

**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
 REGULAR MEETING, HELD ON THURSDAY, MARCH 23, 2023 AT 6:00 P.M.
 LEDUC GOLF CLUB, 5725 BLACK GOLD DRIVE, LEDUC, AB T9E 8C4**

1. CALL TO ORDER

Chair Bill Daneluik called the meeting to order at 6:00 p.m.

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

- 07-23 **Motion:** It was **Moved** by Deputy mayor Clifford Heinze that the agenda for the March 23rd, 2023 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

Motion Carried Unanimously

3. **APPROVAL OF MINUTES**

A. **Minutes of the January 19th, 2023**

- 08-23 **Motion:** It was **Moved** by Councillor Jordan Banack that the meeting minutes of the January 19th, 2023 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

Motion Carried Unanimously

4. **PUBLIC COMMENTARY**

There was no public commentary.

5. **REPORTS OF OFFICERS**

A. **Manager's Report**

Recommendation:

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

Nisku Booster Station Land Acquisition and RFP

Land Procurement & Third-Party Agreements

The working space agreement for installation of the transmission main on the West side of the highway has been finalized and executed. Payments have been made for all land pieces. All registrations with AB Land Titles is now completed and the last of the funds held in trust with Reynolds Mirth Richard Farmer LLP (RMRF) have been released to the Leduc County.

The EPCOR connection agreement has been finalized and signed by the Commission. EPCOR has yet to sign and return a final copy for Commission records.

Construction

A partnering session was held on February 21, 2023 with the project team (Administration, Associated Engineering, and Maple Reinders). A ground breaking ceremony is scheduled for April 5, 2023 at 4:00pm with the project management team and the Board of Directors.

Maple Reinders is scheduled to mobilize to site mid-March and commence with site fencing and setup. Hazardous material abatement and demolition of the old pumphouse, and commencement of transmission line installation is anticipated to commence in April 2023.

ATCO completed their cabinet and line relocation in early February 2023. FORTIS is scheduled for relocation of their power lines mid-March as well.

Town of Calmar Developments

On January 18, 2023 a letter was received from the Town of Calmar advising to a Subdivision Application for Highway 39 Industrial Stage 2 with responses requested by February 13, 2023. Administration had no concerns with the submission and no comments were provided. The notice is attached to this report for reference.

City of Beaumont Developments

Administration received two notices from the City of Beaumont with regards to proposed subdivisions. On January 25, 2023 a notice was received advising of an Amendment Application for the Lakeview Area Structure Plan. Another notice was received on January 27, 2023 advising of an amendment application to the Ruisseau Outline Plan. Comments on these amendments were required by February 24, 2023. Administration had no concerns with the amendments and as such no comments were submitted. All notices referenced above are attached to this report for reference.

Regional Water Customers Group (RWCG)

The kick off meeting for the cost-of-service review occurred on Feb 27, 2023. The review team consists of a member of administration from Strathcona County, City of St. Albert, the CRNWSC, CRSWSC, Parkland County, Brownlee LLP, and Raftelis (Local Government & Utility Management Consultant who have specialized in historic cost servicing negotiations with EPCOR). There were discussions about the cost of transmission mains that are included in the regional rate, and the high 5-day calculation as negotiating points we want to bring forward. With retirements that have occurred in EPCOR, Strathcona County is reaching out to determine who the representative for negotiating will be. The group does not feel negotiations are likely to commence until later in the year.

Leduc County Road Closure

Administration received notice from Leduc County on January 26, 2023 notifying the Commission of their intent to close to public travel and cancel a portion of public highway directly adjacent to Lot 4, Block 1, Plan 142 4450. The notification advised that if an easement is required to protect an interest in this corridor that easement documents must be provided to the County office within 30 days. As there is a small section of Commission transmission line in this corridor, Administration responded back on February 15, 2023 requesting further information and requesting an extension to the deadline. The County responded on February 15, 2023 indicating that numerous parties have sought URW agreements within the intended closure and advised to hold off as the landowner was rethinking purchasing this lot. The County advised that if they were proceeding, the due date would be extended. The notice and email are attached for reference.

City of Beaumont Utility Masterplan

The City of Beaumont contacted Administration on February 10, 2023, advising that they have engaged WSP to complete a Utility and Stormwater Master Plan for Beaumont and requesting information in regards to future regional infrastructure plans and confirmation of how the Commission's system interacts with Beaumont. A response was provided on February 13, 2023 with partial information. The balance of the information was requested from Associated Engineering and provided to the City of Beaumont on March 3, 2023. The email correspondence is attached for reference.

Statistics Canada Job Vacancy and Wage Survey

Administration previously reported at the January 19, 2023 Board Meeting that a Job Vacancy and Wage Survey was completed for Statistics Canada in December 2022. Another email was received from Statistics Canada on March 1, 2023 advising of another Job Vacancy and Wage Survey vacancy within the CRSWSC organization. This survey was completed and submitted on March 3, 2023.

AGM Guest Speaker

After investigating guest speaker options, it appears that most speakers are in the \$10,000 fee range which is significantly higher than previously expended. In discussion with Chairman Daneliuk, it was decided to not have a guest speaker at the AGM as there is not good value for the expenditure. If the board would like to investigate increasing the allowance for guest speakers that could be discussed during the 2024 budget deliberations.

May & September 2023 Meetings

The City of Leduc Golf Course Meeting Room is unavailable for the May and September 2023 Board Meetings. Administration has booked the May 18th meeting at Rig Hand Distillery in Leduc County and the September 21st meeting at the Colonial Golf Course in the City of Beaumont. Associated Engineering will attend the May 18, 2023 Board Meeting to provide a refresher on the rate setting exercise completed as part of the 2020 Masterplan and an update as to where the Commission is now.

EIA Reservoir 2

There have been no updates from the EIA on the sign off for the EIA Reservoir 2 FAC documents. Following the last meeting, Administration was approached by the EIA to determine if there were any other options to resolve the transfer of assets as they were having difficulty getting sign off from their engineers given the amount of time that passed between project completion and commissioning. Associated Engineering has provided a scope of work and fees to complete an inspection on the CRSWSC's behalf to confirm the facility follows Commission standards. Administration has forwarded this proposal to the EIA to confirm if they want to proceed and cover the costs of the inspection which would facilitate turnover of assets to the Commission. This proposal is attached for reference.

Commission Facility Locates

Commission operators have completed 37 Utility Safety Partner locates in 2023 on Commission facilities, as compared to 5 at this time in 2022.

- 09-23** **Motion:** It was **Moved** by Mayor Doug Peel 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

Recommendation:

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

2022 Financial Update

The financial reports have been prepared up to February 28, 2023. After two months of operations, there should be approximately 83% of the budget remaining. Management expenses are under budget with 91% of the budget remaining and operating expenses are on track for the year with 85% of the budget remaining.

Water sales and purchases

- Both water sales and purchases are on budget with 84% of the budget remaining. To date the Commission has recorded a line loss of 2.78%.
- Recap of Water Sales to Purchases
 - January water sales shows that the CRSWSC has sold 49,664 m³ more than purchased. This is the result of EPCOR reading the meter four days earlier than the CRSWSC. The previous practice of reading on the second last business day has been changed and EPCOR has provided the dates for the 2023 year but unfortunately the coordination did not occur in January.
 - The consumption for the two months January & February is in line with CRSWSC expectations.

Revenue Variances

- Interest earned exceeds the budget for the year due to interest earned on investments and bank deposits. Investment and bank balances will begin to decline as spending on the Nisku Booster Station occurs throughout 2023 & 2024.

Expenditure Variances

- Insurance is paid in full at the beginning of the year.
- Easement leases are over budget with 66% of the budget remaining as the annual fee has been paid in full at the beginning of the year.
- Other Communication/Maintenance Costs are at 48% of the budget remaining as the annual license for radios has been paid in full at the beginning of the year.
- There are a number of line items with 100% of the budget remaining due to the timing of when work is completed and expenditures occur.

Capital Expenditures

Capital expenditures are below budget with 99% of the overall budget remaining due to timing of capital projects.

2022 Audit

The Commission Auditors, MNP LLP, are still conducting their audit work at the writing of this report. The audit report and findings will be presented at the Annual General Meeting (AGM) on April 20, 2023.

10-23

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

Motion Carried Unanimously

6. UNFINISHED BUSINESS

There were no unfinished business items presented.

7. **NEW BUSINESS**

11-23 **Motion:** It was **Moved** by Councillor Lars Hansen to move to in camera.

- A. Closed Session Financial Review
In-Camera Item (FOIP s.18, 19, 25, 26, 27, 28, and 29)

12-23 **Motion:** It was **Moved** by Councillor Beverly Beckett to come out of in camera.

8. **NEXT MEETING**

The Annual General Meeting is scheduled for April 20, 2023, to be held at the Leduc Golf Club. Formal invitations have been distributed for this event.

The next regular meeting of the Capital Region Southwest Water Services Commission is scheduled for May 18, 2023.

9. **ADJOURNMENT**

13-23 **Motion:** It was **Moved** by Councillor Lars Hansen to adjourn the meeting at 7:00 p.m.

Motion Carried Unanimously

CHAIRMAN

MANAGER