets | \$ | 12,561,430 |

Non-Financial Assets

| | | |
|--|-----------|-------------------|
| Land | \$ | 208,298 |
| Machinery & Equipment | \$ | 405,377 |
| Accum. Depreciation - Mach & Equip | \$ | (396,881) |
| Engineering Structures | \$ | 25,935,158 |
| Work in Progress - Buildings | \$ | - |
| Work in Progress - Equipment | \$ | 285,811 |
| Work in Progress - Eng Structure | \$ | 253,000 |
| Accum. Depreciation - Eng Stru | \$ | (5,719,575) |
| Work in Progress - Nisku Booster Station | \$ | 20,309,259 |
| Total Non-Financial Assets | \$ | 41,280,448 |

Accumulated Surplus

| | | |
|---|-----------|-------------------|
| Rate Stabilization Op Reserve | \$ | 168,664 |
| Emergency & Operations - Op Res | \$ | 200,000 |
| General Reserves - Op Reserve | \$ | 1,041,464 |
| Equipment - Cap Reserve | \$ | 1,995,572 |
| Future Water Capacity - Cap Reserve | \$ | 4,406,363 |
| Total Reserves for Future Use | \$ | 7,812,063 |
| Unrestricted Surplus | \$ | 2,431,508 |
| Investment - remeasurement gains/losses | \$ | |
| Equity in Fixed Assets | \$ | 39,599,931 |
| Current Earnings (Net surplus (deficit) + add back debenture principle) | \$ | 3,998,377 |
| Total Accumulated Surplus | \$ | 53,841,878 |

5B Treasurer's Report
CAPITAL REGION SOUTHWEST
WATER SERVICES COMMISSION

2025 Capital Summary to December 31, 2025

| | |
|---|-------------|
| 2017.002 Air Release Manhole Rehab | |
| 2025 Budget | 271,700 |
| 2025 Expenditures | (253,000) |
| <hr/> | |
| Budget Remaining | 18,700 |
| | |
| 2021.001 Nisku Booster Station & Beaumont Piping Upgrade | |
| 2025 Budget | 4,205,400 |
| 2025 Expenditures | (529,560) |
| <hr/> | |
| Budget Remaining | 3,675,840 |
| | |
| 2024.002 SCADA upgrade | |
| 2025 Budget | 182,500 |
| 2025 Expenditures | (113,750) |
| <hr/> | |
| Budget Remaining | 68,750 |
| | |
| 2025.001 Water Master Plan & Strategic Plan | |
| 2025 Budget | 230,000 |
| 2025 Expenditures | (77,877) |
| <hr/> | |
| | 152,123 |
| | |
| 2025.002 Emergency Planning | |
| 2025 Budget | 160,000 |
| 2025 Expenditures | (56,217) |
| <hr/> | |
| | 103,783 |
| | |
| 2025.003 Camrose Feasibility Study | |
| 2025 Budget | 250,000 |
| 2025 Expenditures | (20,468) |
| <hr/> | |
| | 229,533 |
| | |
| 2025 Total Capital Budget | 5,299,600 |
| 2025 Total Capital Expenditures | (1,050,872) |
| Budget Remaining | 4,248,728 |
| Budget Spent | 20% |

Attachments:

- i. 2025 Recap of Water Sales to Purchases (page 46)
- ii. 2025 Customer Sales Detailed Report \$ (page 47)
- iii. 2025 Customer Sales Detailed Report M³ (page 48)

Prepared by: Gerard Del Rosario, Treasurer & Elie Tymchyshyn, Accountant
Date: January 22, 2026
Pages: Page 6 of 6

Report Name: **2026 Final Budget Report**

Recommendation:

- 1) It is recommended that the CRSSWC Board of Directors adopt the 2026 Final Operating Budget as presented of \$12,490,286.
- 2) It is recommended that the CRSSWC Board of Directors adopt the 2026 Capital Budget as presented of \$4,474,945, subject to year-end adjustments.
- 3) It is recommended that the CRSSWC Board of Directors accept in principle the 2027-2028 forecasted Operating & Capital Budget.

2026 Final Budget Adjustments

Operating

The following changes have been made from the Interim Budget to the Final Budget.

Transfers to Capital Reserve:

- Changes to transfers to Future Water Capacity reserve include: 2026 reduced by \$14.1K, 2027 reduced by \$21.8K, 2028 reduced by \$15.1K

Regular & Annual Meeting Expenses:

- Increased by \$10K ongoing for the provision of a guest speaker at the Annual General Meeting (AGM). The Commission has used complimentary guest speakers from existing vendors in recent years; these opportunities have been exhausted, requiring a budgeted line item for the provision of a guest speaker.

Materials & Supplies:

- Added a line item for Materials for Board Meetings in the amount of \$5K as an ongoing cost.

Audit Fees:

- 2026 increased by \$2K, 2027 increased by \$2.5K, 2028 increased by \$3K to align with the new audit contract.

Transfers to Rate Stabilization Reserve:

- 2026 reduced by \$2.9K, 2027 increased by \$4.3K, 2028 reduced by \$2.9K

Prepared by: Gerard Del Rosario, Treasurer

Date: January 22, 2026

Pages: Page 1 of 2

Capital

New projects identified for 2026

Two new capital projects have been identified for 2026, and details have been presented in the Manager's Report.

2026.001 Calmar Line Repair - \$200K

2026.002 Arc Flash Study - \$10K

Carryforward

The following 2025 projects are not complete. Administration is requesting to carry forward the remaining budget from 2025 into 2026. These have been added to the 2026 Capital Budget (see attachment iii).

- 2017.002 Air Release Manhole Rehab \$18,700
- 2021.001 Nisku Booster Station & Beaumont Piping Upgrades \$3,675,840
- 2024.002 Scada Upgrade \$68,750
- 2025.001 Water Master Plan & Strategic Plan \$152,123
- 2025.003 Camrose Feasibility Study \$229,532

Attachments:

- i. 2026 – 2028 Operating Budget - Final (page 49)
- ii. 2026 – 2028 Budget Notes – Final (pages 50 - 54)
- iii. 2026 – 2028 Capital Budget - Final (page 55)
- iv. RWCG 2026 Interim Rate Letter (page 56)

Prepared by: Gerard Del Rosario, Treasurer

Date: January 22, 2026

Pages: Page 2 of 2



6A Master Plan / Strategic Update

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Report Name: Master Plan / Strategic Update

Recommendation:

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

Background:

Strategic Steps Inc. was engaged in Fall 2025 to support the update of the Commission's strategic priorities, which will be incorporated into the CRSWSC Master Plan currently in development. As part of this process, Strategic Steps conducted a survey with Board Members and Administration and facilitated a workshop during the November 20, 2025 Board Meeting. Based on the feedback and contributions received, a draft Strategic Priorities update has been prepared.

Ian McCormack from Strategic Steps will present the attached draft to the Board for review and confirmation of the priority ranking for the strategic themes discussed. The proposed priorities are summarized below:

| Goal | Priority |
|----------------------------------|----------|
| Emergency Preparedness | High |
| Rate Predictability | High |
| Commission Governance | High |
| Member Education | Medium |
| Environmental Stewardship | Medium |
| Commission Expansion | Low |
| Member Communications | Low |

Board members are asked to review the draft Strategic Priorities update in detail and bring any comments or feedback to the January 22, 2026 Board meeting for discussion. Once finalized, the updated priorities will be incorporated into the Master Plan update.

Attachments

- i. CRSWSC 2026 Strategic Priorities – DRAFT (pages 57 - 62)

November 19, 2025

Shawn Olson, Commission Manager
Capital Region Southwest Water Services Commission
23262 Township Road 540
Fort Saskatchewan, AB T8L 4A2

Via email: SOlson@leduc.ca

Dear Shawn:

RE: Planning for a Secondary Feed Line to Beaumont

We appreciate you and your team's extensive expertise and collaboration over the past year in support of our planned upgrades to Beaumont's Main Pumphouse and Reservoir.

We are reaching out to reaffirm the importance of advancing the secondary feed line project as Beaumont continues to grow.

Over the past year and a half, there have been many constructive discussions about the need for, and timing of, a secondary feed line to Beaumont. Given Beaumont's ongoing rapid growth and the importance of ensuring long-term water security, we wish to restate the value of progressing this project in a timely manner.

Both the 2018 Water Master Plan and the 2023 Second Fill Line Review anticipated that the secondary feed line would be needed in 2028. A letter from Associated Engineering dated November 18, 2024, confirmed this and noted that the Commission must notify EPCOR five years prior to construction.

In EPCOR's memorandum dated June 23, 2025, they committed to coordinating with CRSWSC to ensure servicing pressures are maintained in Beaumont for the next five years, but the memo does not address the project timeline.

We expect this project will be identified and assessed in the 2026 Water Master Plan. If any new factors arise that may affect the project, please let us know immediately so we can work together to ensure Beaumont's future water needs continue to be met.



Thank you for your continued partnership and support in advancing this critical infrastructure initiative.

Sincerely,



Mike Schwirtz
Chief Administrative Officer

cc: Mayor Lisa Vanderkwaak
Councillor Anthony Kohlsmith
Councillor Steven vanNieuwkerk
Maureen O'Neil, Deputy Chief Administrative Officer



November 26, 2025

Mike Schwirtz, CAO
City of Beaumont
5600 - 49 Street
Beaumont, AB T4X 1A1

Via email: mike.schwirtz@beaumont.ab.ca

Dear Mr. Schwirtz,

Subject: Planning for a Secondary Feed Line to Beaumont

The Capital Region Southwest Water Services Commission (CRSWSC) received your letter dated November 19, 2025 reaffirming the importance of advancing the secondary feed line project to Beaumont.

Thank you for your continued support of our Administration. We appreciate the collaborative relationship we have and continue to have with the City of Beaumont. The CRSWSC shares Beaumont's priority and this letter intends to clarify the conditions surrounding when a second line to the City of Beaumont can be supplied, the benefits of the line and potential perceived limitations.

The CRSWSC communicates 5-year projections to EPCOR on an annual basis according to our Water Supply Agreement. Based on those projections, EPCOR updates their model and determines whether they can provide Beaumont's Main Reservoir with the flow required at minimum required supply pressure of 140 kPa (20 psi). It is up to EPCOR to decide whether they will make adjustments within their system to increase supply pressure to meet the forecast demands, or whether the second feed line will need to be constructed. Based on Beaumont's water demand projections, EPCOR has indicated that the current transmission line is adequate to supply water to Beaumont for at least the next 5 years at their current reservoir connection point. Once EPCOR determines that they need a second supply line, they plan to construct a line down 50th Street to the boundary between Beaumont and the City of Edmonton. The CRSWSC would then extend the line from the municipal boundary to the existing fill line to loop the supply and increase the available flow that can be supplied.

Another benefit of adding the second feed line is to provide security to the City of Beaumont and Nisku East Reservoir by looping the system. This means that if the existing Beaumont transmission line was out of service, Beaumont would still have access to water. Note that no other Commission Members have looping – they are all single feed lines, so adding this provides value added redundancy.

It is important to clarify that adding the second feed line does not increase the pressure provided to Beaumont, nor will it be capable of providing enough pressure to reach the elevated St. Vital reservoir (clarification is provided here because it was previously requested from past Beaumont Administration). According to the 2020 CRSWSC Water Master Plan Update, the new feed line is likely to loop around Beaumont's northwest perimeter and ultimately join up with the existing Commission supply line to the Main Reservoir. At the time of the previous master plan, the City of Beaumont had proposed a future reservoir along that alignment (which may not be in Beaumont's revised plans). To further clarify, the CRSWSC budgets to extend infrastructure to ensure all members have the flow they require now and into the future to their existing point of connection. Any costs above what is required to meet demand at the existing connection point would be borne by the member municipality.

As you noted in your letter, the CRSWSC Water Master Plan is currently being updated with results expected in spring/summer 2026. The update will take into account any current information that the City of Beaumont has provided in terms of future development and any major changes anticipated in the transmission system that may affect the future second supply line. The Commission will ensure this information is conveyed to EPCOR to continue to advocate for a secondary feed line to Beaumont as soon as possible. In conjunction with the Master Plan, we are looking to accelerate the line construction through the feasibility analysis for a new supply line to the City of Camrose.

The Commission is committed to ensuring Beaumont continues to have reliable, long-term water supply, consistent with the policies and processes agreed upon by all member municipalities.

Please feel welcome to reach out if you have any questions.

Sincerely,



Shawn Olson, P. Eng.
Commission Manager

Phone: (780) 980-7151
CRSWSC@leduc.ca

cc: Mayor Lisa Vanderkwaak, City of Beaumont
Councillor Anthony Kohlsmith, City of Beaumont
Councillor Steven vanNieuwkerk, City of Beaumont
Maureen O'Neil, Deputy Chief Administrative Officer, City of Beaumont
Krista Gardner, Chair, CRSWSC



Capital Region Southwest
Water Services Commission

Professional Development Opportunities

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

AWWOA 51st Annual Operators Seminar

Location: Banff, Alberta
Dates: March 9 – 13, 2026

Website: <https://www.awwoa.ca/events/seminar-overview>

Early Bird Deadline: February 9, 2026

The 51st Annual Operators Seminar, hosted by the Alberta Water and Wastewater Operators Association (AWWOA). This event offers an array of technical presentations covering current topics and emerging trends in the water and wastewater industry. Attendees can earn up to 0.9 CEUs, with an additional half-day "Friday Session" available for 0.3 CEUs.

AWWA Annual Conference & Expo (ACE)

Location: Washington, D.C.
Dates: June 21 – 24, 2026

Website: <https://ace.awwa.org/>

Early Bird Deadline: April 24, 2026

The American Water Works Association (AWWA) Annual Conference and Exposition (ACE) is the largest water industry conference in North America, bringing together water professionals, utilities, regulators, and vendors from around the world. The conference focuses on drinking water and utility management and offers technical sessions, workshops, and an extensive trade show covering operations, asset management, safety, regulatory compliance, and emerging technologies.

Attendance supports professional development through exposure to industry best practices, regulatory updates, peer networking, and hands-on learning opportunities relevant to water system operations and management.

WCW26 Conference and Exhibition

Location: Regina, Saskatchewan
Dates: September 15 – 18, 2026

Website: <https://www.wcwwa.ca/page/AnnualConf>

The WCW26 Annual Conference offers valuable professional development focused on innovation, sustainability, and best practices in the water and wastewater industry. It provides opportunities to learn about emerging technologies, regulatory updates, and operational improvements while connecting with municipal and industry peers. Attendance supports continued growth and alignment with evolving standards in utility operations.



Capital Region Southwest
Water Services Commission

Professional Development Opportunities

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

WEFTEC 99th Annual Technical Exhibition & Conference

Location: New Orleans, Louisiana

Dates: September 26 – September 30, 2026

Website: [WEFTEC Conference](https://www.weftec.org/)

The WEFTEC Conference brings together water professionals from around the globe to explore cutting-edge water quality education, engage with industry-leading experts, and learn about the latest technology, trends, and proven solutions.

AWWA 2026 Water Week Conference

Location: Edmonton, Alberta

Dates: October 2026

Website: <https://www.awwa.ca/events/water-week>

The technical program will feature three days of presentations highlighting the future goals, challenges, and expectations of the water and wastewater industry. The tradeshow is Thursday only, and costs \$100+GST for members and non-members.

Capital Region Southwest Water Services Commission

| | 2025 Recap of Quantity of Water Sales to Purchases - M ³ | | | | 2024 Recap of Quantity of Water Sales to Purchases - M ³ | | | |
|----------------------|---|----------------------|---------------------|---------------|---|----------------------|---------------------|---------------|
| | Commission Sales | Commission Purchases | Commission Variance | % | Commission Sales | Commission Purchases | Commission Variance | % |
| January | 557,610 | 582,303 | (24,693) | 95.76% | 569,641 | 587,127 | (17,486) | 97.02% |
| February | 501,698 | 515,050 | (13,352) | 97.41% | 489,551 | 507,759 | (18,208) | 96.41% |
| March | 501,736 | 518,512 | (16,776) | 96.76% | 497,914 | 508,962 | (11,048) | 97.83% |
| April | 601,207 | 618,309 | (17,102) | 97.23% | 550,818 | 567,900 | (17,082) | 96.99% |
| May | 622,419 | 639,224 | (16,805) | 97.37% | 548,960 | 568,362 | (19,402) | 96.59% |
| June | 612,886 | 631,428 | (18,542) | 97.06% | 550,541 | 561,480 | (10,939) | 98.05% |
| July | 701,151 | 719,228 | (18,077) | 97.49% | 725,134 | 745,182 | (20,048) | 97.31% |
| August | 590,345 | 611,952 | (21,607) | 96.47% | 610,408 | 624,020 | (13,612) | 97.82% |
| September | 617,329 | 631,876 | (14,547) | 97.70% | 543,310 | 562,830 | (19,520) | 96.53% |
| October | 666,133 | 687,792 | (21,659) | 96.85% | 611,104 | 632,204 | (21,100) | 96.66% |
| November | 525,323 | 544,253 | (18,930) | 96.52% | 512,065 | 526,407 | (14,342) | 97.28% |
| December | 610,066 | 629,082 | (19,016) | 96.98% | 572,075 | 590,100 | (18,025) | 96.95% |
| Total To Date | 7,107,903 | 7,329,009 | (221,106) | 96.98% | 6,781,521 | 6,982,333 | (200,812) | 97.12% |

Capital Regional Southwest Water Services Commission
2025 Recap of Water Sales by Customer
January 1, 2025 to Dec 31, 2025
Sales \$

Revenue

| Date | City of Leduc | EIA | Leduc County | Leduc County Flat Rates ¹ | City of Beaumont | Town of Calmar | Village of Hay Lakes | Village of Hay Lakes Flat Rate ² | Camrose County/Armena | Camrose County Flat Rate ³ | Town of Millet | Total |
|-----------|--------------------|------------------|--------------------|--------------------------------------|--------------------|------------------|----------------------|---|-----------------------|---------------------------------------|------------------|---------------------|
| 31-Jan-25 | \$429,933 | \$57,702 | \$140,508 | \$3,873 | \$244,190 | \$33,416 | \$4,440 | \$2,786 | \$6,420 | \$1,166 | \$25,752 | \$950,186 |
| 28-Feb-25 | \$388,791 | \$57,403 | \$128,847 | \$3,873 | \$204,554 | \$34,209 | \$4,223 | \$2,786 | \$5,670 | \$1,166 | \$24,172 | \$855,695 |
| 31-Mar-25 | \$399,398 | \$55,836 | \$134,600 | \$3,873 | \$198,021 | \$28,809 | \$3,797 | \$2,786 | \$5,188 | \$1,166 | \$22,284 | \$855,759 |
| 30-Apr-25 | \$467,822 | \$59,175 | \$174,002 | \$3,873 | \$240,497 | \$33,974 | \$5,423 | \$2,786 | \$8,874 | \$1,166 | \$26,271 | \$1,023,865 |
| 31-May-25 | \$478,985 | \$65,954 | \$164,425 | \$3,873 | \$259,456 | \$35,255 | \$6,941 | \$2,786 | \$14,987 | \$1,166 | \$25,886 | \$1,059,713 |
| 30-Jun-25 | \$460,081 | \$68,692 | \$159,029 | \$3,873 | \$259,946 | \$39,206 | \$6,828 | \$2,786 | \$15,842 | \$1,166 | \$26,154 | \$1,043,602 |
| 31-Jul-25 | \$541,032 | \$77,774 | \$183,029 | \$3,873 | \$293,864 | \$42,728 | \$6,486 | \$2,786 | \$11,583 | \$1,166 | \$28,449 | \$1,192,770 |
| 31-Aug-25 | \$447,585 | \$74,404 | \$159,974 | \$3,873 | \$242,856 | \$32,460 | \$4,485 | \$2,786 | \$9,349 | \$1,166 | \$26,570 | \$1,005,508 |
| 30-Sep-25 | \$467,342 | \$67,304 | \$168,556 | \$3,873 | \$260,848 | \$35,372 | \$5,558 | \$2,786 | \$12,187 | \$1,166 | \$26,119 | \$1,051,111 |
| 31-Oct-25 | \$511,864 | \$73,339 | \$186,231 | \$3,873 | \$276,246 | \$35,994 | \$5,888 | \$2,786 | \$9,155 | \$1,166 | \$27,048 | \$1,133,590 |
| 30-Nov-25 | \$419,750 | \$55,209 | \$140,331 | \$3,873 | \$211,799 | \$27,841 | \$4,458 | \$2,786 | \$6,997 | \$1,166 | \$21,411 | \$895,621 |
| 31-Dec-25 | \$480,159 | \$65,329 | \$156,617 | \$3,873 | \$255,584 | \$34,877 | \$5,254 | \$2,786 | \$7,482 | \$1,166 | \$25,710 | \$1,038,837 |
| | \$5,492,742 | \$778,120 | \$1,896,150 | \$46,477 | \$2,947,860 | \$414,141 | \$63,782 | \$33,431 | \$113,734 | \$13,992 | \$305,827 | \$12,106,257 |

Regular Sales \$ 12,012,356
Flat Rate Sales \$ 93,901
Total Sales \$ 12,106,257

Debenture 1 Debenture 2 Total

¹Leduc County Monthly Flat Rates Includes:

| | | | |
|------------------------------------|----------|----------|----------|
| Leduc County Line #2 | \$ 779 | \$ 285 | \$ 1,064 |
| Leduc County/ Formerly New Serepta | \$ 2,057 | \$ 753 | \$ 2,809 |
| | \$ 2,836 | \$ 1,038 | \$ 3,873 |

²Village of Hay Lakes Monthly Flat Rates Includes: \$ 2,039 \$ 746 \$ 2,786

³Camrose County Monthly Flat Rates Includes: \$ 854 \$ 312 \$ 1,166

Total Monthly Payment on Debentures \$ 5,729 \$ 2,097 \$ 7,825

Capital Regional Southwest Water Services Commission
2025 Recap of Water Sales by Customer
January 1, 2025 to Dec 31, 2025
Volume - M³

| Date | City of Leduc M ³ | EIA M ³ | Leduc County M ³ | City of Beaumont M ³ | Town of Calmar M ³ | Village of Hay Lakes M ³ | Camrose County/Armena M ³ | Town of Millet M ³ | Monthly Total M ³ |
|-------------------------------|------------------------------|--------------------|-----------------------------|---------------------------------|-------------------------------|-------------------------------------|--------------------------------------|-------------------------------|------------------------------|
| 31-Jan-25 | 254,398 | 34,143 | 83,141 | 144,491 | 19,773 | 2,627 | 3,799 | 15,238 | 557,610 |
| 28-Feb-25 | 230,054 | 33,966 | 76,241 | 121,038 | 20,242 | 2,499 | 3,355 | 14,303 | 501,698 |
| 31-Mar-25 | 236,330 | 33,039 | 79,645 | 117,172 | 17,047 | 2,247 | 3,070 | 13,186 | 501,736 |
| 30-Apr-25 | 276,818 | 35,015 | 102,960 | 142,306 | 20,103 | 3,209 | 5,251 | 15,545 | 601,207 |
| 31-May-25 | 283,423 | 39,026 | 97,293 | 153,524 | 20,861 | 4,107 | 8,868 | 15,317 | 622,419 |
| 30-Jun-25 | 272,237 | 40,646 | 94,100 | 153,814 | 23,199 | 4,040 | 9,374 | 15,476 | 612,886 |
| 31-Jul-25 | 320,137 | 46,020 | 108,301 | 173,884 | 25,283 | 3,838 | 6,854 | 16,834 | 701,151 |
| 31-Aug-25 | 264,843 | 44,026 | 94,659 | 143,702 | 19,207 | 2,654 | 5,532 | 15,722 | 590,345 |
| 30-Sep-25 | 276,534 | 39,825 | 99,737 | 154,348 | 20,930 | 3,289 | 7,211 | 15,455 | 617,329 |
| 31-Oct-25 | 302,878 | 43,396 | 110,196 | 163,459 | 21,298 | 3,484 | 5,417 | 16,005 | 666,133 |
| 30-Nov-25 | 248,373 | 32,668 | 83,036 | 125,325 | 16,474 | 2,638 | 4,140 | 12,669 | 525,323 |
| 31-Dec-25 | 284,118 | 38,656 | 92,673 | 151,233 | 20,637 | 3,109 | 4,427 | 15,213 | 610,066 |
| Total Volume | 3,250,143 | 460,426 | 1,121,982 | 1,744,296 | 245,054 | 37,741 | 67,298 | 180,963 | 7,107,903 |
| 2025 Budgeted Sales at 97% | | | | | | | | | |
| Recovery Rate | 3,084,134 | 413,258 | 783,403 | 1,606,746 | 213,947 | 40,278 | 53,727 | 195,164 | 6,390,658 |
| 2025 Actual Sales % of Budget | 105.4% | 111.4% | 143.2% | 108.6% | 114.5% | 93.7% | 125.3% | 92.7% | 111.2% |

2026 - 2028 Operating Budget
Capital Region Southwest Water Services Commission

| | 2025 Budget | 2026 Budget | 26/25 % Change | 2027 Budget | 2028 Budget | See Note # |
|--|------------------------|------------------------|---------------------------|------------------------|------------------------|-----------------------|
| OPERATING REVENUE | | | | | | |
| Water Sales | 10,800,212 | 12,261,383 | 14% | 13,046,207 | 13,900,545 | #1a |
| Water Flat Rates - Debenture Proceeds | 93,903 | 93,903 | 0% | 93,903 | 93,903 | #1b |
| Interest Earned | 50,000 | 50,000 | 0% | 50,000 | 50,000 | #2 |
| Drawn from Operating Reserves | 84,000 | 85,000 | 1% | 50,000 | 50,000 | #3 |
| TOTAL OPERATING REVENUE | 11,028,115 | 12,490,286 | 13% | 13,240,110 | 14,094,448 | |
| TOTAL REVENUE | 11,028,115 | 12,490,286 | 13% | 13,240,110 | 14,094,448 | |
| OPERATING EXPENSE | | | | | | |
| Management Expenses | | | | | | |
| Management Contract | 149,000 | 153,000 | 3% | 158,000 | 161,000 | #1 |
| Honorarium | 16,200 | 16,200 | 0% | 16,200 | 16,200 | #2 |
| Mileage | 4,000 | 4,000 | 0% | 4,000 | 4,000 | #3 |
| Legal Fees | 10,000 | 10,000 | 0% | 10,000 | 10,000 | #4 |
| Audit Fees | 15,500 | 18,000 | 16% | 18,500 | 19,000 | #5 |
| Other Professional Fees | 10,500 | 10,500 | 0% | 10,500 | 10,500 | #6 |
| Office Supplies | 2,000 | 2,000 | 0% | 2,000 | 2,000 | #7 |
| Bank Charges & Interest | 500 | 500 | 0% | 500 | 500 | #8 |
| Debenture Interest & Principal | 93,903 | 93,903 | 0% | 93,903 | 93,903 | #9 |
| Total Management Expenses | 301,603 | 308,103 | 2% | 313,603 | 317,103 | |
| Operating Expenses | | | | | | |
| Water Purchases | 6,588,307 | 7,264,713 | 10% | 8,415,454 | 9,112,303 | #10 |
| Operating Contract | 366,000 | 377,000 | 3% | 388,000 | 399,000 | #11 |
| Computer & Communications Maintenance, Supplies & Licenses | 30,500 | 30,500 | 0% | 30,500 | 30,500 | #12 |
| Cathodic Protection | 6,000 | 6,000 | 0% | 6,000 | 6,000 | #13 |
| Instrumentation & Mech. | 45,000 | 45,000 | 0% | 45,000 | 45,000 | #14 |
| Telephone | 7,500 | 7,500 | 0% | 7,500 | 7,500 | #15 |
| Infrastructure Maintenance - new in 2025 | 117,000 | 117,000 | 0% | 117,000 | 117,000 | #16 |
| Easement Leases | 5,000 | 3,000 | -40% | 3,000 | 3,000 | #17 |
| Engineering Fees | 35,000 | 35,000 | 0% | 35,000 | 35,000 | #18 |
| Insurance | 45,000 | 45,000 | 0% | 45,000 | 45,000 | #19 |
| Power | 165,000 | 200,000 | 21% | 206,000 | 212,200 | #20 |
| Gas | 12,500 | 13,000 | 4% | 13,400 | 13,800 | #21 |
| Material & Supplies | 13,000 | 18,000 | 38% | 18,000 | 18,000 | #22 |
| Regular & Annual Meeting Expenses | 16,000 | 26,000 | 63% | 26,000 | 26,000 | #23 |
| Seminars & Conferences | 79,000 | 110,700 | 40% | 75,700 | 75,700 | #24 |
| Transfer to Operating Reserves | 148,486 | 169,449 | 14% | 179,757 | 181,752 | #25 |
| Transfer to Capital Reserves | 3,047,219 | 3,714,321 | 22% | 3,315,196 | 3,449,590 | #26 |
| Total Operating Expenses | 10,726,512 | 12,182,183 | 14% | 12,926,507 | 13,777,345 | |
| TOTAL EXPENSE | 11,028,115 | 12,490,286 | 13% | 13,240,110 | 14,094,448 | |
| SURPLUS/(DEFICIT) | - | - | | - | - | |

2026 Final Budget
CRSWSC Operating Budget Notes

| | 2025 BUDGET | 2026 BUDGET | 26/25 % Change | 2027 BUDGET | 2028 BUDGET |
|---|------------------------|------------------------|---------------------------|------------------------|------------------------|
| REVENUES: | | | | | |
| 1) a Water Sales - Regular Rate | | | | | |
| Water consumption forecasts provided by member municipalities and budgeted at 97% to account for line loss | | | | | |
| 2025 based on consumption of 6,588,307 M ³ at a recovery rate of 97% with a rate of \$1.69 | \$10,800,212 | | | | |
| 2026 based on consumption of 7,264,713 M ³ at a recovery rate of 97% with a rate of \$1.74 | | \$12,261,383 | 14% | | |
| 2027 based on consumption of 7,513,798 M ³ at a recovery rate of 97% with a rate of \$1.79 | | | | \$13,046,207 | |
| 2028 based on consumption of 7,788,293 M ³ at a recovery rate of 97% with a rate of \$1.84 | | | | | \$13,900,545 |
| TOTAL - WATER SALES REGULAR RATE | \$10,800,212 | \$12,261,383 | 14% | \$13,046,207 | \$13,900,545 |
| 1) b Water Flat Rates - Debenture Proceeds Collected | | | | | |
| See Bylaw 02-2011 to determine amount of time on debenture (Highway 21 to Hay Lakes/New Sarepta) | | | | | |
| 2026, 2027 & 2028 Budget - \$68,743 based on two payments of \$34,371 for a 25 year \$1,016,150 debenture with an interest rate of 4.589% | | | | | |
| See Bylaw 01-2012 to determine amount of time on debenture (Armena line) - debenture proceeds were received in 2018. | | | | | |
| 2026, 2027 & 2028 Budget - \$25,160 based on two payments of \$12,580 for a 10 year \$217,785 debenture with an interest rate of 2.832% | | | | | |
| Note: Debenture Proceeds are charged to members on transmission line 2, based on | | | | | |
| Village of New Sarepta @ (35.90% of \$68,742) + (35.90% of \$25,160) | \$33,712 | \$33,712 | 0% | \$33,712 | \$33,712 |
| Village of Hay Lakes @ (35.60% of \$68,742) + (35.60% of \$25,160) | \$33,429 | \$33,429 | 0% | \$33,429 | \$33,429 |
| Leduc County @ (13.60% of \$68,742) + (13.60% of \$25,160) | \$12,771 | \$12,771 | 0% | \$12,771 | \$12,771 |
| County of Camrose @ (14.90% of \$68,742) + (14.90% of \$25,160) | \$13,991 | \$13,991 | 0% | \$13,991 | \$13,991 |
| TOTAL - WATER FLAT RATES | \$93,903 | \$93,903 | 0% | \$93,903 | \$93,903 |
| NOTE: THESE CHARGES WILL BE LEVIED AS A "FLAT RATE" CHARGE AND WILL BE LEVIED EQUALLY ON A MONTHLY BASIS | | | | | |
| 2) Interest | | | | | |
| 2026-2028 - \$50K Interest is transferred to capital reserves. | | | | | |
| TOTAL INTEREST | \$50,000 | \$50,000 | 0% | \$50,000 | \$50,000 |
| 3) Drawn from Operating Reserves | | | | | |
| 2026 Budget, as per Board Development & Training Policy | | | | | |
| To fund carry forward for unused budget for Seminars & Conferences from 2024 for Board | \$32,900 | | | 6% | |
| To fund carry forward for unused budget for Seminars & Conferences from 2025 for Board | | \$35,000 | | | |
| To fund carry forward for unused budget for Seminars & Conferences from 2024 for Administration | \$1,100 | | | -100% | |
| To fund carry forward for unused budget for Seminars & Conferences from 2025 for Administration | | \$0 | | | |
| To fund emergency repairs | \$50,000 | \$50,000 | 0% | \$50,000 | \$50,000 |
| TOTAL DRAWN FROM OPERATING RESERVES | \$84,000 | \$85,000 | 1% | \$50,000 | \$50,000 |

2026 Final Budget
CRSWSC Operating Budget Notes

| | 2025 BUDGET | 2026 BUDGET | 26/25 % Change | 2027 BUDGET | 2028 BUDGET |
|--|------------------------|------------------------|---------------------------|------------------------|------------------------|
| EXPENSES: | | | | | |
| Management Expenses | | | | | |
| 1) Management Contract | | | | | |
| 2026 - 2028 Budget - as per Commission contract with the City of Leduc | \$149,000 | \$153,000 | 3% | \$158,000 | \$161,000 |
| TOTAL MANAGEMENT CONTRACT | <u>\$149,000</u> | <u>\$153,000</u> | <u>3%</u> | <u>\$158,000</u> | <u>\$161,000</u> |
| 2) Honorariums | | | | | |
| 2026 - 2028 Budget | | | | | |
| Regular Meetings | \$13,700 | \$13,700 | 0% | \$13,700 | \$13,700 |
| Annual General Meeting | \$2,500 | \$2,500 | 0% | \$2,500 | \$2,500 |
| Total Honorariums | <u>\$16,200</u> | <u>\$16,200</u> | <u>0.0%</u> | <u>\$16,200</u> | <u>\$16,200</u> |
| 3) Mileage | | | | | |
| 2026 - 2028 Budget | | | | | |
| TOTAL HONORARIUMS & MILEAGE | \$4,000 | \$4,000 | 0% | \$4,000 | \$4,000 |
| TOTAL HONORARIUMS & MILEAGE | <u>\$20,200</u> | <u>\$20,200</u> | <u>0.0%</u> | <u>\$20,200</u> | <u>\$20,200</u> |
| 4) Legal Fees | | | | | |
| 2026 - 2028 Budget | | | | | |
| RWCG - share of legal fees | \$5,000 | \$5,000 | 0% | \$5,000 | \$5,000 |
| Regular Fees | \$5,000 | \$5,000 | 0% | \$5,000 | \$5,000 |
| TOTAL LEGAL FEES | <u>\$10,000</u> | <u>\$10,000</u> | <u>0%</u> | <u>\$10,000</u> | <u>\$10,000</u> |
| 5) Audit Fees | | | | | |
| Budget 2026-2028 | | | | | |
| TOTAL AUDIT FEES | \$15,500 | \$18,000 | 16% | \$18,500 | \$19,000 |
| TOTAL AUDIT FEES | <u>\$15,500</u> | <u>\$18,000</u> | <u>16%</u> | <u>\$18,500</u> | <u>\$19,000</u> |
| 6) Other Professional Fees | | | | | |
| Budget 2026-2028 | | | | | |
| Courier Fees/Misc. | \$500 | \$500 | 0% | \$500 | \$500 |
| RWCG - Rate Review & Water Diversion License Consulting Fees | \$5,000 | \$5,000 | 0% | \$5,000 | \$5,000 |
| Misc. Professional Services | \$5,000 | \$5,000 | 0% | \$5,000 | \$5,000 |
| TOTAL OTHER PROFESSIONAL FEES | <u>\$10,500</u> | <u>\$10,500</u> | <u>0%</u> | <u>\$10,500</u> | <u>\$10,500</u> |
| 7) Office Supplies | | | | | |
| Budget 2026-2028 | | | | | |
| Set up & printing cost for annual report, P.O. Books, General Office Supplies, | \$1,900 | \$1,900 | 0% | \$1,900 | \$1,900 |
| AUMA Associate Membership | \$100 | \$100 | 0% | \$100 | \$100 |
| TOTAL OFFICE SUPPLIES | <u>\$2,000</u> | <u>\$2,000</u> | <u>0%</u> | <u>\$2,000</u> | <u>\$2,000</u> |

2026 Final Budget CRSWSC Operating Budget Notes

2026 Final Budget
CRSWSC Operating Budget Notes

| | | 2025 BUDGET | 2026 BUDGET | 26/25 % Change | 2027 BUDGET | 2028 BUDGET |
|-----|--|------------------------|------------------------|---------------------------|------------------------|------------------------|
| 14) | Instrumentation & Mechanical | | | | | |
| | SCADA,PLC and Telemetry R & M, PLC/Control System/Telemetry R&R Parts | | | | | |
| | Pressure Gauges - Repairs or Replacement | | | | | |
| | Fire Alarm System | \$25,000 | \$25,000 | 0% | \$25,000 | \$25,000 |
| | Supply & Distribution Meter Calibration | \$20,000 | \$20,000 | 0% | \$20,000 | \$20,000 |
| | SCADA maintenance and other automation issues-contract to be set up with Vector | \$45,000 | \$45,000 | 0% | \$45,000 | \$45,000 |
| | TOTAL INSTRUMENTATION & MECHANICAL | | | | | |
| 15) | Telephone | | | | | |
| | Telephone lines, cell phones, data | \$7,500 | \$7,500 | 0% | \$7,500 | \$7,500 |
| | TOTAL TELEPHONE | \$7,500 | \$7,500 | 0% | \$7,500 | \$7,500 |
| 16) | Infrastructure Maintenance | | | | | |
| | Water Lines, Valves, Vaults, Meters and Emergency Repairs | \$35,000 | \$35,000 | 0% | \$35,000 | \$35,000 |
| | Offset by a transfer of reserve of \$50K to cover when needed | \$50,000 | \$50,000 | 0% | \$50,000 | \$50,000 |
| | Sewage Removal, Landscape & Maintenance, Janitorial and misc. supplies, | | | | | |
| | Fire extinguisher service, furnaces, A/C, lights & alarms | \$22,000 | \$22,000 | 0% | \$22,000 | \$22,000 |
| | Generator Testing / Service | \$10,000 | \$10,000 | 0% | \$10,000 | \$10,000 |
| | TOTAL INFRASTRUCTURE MAINTENANCE | \$117,000 | \$117,000 | 0% | \$117,000 | \$117,000 |
| 17) | Easement Leases | | | | | |
| | AESRD (Government of Alberta), Alberta One Call Service | \$5,000 | \$3,000 | -40% | \$3,000 | \$3,000 |
| | TOTAL EASEMENT LEASES | \$5,000 | \$3,000 | -40% | \$3,000 | \$3,000 |
| 18) | Engineering Fees | | | | | |
| | General Consulting, Service Connection Reviews, Pipeline Crossings | | | | | |
| | Edmonton Regional Customers | | | | | |
| | Construction inspections on the Commission's behalf | \$35,000 | \$35,000 | 0% | \$35,000 | \$35,000 |
| | TOTAL ENGINEERING FEES | \$35,000 | \$35,000 | 0% | \$35,000 | \$35,000 |
| 19) | Insurance | | | | | |
| | <i>Regular Policy Includes: Comprehensive Crime/General Liability/ Boiler & Machine & property coverage/Directors and Officers Liability</i> | | | | | |
| | TOTAL INSURANCE | \$45,000 | \$45,000 | 0% | \$45,000 | \$45,000 |
| 20) | Power | | | | | |
| | 2026 - Commissions preferred rate is set to expire in 2026, forecasting a large increase | | | | | |
| | increase along with a full year of operations for the Booster Station. | | | | | |
| | 2027 - sees an increase of 3% to account for inflation and rate increases. | | | | | |
| | 2028 - sees an increase of 3% to account for inflation and rate increases. | \$165,000 | \$200,000 | 21% | \$206,000 | \$212,200 |
| | TOTAL POWER | \$165,000 | \$200,000 | 21% | \$206,000 | \$212,200 |

2026 Final Budget
CRSWSC Operating Budget Notes

| | | 2025 BUDGET | 2026 BUDGET | 26/25 % Change | 2027 BUDGET | 2028 BUDGET |
|--|---|------------------------|------------------------|---------------------------|------------------------|------------------------|
| 21) Gas | 2026 sees an increase of 4% to account for inflation and rate increases. 2027 sees an increase of 3% to account for inflation and rate increases. 2028 sees an increase of 3% to account for inflation and rate increases. | \$12,500 | \$13,000 | 4% | \$13,400 | \$13,800 |
| | TOTAL GAS | <u>\$12,500</u> | <u>\$13,000</u> | <u>4%</u> | <u>\$13,400</u> | <u>\$13,800</u> |
| 22) Materials & Supplies | Cleanup and general supplies, batteries, films, chlorine etc. Small Tools, equipment tune ups Materials for Board Meetings | \$12,000 | \$12,000 | 0% | \$12,000 | \$12,000 |
| | TOTAL GENERAL MATERIALS & SUPPLIES | <u>\$12,000</u> | <u>\$12,000</u> | <u>0%</u> | <u>\$12,000</u> | <u>\$12,000</u> |
| 23) Regular & Annual Meeting Expenses | Board Meetings Annual General Meeting (including fees for guest speaker) | \$12,000 | \$12,000 | 0% | \$12,000 | \$12,000 |
| | TOTAL REGULAR & ANNUAL MEETING EXPENSES | <u>\$12,000</u> | <u>\$12,000</u> | <u>0%</u> | <u>\$12,000</u> | <u>\$12,000</u> |
| 24) Seminars & Conferences | 2026-28 Budget - \$42,000 (\$6,000 x 7 (based on 7 member municipalities)) converted from USD Miscellaneous Conferences for Board Members - includes all related expenses Board carry forward from 2024 Board carry forward from 2025 Training for Administration - \$12,000 converted from USD Administration carry forward from 2024 Administration carry forward from 2025 | \$35,000 | \$58,900 | 68% | \$58,900 | \$58,900 |
| | TOTAL SEMINARS & CONFERENCES | <u>\$35,000</u> | <u>\$58,900</u> | <u>68%</u> | <u>\$58,900</u> | <u>\$58,900</u> |
| 25) Transfers to Operating Reserves | Annual transfer to General Operations Reserve - 2026-28 \$0.024/M3 Transfer to (from) Rate Stabilization Reserve | \$32,900 | \$35,000 | -100% | \$16,800 | \$16,800 |
| | TOTAL TRANSFERS TO OPERATING RESERVES | <u>\$32,900</u> | <u>\$35,000</u> | <u>-100%</u> | <u>\$16,800</u> | <u>\$16,800</u> |
| 26) Transfers to Capital Reserves | Transfer of investment revenue to reserves Equipment - General Capital Reserve - 2026 \$0.035/M3, 27-28 \$0.034/M3 Future Water Capacity Reserve - \$0.485/M3 for 2026, \$0.414/M3 for 2027, and \$0.416/M3 for 2028 | \$1,100 | \$0 | -100% | \$75,700 | \$75,700 |
| | TOTAL TRANSFERS TO CAPITAL RESERVES | <u>\$1,100</u> | <u>\$0</u> | <u>-100%</u> | <u>\$75,700</u> | <u>\$75,700</u> |
| | | \$79,000 | \$110,700 | 40% | \$174,921 | \$181,311 |
| | | \$146,985 | \$169,123 | 15% | \$4,836 | \$441 |
| | | \$1,501 | \$326 | -78% | \$179,757 | \$181,752 |
| | | <u>\$148,486</u> | <u>\$169,449</u> | <u>14%</u> | <u>\$179,757</u> | <u>\$181,752</u> |
| | | \$50,000 | \$50,000 | 0% | \$50,000 | \$50,000 |
| | | \$191,720 | \$246,637 | 29% | \$247,805 | \$256,858 |
| | | <u>\$2,805,499</u> | <u>\$3,417,684</u> | <u>22%</u> | <u>\$3,017,391</u> | <u>\$3,142,732</u> |
| | | \$3,047,219 | \$3,714,321 | 22% | \$3,315,196 | \$3,449,590 |

**CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
2026 - 2028 CAPITAL BUDGET**

| | 2025 Budget | 2026 Budget | 2027 Budget | 2028 Budget |
|---|------------------------|------------------------|------------------------|------------------------|
| Capital Funding | | | | |
| Water for Life grant | 250,000 | 229,532 | | |
| Equipment General Reserve | 614,200 | 417,450 | 120,000 | - |
| Future Water Capacity Reserve | <u>4,435,400</u> | <u>3,827,963</u> | | |
| | <u>5,299,600</u> | <u>4,474,945</u> | <u>120,000</u> | <u>-</u> |
| Capital Projects | | | | |
| 2017.002 Air Release Manhole Rehab | 271,700 | 18,700 | | |
| 2021.001 Nisku Booster Station & Beaumont Piping Upgrades | 4,205,400 | 3,675,840 | | |
| 2024.002 Scada upgrade | 182,500 | 68,750 | | |
| 2025.001 Water Master Plan & Strategic Plan | 230,000 | 152,123 | | |
| 2025.002 Emergency Planning | 160,000 | 120,000 | 120,000 | |
| 2025.003 Camrose Feasibility Study | 250,000 | 229,532 | | |
| 2026.001 Calmar Line Repair | | 200,000 | | |
| 2026.002 Arc Flash Study | | 10,000 | | |
| | <u>5,299,600</u> | <u>4,474,945</u> | <u>120,000</u> | <u>-</u> |
| SURPLUS/(DEFICIT) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Regional Water Customers Group

October 29, 2025

EPCOR Water Services Inc.
10065 Jasper Avenue
Edmonton, AB T5J 3B1

Attention: Saqib Chaudhary, Director Regulatory Services

RE: RWCG 2026 Interim Rate

Thank you for attending the October 27, 2025 Regional Water Customers Group (RWCG) Steering Committee meeting and for the financial and operational updates provided by EPCOR. As per usual this rate is interim and is subject to year-end true up.

The RWCG is pleased to advise we support an interim rate of \$1.00/m³ for 2026.

Sincerely,



Jason Casault, Chair
Regional Water Customers Group Steering Committee

cc. Regional Water Customers Group
Bill Stannard, Raftelis Financial Consultants, Inc.

Capital Region Southwest Water Services Commission

Strategic Priorities

1 Introduction

In the Fall of 2025, Associated Engineering engaged Strategic Steps inc. to assist with the creation of a set of strategic priorities to include to add focus to the Capital Region Southwest Water Services Commission (CRSWSC) Master Plan.

Strategic Steps engaged CRSWSC members through a survey that asked members to rank strategic themes from the Commission's previous strategic plan. This was followed up with a check-in with newly elected Commission members in early November 2025. During this check-in, several priorities were ranked and others identified.

What follows in this plan are the strategic themes that Commission members ranked as high, medium and low priorities based on similar themes from the Commission's 2022 strategic plan.

2 Vision, Mission, and Values

The Board is looking towards the future of the Capital Region. When doing so, it is important that Commissioners agree on what the destination looks like. With this in mind, the Board first decides on the Commission's ideal long-term future (Vision) and the general direction it will take to achieve that future (Mission).

These items were generated for the 2019 Strategic Plan and have remained consistent since then.

2.1 Vision Statement

Empowering communities with water

The Board's vision provides a long-term picture of where or what the region wishes to be or become. The vision also indicates what makes the Commission unique from other similar organizations.

2.2 Mission Statement

The Capital Region Southwest Water Services Commission delivers a reliable supply of clean, safe, drinking water to our members

The mission generated by the Board answers a question about what business the Commission is in. It lets readers know what the Commission does and who benefits from its work.

2.3 Values

The values expressed here are the guiding principles that help determine how the Commission will operate, both in public and privately.

Innovation We explore new ways of meeting member needs and maintain technology and processes that are considered leading edge.

Integrity We do what we say we are going to do.

Leadership We provide high-value service delivery and environmental protection that inspires our regional neighbors. We are seen as leaders in our field of expertise.

Quality When our services are measured alongside similar services provided elsewhere, our services are among the most reputable, timely, and efficient.

Reliability We are committed to providing dependable service to member municipalities.

3 Overview

The rest of this plan contains a series of priorities that are identified by the Commission as being noteworthy to achieve over the next four years. They are focused on the Board's governance role and so are phrased as outcomes – or a desired change over time. Once the Board has identified a goal as important, it is the responsibility of management to determine how best to achieve that goal using limited resources and available expertise.

3.1 Relative Priorities

At the adoption of this plan in 2026, these priorities are identified and ranked relative to one another, giving management the direction to focus on what the Board members identify as the highest priorities.

Each year, the Board will formally look-back at achievements from the past year in the Annual Report, to identify what was successful and what can be improved upon. Taking that into account, the Board will re-establish priorities for the following year through the budget process.

Board members are aware that their governance role as Commissioners means that they are responsible for identifying priorities that benefit the Commission and its customers as a region rather than focusing solely on their own municipalities.

3.2 Goal Summary

The goals in this table are described in detail through the rest of this plan. What is illustrated here are the goals and their relative priorities as of the creation of this plan and its adoption by the Commission in 2026.

These seven goals have a relative ranking from highest to lowest, with the most important and timely goals appearing at the top of the list.

| Goal | Priority |
|----------------------------------|----------|
| Emergency Preparedness | High |
| Rate Predictability | High |
| Commission Governance | High |
| Member Education | Medium |
| Environmental Stewardship | Medium |
| Commission Expansion | Low |
| Member Communications | Low |

These goals will be expanded upon and undertaken over the span of the current Master Plan duration. The relative priority will change over the course of implementation until the next Master Plan is adopted.

4 High Priority Goals

High priorities are defined as being both timely and important for the success of the Commission over the course of this plan. The priority on each item below will likely change over the life of this plan as effort is expended in completing these goals and as new strategic priorities emerge.

4.1 Emergency Preparedness

Goal:

The CRSWSC is prepared to respond to, and recover from, unanticipated events that may limit or eliminate customers' access to safe, reliable water.

What it Means:

Emergency Preparedness refers to the organization's capacity to anticipate, plan for, respond to, and recover from disruptions such as natural disasters, system failures, security incidents, or operational crises. It includes emergency plans, resource allocation, response protocols, staff training, and coordination with municipal partners.

Why Ranked as a High Priority:

Because emergencies pose immediate safety, service continuity, reputational, and financial risks, preparedness is foundational. Without strong, realistic, and practiced emergency plans, all other strategic initiatives are vulnerable.

4.2 Rate Predictability

Goal:

The CRSSWC provides members with realistic forecasts for costs associated with Commission operations and water pricing through the course of this plan.

What it Means:

Rate Predictability involves establishing stable, transparent, and long-term cost forecasts around which Commission members can budget realistically. This certainty reduces volatility in rates for services and helps municipalities plan their budgets with confidence.

Why Ranked as a High Priority:

Stable and predictable costs for Commission members directly affect municipal members budgeting ability and political accountability. Predictability also affects growth plans and serves as a basis for realistic strategic planning.

4.3 Commission Governance

Goal:

Role clarity and long-term planning ensure that the CRSSWC operates in a predictable and effective manner, providing confidence for Commission members and customers.

What it Means:

Governance refers to the membership, structures, bylaws, policies, plans, and processes that guide decision-making, ensure accountability, clarify roles, and support transparent organizational oversight.

Why Ranked as a High Priority:

The Board and management of the CRSSWC have spent considerable years ensuring that strong bylaws, policies, and plans are in place. This process remains ongoing, though it has been a few years since the structure of the Commission itself has been evaluated. It is appropriate for a well-functioning governance organization to evaluate governance options to ensure its governance structure reflects members' needs for the efficient discharge of its mandate.

5 Medium Priority Goals

Medium priorities are typically defined as being either timely or important – but not both – at the start of this plan. As high priorities get completed or move into a status of being more operational than governance, these goals may elevate to become high priorities based on the will of the Board.

5.1 Member Education

Goal:

CRSWSC members, their elected officials, and their administrators understand the role of the Commission and how it provides services.

What it Means:

Member education means that the Commission provides training opportunities, orientation, workshops, and resources for members' municipal officials. This can be general or it can be focused on specific aspects of the Commission's service delivery. Recent direction from the Board has been to extend training opportunities to member municipalities administration on a cost share basis to elevate knowledge across the membership.

Why Ranked as a Medium Priority:

Regular education is primarily an operational function, however there are times, such as at the beginning of an electoral term, that it takes on increasing importance. This means that the education function can also have strategic, governance-focused, deliverables.

5.2 Environmental Stewardship

Goal:

The CRSWSC understands the fundamental importance of water to the ecosystem and seeks to minimize the Commission's impact on the physical environment through its distribution of safe drinking water to its customers.

What it Means:

Environmental stewardship includes initiatives that minimize or reduce environmental impact, comply with regulations, and support sustainable resource management.

Why Ranked as a Medium Priority:

Stewardship of the physical environment is strategically important to the Commission and its members. This goal relies on strong governance and operational stability for effective implementation to minimize water loss.

6 Low Priority Goals

Low priorities are defined as goals that are neither timely or important compared to the high and medium priorities at the start of this Commission's plan. These items remain significant and may elevate in status as the environment shifts or as other work is completed and resources become available.

6.1 Commission Expansion

Goal:

The members of the CRSWSC are always looking at how to maximize value through economies of scale to members and beyond.

What it Means:

The potential of expansion for the Commission is based on adding additional members who are in need of a stable long-term supply of water. Planning for expansion has positive ramifications on existing membership through potential redundancies to the transmission system and increasing economies of scale for additional water supply to existing members.

Why Ranked as a Low Priority:

Expansion is long-term and complex. Various plans and regional agreements would need to be updated should this be undertaken. The Commission is currently evaluating this through the City of Camrose Water supply feasibility study, which is being done in conjunction with the Water Master Plan.

6.2 Member Communications

Goal:

CRSWSC members are always aware of the activities of the Commission, both as a routine practice and in times of emergency.

What it Means:

This strategy ensures clear, transparent, timely communication with municipal members, including operational updates and strategic direction.

Why Ranked as a Low Priority:

Communication strengthens relationships and builds trust. It depends on the delivery of high priority goals for communication to be effective and useful to recipients. Recently there has been a focus on ensuring consistent communication and response to water demand management which will continue to be worked on over the course of the next Water Master Plan cycle.

7 Conclusion

The pages of this Capital Region Southwest Water Services Commission Strategic Priorities Update provide a roadmap that was developed by the Commission's directors and managers. It is important that both the Board and management work together to achieve the priorities that are outlined in this plan. Progress towards the goals of the plan will continue to be reported on through the Commission's annual reporting.

Also important is the recognition that the environment in which the Commission operates is always shifting. In response, the Commission's plans also must shift to remain relevant. As with any plan, this one must be used, reviewed and updated on a regular basis.