REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
TO BE HELD THURSDAY, NOVEMBER 19, 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 September 17, 2026 Regular Meeting *(pages 2 - 16)*

4. PUBLIC COMMENTARY

5. REPORTS OF OFFICERS

* A. Manager's Report *(pages 17 - 21)*
* B. Treasurer's Report *(pages 22 - 28)*
* C. Interim Budget Report *(pages 29 - 31)*

6. UNFINISHED BUSINESS

* A. Policy 9 – Large Demand User and Infrastructure Upgrade *(pages 32 - 33)*

7. NEW BUSINESS

8. CLOSED SESSION

9. NEXT MEETING

The next meeting is scheduled for January 21, 2027, 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, REGULAR MEETING, HELD ON THURSDAY, SEPTEMBER 17, 2026 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 5:58 p.m.

PRESENT:	Mayor Krista Gardner	Town of Calmar
	Councillor Jaime McKeag-Reber	Town of Calmar
	Councillor Laura Tillack	City of Leduc
	Councillor Anthony Kohlsmith	City of Beaumont
	Deputy Mayor Ron These	Village of Hay Lakes
	Councillor Paul Patterson	Village of Hay Lakes
	Councillor Dal Virdi	Leduc County
	Councillor Kelly-Lynn Lewis (alt.)	Leduc County
	Councillor Doug Lyseng	Camrose County
	Councillor Martin Maxwell (alt.)	Camrose County
	Mayor Doug Peel	Town of Millet
	Councillor Mathew Starky	Town of Millet
ALSO PRESENT:	Councillor Wayne Throndson	City of Camrose
	Kristofer Johnson, G.M., Infrastructure	City of Camrose
	Shailesh Modak, Manager, Utilities	Leduc County
	Anthony Davison	EIA
	Shawn Olson, Commission Manager	City of Leduc
	Rick Sereda, Operations Manager	City of Leduc
	Gerard Del Rosario, Commission Treasurer	City of Leduc
	Elie Tymchyshyn, Accountant	City of Leduc
	Mark D'aoust, Operations Technician	City of Leduc
	Chelsey Iles, Manager, Capital Projects	City of Leduc
	Melanie White, Project Manager	City of Leduc
	Shannon Bremner, Recording Secretary	City of Leduc
	Chris Parfitt, Project Manager (virtual)	Associated Engineering
	Emma Knapik, Civil Engineer	Associated Engineering
	Chad Maki, VP & General Manager	Associated Engineering
WITH REGRETS:	Mayor Lars Hansen	City of Leduc
	Councillor Jill Spinks (alt.)	City of Leduc
	Mayor Lisa Vanderkwaak	City of Beaumont
	Councillor Bonnie Thomas	Leduc County
	Councillor Lana Broker	City of Camrose

2. ADOPTION OF AGENDA

Shawn Olson introduced Emma Knapik from Associated Engineering and Anthony Davison from the Edmonton International Airport (EIA). Anthony Davison was welcomed as the new EIA representative following the recent retirement of Roger Steele. Round table introductions were then completed.

37-26 **Motion:** It was **Moved** by Councillor Kelly-Lynn Lewis that the agenda for the September 17, 2026 Capital Region Southwest Water Services regular meeting be approved as circulated.

Motion Carried Unanimously

3. APPROVAL OF MINUTES

A. Minutes of the May 28, 2026 Regular Meeting

38-26 **Motion:** It was **Moved** by Councillor Jaime McKeag-Reber that the meeting minutes of the May 28, 2026 regular meeting of the Capital Region Southwest Water Services Commission be approved as circulated.

Motion Carried Unanimously

4. PUBLIC COMMENTARY

There was no public commentary.

5. REPORTS OF OFFICERS

A. Manager's Report

Nisku Booster Station

The Nisku Booster Station is fully operational. The legal team, alongside the CRSWSC Administration, continues to work through the claim issues with Maple. Deficiencies include the PRV performance and cathodic protection, and the overall project close out. The claim discussions are expected to carry on for an extended period of time.

Municipal Developments

Since the last Board report, Administration received 7 subdivision development / extension notifications, 3 Land Use Bylaw Amendment Public Hearing notices, and 2 Municipal Development Plan Density Target amendment circulations from the City of Beaumont. Administration also received 2 Public Engagement Invitations regarding the City of Leduc Growth Management Study (GMS)

findings and the proposed Recommended Annexation Area. No concerns were identified, and no comments were submitted in response.

City of Beaumont Line Extension to St. Vital Reservoir

Commission Administration received a letter from the City of Beaumont on July 3, 2026 regarding outstanding Commission connection issues for the St. Vital Reservoir project. The Commission responded on July 30, 2026. Both letters were attached for reference.

Administration met with the City of Beaumont on August 17, 2026, to discuss the outstanding requirements for the CRSWSC connection application and Beaumont's construction schedule. The minutes from this meeting were attached for reference. The project carries a significant risk as EPCOR has indicated that pressure reductions will occur in Spring 2028, while Beaumont's construction schedule, which requires higher pressure from EPCOR, shows project completion in March 2028.

While responsibility for addressing elevated pressure requirements to get water to St. Vital Reservoir rests with Beaumont, the Commission and EPCOR will continue to provide support as needed. To facilitate ongoing collaboration, the Commission coordinated a meeting with Commission Administration, Beaumont Administration and EPCOR. The meeting is scheduled for September 22, 2026. Administration will provide a further update at the next Board meeting.

Outstanding items to confirm include duration of time EPCOR can maintain a higher pressure to support Beaumont's construction, modelling of system performance during construction, confirmation of EPCOR meter requirements for Beaumont, and the aforementioned meeting with all parties.

Beaumont Second Feed Line

Administration received a response from EPCOR on July 28, 2026 regarding Beaumont's 2026-2031 Five-Year Demand Forecast. EPCOR confirmed plans to construct a water main along 50 Street to the Beaumont city boundary within its 2032-2035 capital budget cycle. EPCOR also reiterated that the 50 Street water main is primarily intended to supplement Beaumont's existing water supply and maintain the minimum pressure requirements outlined in the Water Supply Agreement.

Regional Water Customer Group (RWCG)

The RWCG met on May 7, 2026; updates were provided in the May 28, 2026 Manager's Report. There have been no further meetings since this date.

The Framework for Drinking Water Emergencies in the Greater Edmonton Region was sent to the RWCG for information. This has been finalized following several years of collaboration among EPCOR, municipal partners, Alberta Health

Services (AHS), Alberta Environment and Protected Areas (AEPA), Alberta Emergency Management Agency (AEMA) and other regional stakeholders.

The framework establishes a coordinated, multi-agency approach for responding to significant drinking water emergencies affecting communities supplied by the North Saskatchewan River. It outlines governance, roles and responsibilities, decision-making processes, communications protocols, emergency water distribution strategies, and system restoration objectives.

Key objectives include:

- Providing emergency drinking water to priority populations within 24 hours and the general public within 72 hours.
- Restoring affected drinking water systems as quickly as possible.
- Delivering coordinated, transparent, and timely public communications throughout an emergency.

The framework adopts an Incident Command System (ICS) approach and emphasizes unified decision-making among utilities, municipalities, public health authorities and provincial agencies.

It also establishes a prioritized approach to emergency water distribution, ensuring vulnerable populations, critical facilities, and emergency responders receive support first.

The framework strengthens regional preparedness and provides a common response structure for drinking water emergencies that may affect up to 89 communities and approximately 1.55 million residents in the Greater Edmonton Region.

Implications for the CRSWSC: The framework provides clear guidance on emergency response coordination, communications, water distribution, and system restoration activities, improving regional readiness and ensuring alignment with provincial partners during major drinking water incidents. This framework will also serve as the foundation for future regional emergency preparedness exercises and ongoing inter-agency collaboration.

A CRSWSC Technical Committee meeting will be held to review member municipalities roles within this framework.

ARROW Utilities New Sanitary Line

Administration continues to work with ARROW Utilities regarding their proposed construction of a new sanitary main within the shared utility right-of-way containing the CRSWSC feed line to Beaumont. Administration requested an update from ARROW Utilities on August 19, 2026, and ARROW advised that they have not awarded the project to a contractor yet but will update the Commission with project milestones as they become available.

Calmar Line Repair

Construction has been scheduled to occur after the peak water demand period, when materials are available. As a result, the construction will commence on September 28, 2026, and be completed by October 9, 2026. Commission Administration met with Calmar Administration on September 2, 2026 to discuss the project schedule. Throughout construction, Commission Administration will continue to coordinate with the Town of Calmar Administration to proactively address any potential impacts such as closure of the truck fill station.

Administration also discussed the Crossing Agreement process to support development in the Town of Calmar. Calmar Administration will be submitting sketches for lots in question to aid in quicker approval when development proceeds.

Leduc County Whitemud Landing Utility Servicing

Administration met with Leduc County on July 30, 2026, to discuss servicing options for the Whitemud Landing Area Structure Plan. Several concepts were presented, and the Commission confirmed that mixed water supply sources are not permitted. Administration is reviewing the proposed concepts and will continue to work collaboratively with Leduc County to identify a suitable connection strategy.

Emergency Planning

Current outstanding emergency preparedness initiatives are focused on lightning strike protection. The original plan was to install lightning protection systems at all unprotected CRSWSC fill station towers. As many of our existing towers are not CSA certified, the feasibility of installing certified equipment has become cost prohibitive in those situations.

As a result, lightning protection systems will proceed at the Armena, Millet and Robinson stations, as these sites have CSA-certified climbing towers that allow installation at a significantly lower cost.

Administration is examining alternative solutions at the remaining stations (Hay Lakes, New Sarepta, and Calmar), including cellular and satellite-based solutions, that may eliminate the need for tower access and associated lightning protection upgrades.

Commission Facility Locates

Commission operators completed 202 Utility Safety Partner locates as of September 1, 2026, as compared to 275 as of September 1, 2025.

Professional Development Opportunities

Professional development opportunities were attached to the agenda package.

39-26 **Motion:** It was **Moved** by Mayor Doug Peel 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.

Motion Carried Unanimously

B. Treasurer's Report

2026 Financial Update

The financial reports have been prepared up to August 31, 2026. At this stage in the year, approximately 67% of the annual budget would normally be expended or earned. The Commission is on track with respect to budget, with total revenues of 68% earned and total expenditures of 66% incurred. Management expenses are under budget at 57% of the budget spent, while Operating expenses are on budget with 66% of the budget spent.

Water sales and purchases

- Water sales and purchases are on budget with 67% of the budget spent.
- A line loss of 2.40% has been recorded to date.
- An error in the June EPCOR bill affected the June and July Recap of Water Sales to Purchases. In June, three new flow meters were added at Commission sites under the amended EPCOR Agreement related to the new Booster Station. During the transition, final readings recorded when the meters were commissioned on June 17 were later overwritten by readings taken on June 26. This caused a portion of the consumption to be counted twice in the June billing calculation. Administration brought this issue forward to EPCOR who verified the discrepancy, and the correction was applied as a credit on the July bill.

Revenue Variances

- Interest earned (314%) exceeds the budget due to a combination of interest on our bank balance as well as investment returns.

Expenditure Variances

Management:

- Management contract expenditures align with budget expectations with 67% spent.
- Debentures are under budget at 50%; however, payments are made in June and December.
- Legal fees currently sit at 64% of the budget spent. Majority of this expense relates to Arrow Utilities new sanitary line construction.

- Audit fees currently reflect 5% of the budget being spent; fees will be booked in Q4 during the interim audit of the Commission's financials.
- Honorariums (65%) and mileage (64%) are on budget.
- Other Professional Fees are under budget at 37%; the only expense incurred has been for the 2025 Annual Report.
- Office supplies are under budget at 44%.

Operations:

- Operating contract is consistent with the budget at 67% spent.
- Seminars & Conferences are presently under budget at 48% but will incur additional costs as registrations and travel for WEFTEC are expensed. We are expecting to use the entirety of this budget, which further contributes to the overall education of both the Board and Administration.
- Power and Gas are below budget at 47% and 41%, respectively.
- Engineering fees are under budget at 40% as the primary focus remains on the closing out of the Booster Station.
- Insurance premiums were paid in full at the beginning of the year and came in higher than expected. We will adjust the 2027 Budget in the Fall to reflect this new base.
- Easement Leases are currently at 69% of budget.
- Materials and Supplies expenditures are at 93% due to the procurement of AGM materials.
- Infrastructure Maintenance is over budget at 85% due to repairs done to the pump at Telford Booster Station (~$27K), surge protection at Telford Booster Station (~$11K), and retrofit of the pump at Telford Booster Station (~$31K).
- Cathodic Protection and Computer & Comm. Maintenance, Supplies, Licenses are below budget due to the timing of scheduled work.
- Instrumentation & Mechanical is slightly under budget at 58%.

Capital Expenditures

Capital expenditure stands at 9% of the budget, due to timing of planned capital initiatives.

Addressed in Manager's Report:

- 2021.001 Nisku Booster Station & Beaumont Piping Upgrades (1.5%)
- 2025.002 Emergency Planning (5%)
- 2025.003 Camrose Feasibility Study (95%)
- 2026.001 Calmar Line Repair (23%)

2017.002 Air Release Manhole Rehab (26%):

- Project was completed in 2025; the remaining funds were carried forward to purchase a replacement core for a new Air Release Valve that failed. The remaining budget will be used to offset the expected overage in the Calmar Line Repair project.

2024.002 Scada Upgrade (34%):

- Project is ongoing.

2025.001 Water Master Plan & Strategic Plan (50%):

- Project is completed and savings will be used to offset the expected overage in the Calmar Line Repair project.

It was clarified that the Strategic Plan was incorporated within the Water Master Plan document.

2026.002 Arc Flash Study (75%):

- Project has been completed and came in under budget. Project savings will be used to offset the expected overage in the Calmar Line Repair project.

Statement of Operations to August 31, 2026

	Actual 2026	Budget 2026	Variance	Budget % Spent
Revenue				
Water Sales	8,251,043	12,261,383	4,010,340	67%
Water Flat Rate Debenture Proceeds	62,602	93,903	31,301	67%
Interest Earned	156,965	50,000	(106,965)	314%
Miscellaneous Revene	-	-	-	0%
Capital Prov Gov't Grants	23,270	-	(23,270)	
Total Revenue	**8,493,881**	**12,405,286**	**3,911,405**	**68%**
Expenses				
Management Expenses				
Management Contract	102,000	153,000	51,000	67%
Debenture payments	46,951	93,903	46,952	50%
Legal Fees	6,350	10,000	3,650	64%
Other Professional Fees	3,910	10,500	6,590	37%
Honorarium	10,560	16,200	5,640	65%
Audit Fees	863	18,000	17,138	5%
Office Supplies	889	2,000	1,111	44%
Mileage	2,561	4,000	1,439	64%
Bank Charges & Interest	591	500	- 91	118%
Total Management Expenses	**174,675**	**308,103**	**133,428**	**57%**
Operating Expenses				
Water Purchases	4,858,566	7,264,713	2,406,147	67%
Operating Contract	251,333	377,000	125,667	67%
Seminars & Conferences	59,821	124,400	64,579	48%
Power	93,505	200,000	106,495	47%
Engineering Fees	13,878	35,000	21,122	40%
Instrumentation & Mechanical	26,162	45,000	18,838	58%
Insurance	55,824	45,000	- 10,824	124%
Infrastructure Maintenance	99,259	117,000	17,741	85%
Regular & Annual Meeting Expenses	18,130	26,000	7,870	70%
Cathodic Protection	-	6,000	6,000	0%
Materials & Supplies	16,803	18,000	1,197	93%
Computer & Comm. Maintenance, Supplies, Licenses	2,543	30,500	27,958	8%
Easement Leases	2,079	3,000	921	69%
Gas	5,288	13,000	7,712	41%
Telephone	4,127	7,500	3,373	55%
Total Operating Expenses	**5,507,319**	**8,312,113**	**2,804,794**	**66%**
Total Expenses	**5,681,994**	**8,620,216**	**2,938,222**	**66%**
Net of Revenue over Expenses	**2,811,887**	**3,785,070**	**973,183**	**74%**
Net Interfund Transfers				
Drawn from Accumulated Surplus	-	-	-	0%
Transfer to Operating Reserves	-	169,449	- 169,449	100%
Transfer from Operating Reserves	-	98,700	98,700	100%
Transfer to Capital Reserves	-	3,714,321	- 3,714,321	100%
Total Interfund Transfers	**-**	**3,785,070**	**- 3,785,070**	
Net Surplus (Deficit)	**2,811,887**	**-**	**2,811,887**	

Statement of Financial Position as at August 31, 2026

Financial Assets

Bank	$	6,569,866
Accounts Receivable	$	1,622,208
Accrued Receivables	$	-
Investment Interest Receivable	$	37,807
GST Receivable	$	14,850
Short Term Investments	$	8,092,204
Inventory	$	19,422
Total Financial Assets	**$**	**16,356,356**

Liabilities

Trade Accounts Payable	$	724,200
Accrued Accounts Payable	$	337,380
Accrued Interest on Debentures	$	1,085
Deferred Revenue - Gov't Grant	$	-
Deposits	$	7,500
Debenture 4000845 - 2010	$	502,195
Debenture 4002395 - 2018	$	60,315
Total Liabilities	**$**	**1,632,675**
Net-Financial Assets	**$**	**14,723,681**

Non-Financial Assets

Land	$	334,685
Machinery & Equipment	$	405,377
Accum. Depreciation - Mach & Equip	$	(397,943)
Engineering Structures	$	46,455,495
Work in Progress - Buildings	$	-
Work in Progress - Equipment	$	501,097
Work in Progress - Eng Structure	$	257,825
Accum. Depreciation - Eng Stru	$	(6,357,364)
Work in Progress - Nisku Booster Station	$	55,505
Total Non-Financial Assets	**$**	**41,254,676**

Accumulated Surplus

Rate Stabilization Op Reserve	$	170,165	
Emergency & Operations - Op Res	$	200,000	
General Reserves - Op Reserve	$	1,203,846	
Equipment - Cap Reserve	$	1,768,342	
Future Water Capacity - Cap Reserve	$	6,763,343	
Total Reserves for Future Use			$ 10,105,696
Unrestricted Surplus			$ 2,781,290
Investment - remeasurement gains/losses			
Equity in Fixed Assets			$ 40,279,484
Current Earnings (Net surplus (deficit) + add back debenture principle)			$ 2,811,887
Total Accumulated Surplus			**$ 55,978,357**

2025 Capital Summary to August 31, 2026

2017.002 Air Release Manhole Rehab	
2026 Budget	18,700
2026 Expenditures	(4,825)
Budget Remaining	**13,875**
2021.001 Nisku Booster Station & Beaumont Piping Upgrade	
2026 Budget	3,675,755
2026 Expenditures	(55,505)
Budget Remaining	**3,620,250**
2024.002 SCADA upgrade	
2026 Budget	51,250
2026 Expenditures	(17,500)
Budget Remaining	**33,750**
2025.001 Water Master Plan & Strategic Plan	
2026 Budget	132,520
2026 Expenditures	(66,491)
	66,029
2025.002 Emergency Planning	
2026 Budget	120,000
2026 Expenditures	(5,634)
	114,366
2025.003 Camrose Feasibility Study	
2026 Budget	219,520
2026 Expenditures	(209,139)
	10,381
2026.001 Calmar Line Repair	
2026 Budget	200,000
2026 Expenditures	(46,134)
	153,866
2026.002 Arc Flash Study	
2026 Budget	10,000
2026 Expenditures	(7,450)
	2,550
2025 Total Capital Budget	**4,427,745**
2025 Total Capital Expenditu	**(412,677)**
Budget Remaining	**4,015,068**
Budget Spent	**9%**

40-26 **Motion:** It was **Moved** by Councillor Paul Patterson that the Capital Region Southwest Water Services Commission Board of Directors receive the Treasurer's Report as information as presented by Gerard Del Rosario, Treasurer.

Motion Carried Unanimously

6. UNFINISHED BUSINESS

There was no unfinished business.

7. NEW BUSINESS

A. Camrose / Wetaskiwin Feasibility Study

At the CRSWSC Board meeting on March 21, 2024, Administration was directed to submit an application to the Water for Life grant program for funding a Feasibility Study to investigate the possibility of extending the CRSWSC water supply lines to the City of Camrose, City of Wetaskiwin and Wetaskiwin County. The Water for Life grant was announced in Spring 2025, and work commenced on the Feasibility Study to be completed alongside the Commission's Water Master Plan.

With the recent completion of the Water Master Plan, the Feasibility Study can now be finalized. Administration received a draft copy of the Camrose and Wetaskiwin Regional Water Feasibility Study in August 2026. The draft was distributed to the City of Camrose, Camrose County, Wetaskiwin County, City of Wetaskiwin, City of Beaumont and Leduc County for review and comments. A copy of the final draft incorporating comments was attached to the agenda package.

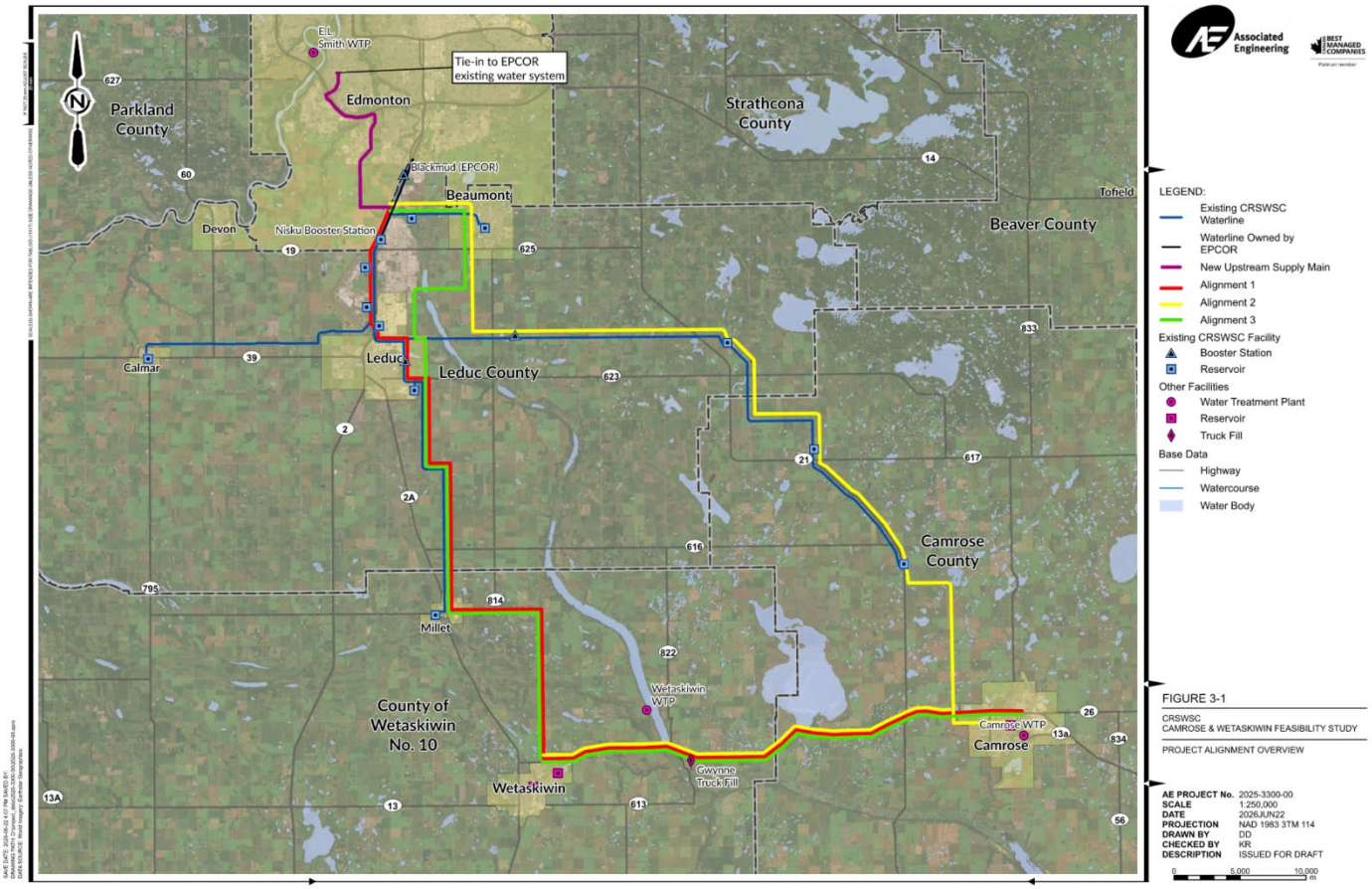
Chair Krista Gardner left the meeting at 6:25 p.m. Vice Chair Laura Tillack assumed the role of Chair.

Emma Knapik with Associated Engineering presented the draft Feasibility Study to the Board, on behalf of Chris Parfitt.

Key points of the Feasibility Study are as follows:

- The City of Camrose, City of Wetaskiwin, and a portion of the County of Wetaskiwin currently obtain their water from local lakes via local water treatment plants. These lakes are vulnerable to drought conditions and lack long-term supply resiliency for the growing communities.
- EPCOR is unable to supply the additional demand of Camrose and Wetaskiwin through the existing 750mm supply main from the Blackmud Booster Station. The new supply lines would need to tie into EPCOR's system north of Anthony Henday Drive.
- It is estimated that a new regional waterline would take 10 years to complete due to the extensive design, land acquisition, and construction required.

- While there is not unanimous support amongst all benefitting parties, the proposed alignment is Option 2, (yellow line in the image below) which would begin within the City of Edmonton, run through the City of Beaumont, extend south to twin the Armena line to Camrose, then head west to Wetaskiwin. There is a possibility that this alignment may replace the 50 Street second feed line to Beaumont that has previously been discussed.
- The estimated cost of the regional pipeline is $434M.



Administration met with Alberta Transportation and Economic Corridors (ATEC) on September 4, 2026 to discuss the project and gather information regarding the available grant programs and next steps. Unfortunately, a project of this magnitude is beyond what the Water for Life Grant can fund, and there are many other municipalities throughout the province in a similar situation, or even more critical. ATEC indicated that a project of this magnitude could at best be funded 1/3 federally, 1/3 provincially and 1/3 municipally. Due to the required municipal expenditures and coordination between benefiting parties required, Administration recommended that once finalized, the Feasibility study be turned over to the City of Camrose to determine the most appropriate time to submit subsequent grant applications. The next application would be for funding the preliminary design of the anticipated new feed line to Beaumont, Camrose and Wetaskiwin. It was recommended that the Commission assist the City of

Camrose in preparing the application, if requested, and provide a letter of support to submit with the application. Shawn Olson advised that the City of Camrose is conducting a study regarding the availability of its water source, which may further support the grant funding application.

A Board member inquired about potential backup water supply options from the Commission in absence of the grant and project. Shawn Olson explained that the Commission is unable to fund new connections and does not have capacity in the existing system. New member connections are financed through project-specific costs and are the responsibility of the connecting member. He noted that the Commission can provide administrative and project management support; however, water supply infrastructure funding is a provincial responsibility. Shawn further advised that significant external funding would be required for any future project to proceed, and referenced the Town of Millet connection as an example of a project that advanced through grant and municipal funding.

The City of Leduc is meeting with Michael Botros, Regional Director, North Central Region of Transportation and Economic Corridors (ATEC), on September 24, 2026 as part of the Alberta Municipalities convention in Edmonton. Municipalities were given the opportunity to discuss their top 3 priorities with the province. The City of Leduc will be presenting the Camrose and Wetaskiwin regional water supply line as one of its top three priorities, to advocate for this important regional project. Other Commission members may choose to do the same. Shawn Olson encouraged Board members and their municipalities to continue advocating for the project when opportunities arise.

41-26 **Motion:** It was **Moved** by Councillor Kelly-Lynn Lewis that the Capital Region Southwest Water Services Commission Board of Directors approve and finalize the draft Feasibility Study.

Motion Carried Unanimously

42-26 **Motion:** It was **Moved** by Councillor Anthony Kohlsmith that the Capital Region Southwest Water Services Commission Board of Directors provide the finalized Feasibility Study to the City of Camrose to coordinate submitting a Water for Life grant application for the proposed regional waterline.

Motion Carried Unanimously

8. CLOSED SESSION

A. Proposed Development (ATIA s.28)

43-26 **Motion:** It was **Moved** by Councillor Kelly-Lynn Lewis that the Capital Region Southwest Water Services Commission Board of Directors direct that the Proposed Development verbal update be addressed under Closed Session. *(ATIA s. 28)*

Motion Carried Unanimously

Administration provided a verbal update regarding a proposed development.

9. NEXT MEETING

The next meeting of the Capital Region Southwest Water Services Commission will be the Organizational and Regular meetings, scheduled for November 19, 2026.

10. ADJOURNMENT

44-26 **Motion:** It was **Moved** by Vice Chair Laura Tillack to adjourn the meeting at 6:39 p.m.

Motion Carried Unanimously

_____
CHAIR

_____
MANAGER

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

Report Name: **Manager's Report – November 19, 2026**

Recommendation:

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

Nisku Booster Station

Strategic Plan Goal: Commission Expansion

The Nisku Booster Station is fully operational. The legal team, alongside the CRSWSC Administration, continues to work through the claim issues with Maple. Deficiencies include the PRV performance, cathodic protection, and the overall project close out. The next set of without prejudice negotiations will continue with Maple on November 6, 2026. An update will be provided during the Board Meeting.

Municipal Developments

Strategic Plan Goal: Commission Governance

Since the last Board report, Administration received a total of 7 subdivision development notifications; 5 from the Town of Calmar and 2 from the City of Beaumont. No concerns were identified, and no comments were submitted in response.

City of Beaumont Line Extension to St. Vital Reservoir

Strategic Plan Goal: Emergency Preparedness

To explore possible solutions to the water pressure concern at St. Vital Reservoir, the Commission coordinated a meeting on September 22, 2026, with Commission Administration, Beaumont Administration and EPCOR. The meeting provided an opportunity for Beaumont and EPCOR to discuss possible solutions (meeting minutes attached).

The Commission continues to work collaboratively with Beaumont to identify the scenario requiring the least increase in hydraulic grade (pumping) at Blackmud Booster Station. Associated Engineering completed a modelling exercise and provided Beaumont with several scenarios (the modelling exercise is attached). The scenario requiring the least increase in hydraulic grade involves adjusting the peak day flow to incorporate typical winter peak flow rates and reversing the demand allocation at the Leduc County Reservoirs. The Commission has submitted the model results to EPCOR for review and approval. EPCOR indicated that incremental pressure increases at Blackmud Booster Station may be feasible, subject to further testing over winter 2027 to assess operational impacts and system performance. In the coming weeks, the Commission will facilitate a discussion with Leduc County about possible

modifications to the East and West reservoir demands during Beaumont's construction activities.

The meter requirements were also discussed and EPCOR provided three suitable options, in which the Commission and Beaumont agreed to using the existing metering arrangement and calculate the water allocation indirectly, should discrepancies occur.

Outstanding items include determining the best modeling scenario to provide St. Vital with adequate pressures for the duration of the project, providing the results to EPCOR for approval, and EPCOR testing the system over the winter.

Beaumont Second Feed Line
Strategic Plan Goals: Commission Expansion and Emergency Preparedness

Associated Engineering is preparing the annual 5-year demand forecast for the City of Beaumont, which will be submitted to EPCOR in November. EPCOR has confirmed plans to construct a water main along 50 Street to the Beaumont city boundary within the 2032 - 2035 capital budget cycle. The Commission will continue to provide the annual forecasts to EPCOR in case there are any significant changes that would warrant accelerating construction.

Regional Water Customer Group (RWCG)
Strategic Plan Goals: Commission Governance and Rate Predictability

The RWCG met on October 19, 2026 for their Annual and Fall meetings. Topics covered included:

- The existing 60 million m³ water diversion license was confirmed, with planning underway for the next license review report in 2030 to determine future increases.
- The RWCG approved a 2027 interim rate of $1.05/m³. Lawyers advised that the cost arrangement with EPCOR is very favorable in comparison to others they have seen.
- The Northeast Water Commission (CRNWSC) will no longer participate in the High 5 water demand restrictions. Any potential impact on RWCG members will be monitored, although no concerns are anticipated because the CRNWSC already has peak management due to the high volume of non-residential customers.
- Work is underway to develop processes for high-risk system isolations, led by the City of Calgary.

Mark D'aoust has arranged a CRSWSC Technical Committee meeting on November 12, 2026 to discuss the recently updated water demand measures.

Camrose / Wetaskiwin Regional Water Supply
Strategic Plan Goal: Commission Expansion

The Commission is working through the close out requirements for the Water for Life grant for the Feasibility Study and has now provided the finalized Feasibility Study to the City of Camrose. The City of Camrose Council provided authorization to proceed and provided direction to accelerate funding for the Driedmeat Lake Water Supply Assessment. Associated Engineering is preparing the Water for Life grant application for the preliminary design phase on their behalf. The Commission has not received any further request for assistance from the City of Camrose.

ARROW Utilities New Sanitary Line
Strategic Plan Goal: Emergency Preparedness

Administration continues to work with ARROW Utilities regarding their proposed construction of a new sanitary main within the shared utility right-of-way containing the CRSWSC feed line to Beaumont. On October 20, 2026, ARROW advised that they posted the tender jointly with Leduc County's new water main and will be awarding the project before the end of the year.

Calmar Line Repair and Crossing Agreement Update
Strategic Plan Goals: Emergency Preparedness and Commission Governance

Construction began on October 7 and concluded on October 16, 2026 in accordance with the revised project schedule. No unforeseen issues were encountered, and water service remained uninterrupted throughout construction apart from the temporary closure of the truck fill station. Administration maintained proactive coordination with the contractor and the Town of Calmar to minimize project impacts and ensure the work was completed successfully. Administration would like to thank our contractors and the Town of Calmar for their cooperation in ensuring successful project execution.

Administration provided the Town of Calmar with drawing guidelines and recommended alignments to cross the CRSWSC line. Administration will draft a preemptive crossing agreement to assist with the development process once drawings are received.

Leduc County Whitemud Landing Utility Servicing
Strategic Plan Goal: Commission Expansion

Administration reviewed the Whitemud Landing ASP demand requirements and system connection options with Associated Engineering and provided a technical connection assessment (attached) to Leduc County on October 28, 2026.

Based on the information provided, connecting Whitemud Landing to the upstream demand location which is approximately 1.3 km downstream of the Nisku Booster Station, results in fewer impacts to the Commission's existing system, as well as lower upgrade costs. As per Policy 6 – Water Supply Policy and Policy 9 - Large Demand User and Infrastructure Upgrade, the member will be responsible for all costs related to upgrading the Commission's system to provide water to a new connection location, if the demands are significantly more than the Commission has planned for (organic growth).

The Commission will continue to discuss connection options with Leduc County and will provide an update at the next Board meeting.

Management and Operations Contract 2027 Procurement Process
Strategic Plan Goal: Commission Governance

The current Management and Operations contract expires on December 31, 2027. Administration is planning to begin the procurement process in early 2027. The proposed procurement timeline is as follows:

- **January 21, 2027 Board Meeting:** Bring forward recommended Selection Committee members for Board approval.
- **January/February 2027:** Prepare the draft RFP.
- **March 11, 2027 Board Meeting:** Seek Board approval of the RFP prior to its release. Procurement process to occur between Board meetings.
- **May 20, 2027 Board Meeting:** Proposed decision and award of the contract.

Commission Facility Locates
Strategic Plan Goal: Commission Governance

Commission operators completed 261 Utility Safety Partner locates as of October 31, 2026, as compared to 324 as of October 31, 2025.

WEFTEC Conference Debrief
Strategic Plan Goal: Member Education

Conference attendees are invited to verbally share highlights, key learnings and takeaways from the WEFTEC conference.

Professional Development Opportunities
Strategic Plan Goal: Member Education

Professional development opportunities are listed in attachment iv.

Attachments:

i. 2026.09.22 CRSWSC Meeting with Beaumont & EPCOR – Meeting Notes *(pages 34 - 36)*
ii. 2026.10.01 St. Vital Connection Request Memo – Blackmud Pressure Requirements *(pages 37 - 39)*
iii. 2026.10.27 Whitemud Landing ASP Connection Assessment *(pages 40 - 44)*
iv. Professional Development Opportunities *(page 45)*

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

Report Name: **Treasurer's Report – November 19, 2026**

Recommendation:

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

2026 Financial Update

Strategic Plan Goal: Member Communications

The financial reports have been prepared up to October 31, 2026. After ten months of operations, there should be approximately 83% of the budget spent/earned. The Commission is on budget in expenses with 83% of the budget spent, and earning slightly more revenue than budgeted at 87%.

Management expenses are under budget with 66% of the budget spent, and operating expenses are on budget for the year with 83% of the budget spent.

Water Sales and Purchases

- Water sales and purchases are slightly over budget with 85% of the budget earned.
- To date, the Commission has recorded a line loss of 2.15%.

Revenue Variances

- Interest earned (402%) exceeds the budget due to a combination of interest in our bank balance as well as investment returns.

Expenditure Variances - Management

- Management contract expenditures align with budget expectations with 83% spent.
- Debentures are under budget at 50%; however, payments are made in June and December.
- Legal fees currently sit at 64% of the budget spent. Majority of this expense relates to Arrow Utilities new sanitary line construction.
- Audit fees currently reflect 5% of the budget being spent; fees will be booked in Q4 during the interim audit of the Commission's financials.
- Honorariums (84%) and mileage (80%) combined are within budget.
- Other Professional Fees are under budget at 37%; the only expense incurred has been for the 2025 Annual Report.
- Office supplies are under budget at 44%.

Expenditure Variances - Operations

- Operating contract is consistent with the budget at 84% spent.
- Seminars & Conferences are under budget at 68%. WEFTEC expenses have not been finalized, but there will be a portion of the 2026 Board training that can be carried forward into 2027.
- Power and Gas are below budget at 60% and 69%, respectively. The new rate contract was effective starting in July.
- Engineering fees are under budget at 66% as the primary focus remains on closing the Booster Station project.
- Insurance premiums were paid in full at the beginning of the year and came in higher than expected. We will adjust the 2027 Budget in the Fall to reflect this new base.
- Easement Leases are currently at 69% of budget.
- Materials and Supplies expenditures are over budget at 107% due to the procurement of AGM materials.
- Infrastructure Maintenance is over budget at 90% due to repairs done to the pump at Telford Booster Station (~$27K), surge protection at Telford Booster Station (~$11K), and retrofit of the pump at Telford Booster Station (~$31K).
- Cathodic Protection and Computer & Comm. Maintenance, Supplies, Licenses are below budget due to the timing of scheduled work.
- Instrumentation & Mechanical is slightly under budget at 70%. Examples of work conducted this year included replacement of a pressure monitor at the City of Leduc North Reservoir, annual maintenance for CL2 analyzers, and annual verification of water meters.

Capital Expenditures

Capital expenditure stands at 11% of the budget, primarily due to the large Booster Station budget.

Addressed in Manager's Report:

- 2021.001 Nisku Booster Station & Beaumont Piping Upgrades (2%)
- 2025.003 Camrose Feasibility Study (100%)
- 2026.001 Calmar Line Repair (24%)

2017.002 Air Release Manhole Rehab (26%):

- Project was completed in 2025; the remaining funds were carried forward to purchase a replacement core for a new Air Release Valve that failed. The remaining budget will be used to offset the expected overage of the Calmar Line Repair project.

2024.002 Scada Upgrade (34%):

- Project is ongoing; unused funds will be carried forward into 2027.

2025.001 Water Master Plan & Strategic Plan (50%):

- Project is completed and savings will be used to offset the expected overage in the Calmar Line Repair project.

2025.002 Emergency Planning (52%):

- Procurement of emergency parts has been completed (e.g. grounding rods for Armena, Millet and Robinson). This budget also includes proactive daylighting which has not been utilized to date.

2026.002 Arc Flash Study (75%):

- Project has been completed and came in under budget. Project savings will be used to offset the expected overage in the Calmar Line Repair project.

Regional Water Customers Group (RWCG)

Strategic Plan Goal: Rate Predictability

At the October 19, 2026 RWCG meeting, the following financial updates were presented:

- The 2024 Balancing Fund settlement has been fully executed. The RWCG paid EPCOR at a rate of $0.90/M^3, and the settled rate derived from the cost model is $0.9733/M^3. This has resulted in an underpayment to EPCOR in the amount of $2,794,373 which will be paid out of the balancing fund. The Commission's share of this payment is $527,864.

- The interim rate for 2027 was approved by the RWCG at a rate of $1.05. EPCOR is projecting the 2027 rate to settle at $1.10. This underpayment would further reduce the balance of the fund by another ~$2M. Projecting that by 2029, the fund balance will be around $2.9M, which is within the maximum threshold.

CRSWSC
Capital Region Southwest Water Services Commission

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

Statement of Operations to October 31, 2026

	Actual 2026	Budget 2026	Variance	Budget % Spent
Revenue				
Water Sales	10,432,417	12,261,383	1,828,966	85%
Water Flat Rate Debenture Proceeds	78,252	93,903	15,651	83%
Interest Earned	201,067	50,000	(151,067)	402%
Miscellaneous Revene	-	-	-	0%
Capital Prov Gov't Grants	23,270	-	(23,270)	
Total Revenue	**10,735,006**	**12,405,286**	**1,670,280**	**87%**
Expenses				
Management Expenses				
Management Contract	127,500	153,000	25,500	83%
Debenture payments	46,951	93,903	46,952	50%
Legal Fees	6,350	10,000	3,650	64%
Other Professional Fees	3,910	10,500	6,590	37%
Honorarium	13,680	16,200	2,520	84%
Audit Fees	863	18,000	17,138	5%
Office Supplies	889	2,000	1,111	44%
Mileage	3,215	4,000	785	80%
Bank Charges & Interest	638	500 -	138	128%
Total Management Expenses	**203,996**	**308,103**	**104,107**	**66%**
Operating Expenses				
Water Purchases	6,127,453	7,264,713	1,137,260	84%
Operating Contract	314,167	377,000	62,833	83%
Seminars & Conferences	84,996	124,400	39,404	68%
Power	119,544	200,000	80,456	60%
Engineering Fees	34,500	35,000	500	99%
Instrumentation & Mechanical	31,663	45,000	13,337	70%
Insurance	55,824	45,000 -	10,824	124%
Infrastructure Maintenance	105,507	117,000	11,493	90%
Regular & Annual Meeting Expenses	19,523	26,000	6,477	75%
Cathodic Protection	-	6,000	6,000	0%
Materials & Supplies	19,287	18,000 -	1,287	107%
Computer & Comm. Maintenance, Supplies, Licenses	2,543	30,500	27,958	8%
Easement Leases	2,079	3,000	921	69%
Gas	6,140	13,000	6,860	47%
Telephone	5,133	7,500	2,367	68%
Total Operating Expenses	**6,928,360**	**8,312,113**	**1,383,753**	**83%**
Total Expenses	**7,132,356**	**8,620,216**	**1,487,860**	**83%**
Net of Revenue over Expenses	**3,602,650**	**3,785,070**	**182,420**	**95%**
Net Interfund Transfers				
Drawn from Accumulated Surplus	-	-	-	
Transfer to Operating Reserves	- -	169,449 -	169,449	
Transfer from Operating Reserves	-	98,700	98,700	
Transfer to Capital Reserves	- -	3,714,321 -	3,714,321	
Total Interfund Transfers	- -	**3,785,070** -	**3,785,070**	
Net Surplus (Deficit)	**3,602,650**	- -	**3,602,650**	

CRSWSC
Capital Region Southwest Water Services Commission

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

Statement of Financial Position as at October 31, 2026

Financial Assets

Bank	$	7,212,311
Accounts Receivable	$	1,830,526
Accrued Receivables	$	-
Investment Interest Receivable	$	37,807
GST Receivable	$	12,520
Short Term Investments	$	8,105,000
Inventory	$	19,422
Total Financial Assets	**$**	**17,217,586**

Liabilities

Trade Accounts Payable	$	888,585
Accrued Accounts Payable	$	337,380
Accrued Interest on Debentures	$	1,085
Deferred Revenue - Gov't Grant	$	-
Deposits	$	7,500
Debenture 4000845 - 2010	$	502,195
Debenture 4002395 - 2018	$	60,315
Total Liabilities	**$**	**1,797,061**
Net-Financial Assets	**$**	**15,420,526**

Non-Financial Assets

Land	$	334,685
Machinery & Equipment	$	405,377
Accum. Depreciation - Mach & Equip	$	(397,943)
Engineering Structures	$	46,455,495
Work in Progress - Buildings	$	-
Work in Progress - Equipment	$	569,673
Work in Progress - Eng Structure	$	257,825
Accum. Depreciation - Eng Stru	$	(6,357,364)
Work in Progress - Nisku Booster Station	$	80,848
Total Non-Financial Assets	**$**	**41,348,595**

Accumulated Surplus

Rate Stabilization Op Reserve	$	170,165		
Emergency & Operations - Op Res	$	200,000		
General Reserves - Op Reserve	$	1,203,846		
Equipment - Cap Reserve	$	1,768,342		
Future Water Capacity - Cap Reserve	$	6,763,343		
Total Reserves for Future Use			$	10,105,696
Unrestricted Surplus			$	2,781,290
Investment - remeasurement gains/losses				
Equity in Fixed Assets			$	40,279,484
Current Earnings (Net surplus (deficit) + add back debenture principle)			$	3,602,650
Total Accumulated Surplus			**$**	**56,769,121**

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

2026 Capital Summary to October 31, 2026

2017.002 Air Release Manhole Rehab	
2026 Budget	18,700
2026 Expenditures	(4,825)
Budget Remaining	**13,875**
2021.001 Nisku Booster Station & Beaumont Piping Upgrade	
2026 Budget	3,675,755
2026 Expenditures	(80,848)
Budget Remaining	**3,594,907**
2024.002 SCADA upgrade	
2026 Budget	51,250
2026 Expenditures	(17,500)
Budget Remaining	**33,750**
2025.001 Water Master Plan & Strategic Plan	
2026 Budget	132,520
2026 Expenditures	(66,491)
	66,029
2025.002 Emergency Planning	
2026 Budget	120,000
2026 Expenditures	(62,766)
	57,234
2025.003 Camrose Feasibility Study	
2026 Budget	219,520
2026 Expenditures	(219,520)
	-
2026.001 Calmar Line Repair	
2026 Budget	200,000
2026 Expenditures	(47,196)
	152,804
2026.002 Arc Flash Study	
2026 Budget	10,000
2026 Expenditures	(7,450)
	2,550
2025 Total Capital Budget	**4,427,745**
2025 Total Capital Expenditu	**(506,596)**
Budget Remaining	**3,921,149**
Budget Spent	**11%**

Attachments:

i. 2026 Recap of Water Sales to Purchases *(page 46)*
ii. 2026 Customer Sales Detailed Report $ *(page 47)*
iii. 2026 Customer Sales Detailed Report M^3 *(page 48)*

5C Interim Budget Report
CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Report Name: **2027 Interim Budget Report**

Recommendation:

1) It is recommended that the CRSWSC Board of Directors adopt the 2027 Interim Operating & Capital Budget as presented, with total revenues and transfers from reserves of $13,573,183 and total expenditures and transfers to reserves of $13,573,183.

2) It is recommended that the CRSWSC Board of Directors accept in principle the 2028 - 2029 forecasted Operating & Capital Budget.

Proposed 2027 Interim Budget Highlights

Management & Operating

Water Sales & Purchases:

- Water Sales – proposed water sales rate at $1.79/$m^3$ for 2027, in line with the increase as presented in the Water Master Plan.

- Water Purchases - purchase rate for 2027 from EPCOR has been set by the Regional Water Customers Group (RWCG) at $1.05/$m^3$ as per the attached interim rate letter.

The Regional Water Customers Group (RWCG) voted for an interim rate of $1.05/$m^3$ for 2027. EPCOR's projected rate is approximately $1.10/$m^3$. This strategy is being utilized to continue to reduce the balancing fund by a projected $0.05/$m^3$ while still maintaining a balance to be used in the future. This has been reflected in the 2027 interim budget as water purchases have been set to $1.05/$m^3$. This will only be for 2027, as the 2028 and 2029 purchase rates are forecasted back at EPCOR's projected rate increases. The additional one-time dollars, due to the difference between the 2027 interim rate and EPCOR's projected rate, will be transferred to the Future Water Capacity reserve.

Other Revenue:

- Drawn from Operating reserves $85K:
  - $37K unused Board Training from 2026. As per the Board & Administration Training Policy, unused Board & Administration budget can be carried forward for one year.
  - $50K to fund emergency repairs

Management Expenses:

- Management contract $158K – based on the approved contract extension, 2028 and 2029 have been extrapolated based on historical annual increases of 3%.

- Audit Fees $18.5K – based on the executed contract for audit services with a term from 2025 - 2029

Operating Expenses:

- Operating contract $388K - based on the approved contract extension, 2028 and 2029 have been extrapolated based on historical annual increases of 3%.

- Insurance $60K – The proposed budget of $60K reflects actual insurance expenditures of $56K in 2026.

- Seminars & Conferences $112K
    - Board Training 2026 – The Water Environment Federation Technical Exhibition and Conference (WEFTEC) costs have not been finalized. The carry forward amount of $37K for board training will decrease along with this budget line.

- Transfer to Reserves overall has increased to maintain the planned reserve rate of $0.49/$M^3$ for the Future Water Capacity Reserve. Reserve rates are outlined below.
    - Operating – $0.03/$M^3$ in 2027, $0.011/$M^3$ in 2028 and $0.015/$M^3$ in 2029
    - Equipment – $0.03/$M^3$ in 2027 and $0.01/$M^3$ in 2028-2029
    - Future Water Capacity – $0.49/$M^3$ for 2027 to 2029 as outlined in the Master Plan

- 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.

New Capital projects:

The following new capital projects for 2027 were identified through Administration's assessment and the Water Master Plan.

- Scada Upgrade: Further SCADA upgrades have been identified in the Master Plan. These amounts have been added to the existing Scada Upgrade project (2024.002).

- Facility Assessment: The Water Master Plan identifies maintenance needs and proposed repair timelines for several facilities. The capital plan covers the first three years of the assessment, with work identified for both 2026 and 2027 included in the 2027 budget.

- Chlorine Analyzers Probe Replacement: Analyzer probes will be replaced at 11 Commission stations.

- Nisku East Water Meter Replacement: Work at Nisku East includes replacing the water meter and upgrading the corresponding PLC.

- Valve Replacement – Telford Booster Station: A valve near Telford Booster Station is due for repair/replacement.

- Operator Computer/Mobile Equipment Evergreen Plan: An evergreen program will be introduced for the Commission's mobile computers and equipment.

Carry Forward projects:

The following projects will be carried forward from the 2026 budget. The final budget amount will be finalized at the conclusion of the 2026 Year End Financial Audit. Carry forwards based on year-to-date costs are displayed below:

- Nisku Booster Station & Beaumont Piping Upgrades $3.6M
- Scada Upgrade $33.8K

Attachments:

i. 2027 - 2029 Operating Budget – Interim *(page 49)*
ii. 2027 - 2029 Budget Notes – Interim *(pages 50 - 54)*
iii. 2027 - 2029 Capital Budget – Interim *(page 55)*
iv. 2027 - 2029 Projected Reserves Balance *(page 56)*
v. 2027 Interim Rate Letter *(page 57)*
vi. 2027 Interim Budget Presentation *(pages 58 - 65)*

6A POLICY 9 – LARGE DEMAND USER AND INFRASTRUCTURE UPGRADE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Report Name: **Policy 9 – Large Demand User and Infrastructure Upgrade**

Recommendation:

1) It is recommended that the CRSWSC Board of Directors direct Administration to bring Policy 9 – Large Demand User and Infrastructure Upgrade back for review at the January 21, 2027 Board meeting.

Background:

Policy 9 – Large Demand User and Infrastructure Upgrade was approved at the May 28, 2026 Board meeting. At that time, the Board requested that the policy be brought back to a future meeting under Unfinished Business to consider whether any modifications were required. Administration has not received any feedback or requests for revisions since the policy was approved; however, the policy is being brought forward for discussion as requested by the Board.

The Commission is currently processing its first new connection submitted by Leduc County, which could fall under this policy or Policy 6 depending on where the connection occurs. As Administration works through this process, several opportunities to clarify and strengthen the policy have been identified.

One proposed amendment would allow the Commission to collect costs associated with new connections upfront, where appropriate. A further amendment would provide a process for establishing organic growth at a given connection point by the Commission's technical experts. Where there is disagreement regarding whether a proposed connection qualifies as organic growth, the applicant would have the opportunity to appeal the determination to the Board for a final decision. Additionally, there would be clarification that Policy 6 looks at new connections; clarifying that all costs in excess of planned growth at pre-planned connection locations are born by the connecting municipality, and Policy 9 deals with inorganic large growth at existing connection locations. The intent is that the Commission plans for organic growth of our members at their existing connection locations, and new or existing members contribute to capacity increases to service large additional demand in new, unplanned for locations.

The following planned connections and associated capacity allowances were incorporated into the original design of the respective supply lines.

Supply Line	Planned Connection	Capacity Allowance
Millet Water Transmission Main	Leduc and Wetaskiwin Counties (Kavanagh)	244 m^3/day (20% of Town of Millet Demand)
Armena Water Transmission Main	Rolly View	49 m^3/day (2032 Ultimate Peak)

6A POLICY 9 – LARGE DEMAND USER AND INFRASTRUCTURE UPGRADE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Supply Line	Planned Connection	Capacity Allowance
Armena Water Transmission Main	Looma	31 m³/day (2032 Ultimate Peak)

Additional policy updates are currently being discussed between the Commission and Leduc County Administrations to ensure the policy is clear, practical to administer, and reflects the best interests of all Commission members. Administration is therefore recommending that Policy 9 return to the Board at the January 21, 2027 meeting, allowing time for these discussions to be completed and proposed amendments to be incorporated for the Board's consideration.

This Policy aligns with the Commissions Strategic Plan goals of Commission Governance and Commission Expansion.

Attachments:

i. Policy 9 – Large Demand User and Infrastructure Upgrade Policy *(pages 66 - 71)*

CRSWSC
Capital Region Southwest Water Services Commission

Key Discussion Points

Meeting Date: September 22, 2026 Meeting Time: 9:30 am – 11:30 am

Operations Second Floor Boardroom, Operations Building

Attendees:
Shawn Olson, Commission Manager
Rick Sereda, Operations Manager
Chelsey Iles, Manager, Capital Projects & Development
Chishimba Chiinda, Engineering Project Manager (virtual)
Chris Parfitt, Associated Engineering
Emma Knapik, Associated Engineering
Aaron Lewicki, Director, Infrastructure & Engineering, City of Beaumont
Trevor Moningka, City of Beaumont
Bryce Piacentini, City of Beaumont
Ryan Orlovsky, City of Beaumont
John Conway, Project Consultant, CIMA+ (virtual)
Filip Dundur, EPCOR Services (virtual)
Braun Moller, EPCOR Services
Abhishek Bhargava, EPCOR Services
Shannon Bremner, Recording Secretary

Item Description

Beaumont Temporary Connection – Beaumont/EPCOR Coordination Meeting

- The City of Beaumont requested an update on the hydraulic modelling and associated data requirements. Chris Parfitt confirmed that the required data was received the previous week and is currently being evaluated by Associated Engineering. Results are anticipated early next week.

Meter Coordination

- EPCOR advised it can specify and provide a temporary meter; however, Beaumont has already installed a permanent 12-inch meter and intends to connect it to the PLC control system.
- Beaumont explained that a temporary metering solution is required during the anticipated four to five-month winter construction period (during off peak season).
- Alternative options were discussed, including using the bypass line for metering. This option was deemed challenging due to a lack of power supply and EPCOR's confined space concerns.
- Braun Moller offered to speak with the EPCOR metering team, but noted that the metering team would have final approval authority. No commitments were made during the meeting.
- EPCOR also advised that meter readings are completed manually.
- ***Action: Chris Parfitt will provide meter specifications and schedule information to Braun Moller for follow-up with EPCOR's metering department.***

Pressure Requirements and System Impacts

- Discussion focused on Beaumont's request for increased pressure during the temporary reservoir bypass period.
- Beaumont advised that its main reservoir will be out of service during upgrades and that the St. Vital connection is intended as a temporary measure.
- Beaumont indicated that approximately 50 psi is required to reliably supply the reservoir and requested that the Discovery Park set point be increased to 55 psi while operating on the bypass. Beaumont noted that pressures in the range of 60 to 70 metres per second would provide greater operational certainty and reduce the risk of water outages.
- EPCOR expressed concern regarding the potential impacts of increasing system pressures, particularly given that Discovery Park is a critical supply point serving multiple communities. Reference was made to a previous air release valve failure and the associated risks of operating outside established parameters.
- EPCOR advised that increasing pressure to the levels requested has not previously been tested and that it could not commit to supporting those pressures without further evaluation.
- Shawn Olson raised the possibility of reducing flows to other users or implementing a partial pressure increase to support Beaumont's needs. Alternative measures, including supplemental water hauling, could also be explored to supplement a partial pressure increase if possible.
- EPCOR indicated that incremental pressure increases may be feasible but would require testing over the winter months to assess operational impacts and system performance.
- ***Action: Associated Engineering will complete modelling and evaluate potential solutions, including use of the Leduc County reservoir, and the risks associated with increasing system pressure set points. Chris Parfitt will share modelling results and a technical memorandum with John Conway, so John can confirm they are adequate for Beaumont's interim supply as the appropriateness of water supply in the interim condition rests with Beaumont and their consultant. Once reviewed and confirmed by John, Chris will share the modelling results and technical memorandum with EPCOR.***

Temporary Connection and Crossing Agreement

- John Conway noted that the Commission had initially been considering the temporary connection approval and crossing agreement as a single approval process.
- Discussion identified potential benefits of separating the crossing agreement approval from the temporary connection approval so that construction activities relating to the crossing could proceed without delay.
- Associated Engineering advised that its review of the crossing documentation is nearing completion and that separating the approvals may better support Beaumont's construction schedule.
- ***Action: Associated Engineering and Chelsey Iles to review the crossing agreement and determine whether crossing approval and temporary connection approval can be separated.***

Summary of Action Items

Action Item	Responsibility
Provide meter specifications and installation schedule information to Braun Moller for follow-up with EPCOR's metering department.	Chris Parfitt / Braun Moller
Complete hydraulic modelling and evaluate potential solutions, including use of the Leduc County reservoir and the risks associated with increasing system pressure set points.	Associated Engineering
Share modelling results and technical memorandum with John Conway prior to providing information to EPCOR.	Chris Parfitt
John Conway to confirm the modelling results are adequate for Beaumont's interim supply, prior to Chris Parfitt sending information to EPCOR.	John Conway
Assess operational risks and feasibility of increasing Discovery Park pressure set points and determine whether winter testing should proceed.	Associated Engineering / CRSWSC / EPCOR
Review the crossing agreement and determine whether crossing approval and temporary connection approval can be separated.	Associated Engineering / Chelsey Iles

Next Steps

1. Associated Engineering to complete modelling analysis and provide recommendations regarding pressure requirements, operational risks and potential mitigation measures.

2. CRSWSC and EPCOR to review the modelling results and determine whether pressure testing should be undertaken during the winter period.

3. Staff to assess approval pathways for the crossing agreement to support Beaumont's construction schedule.

4. EPCOR's metering group to review temporary metering options and provide further direction

Adjournment

The meeting was adjourned at 10:09 am.

Associated Engineering | GLOBAL PERSPECTIVE. LOCAL FOCUS.

TECHNICAL MEMORANDUM

Issue Date:	October 1, 2026	**Reference/Project No.:**	2025-3197
To:	Chelsey Iles, P.Eng.	**Previous Issue Date:**	
From:	Chris Parfitt, P.Eng.		
Client:	Capital Region Southwest Water Services Commission		
Project Name:	St. Vital Connection Request		
Subject:	Blackmud Pressure Requirements		

1 BACKGROUND

On September 22, 2026, the Capital Region Southwest Water Services Commission (the Commission), the City of Beaumont (the City), EPCOR, and Associated Engineering (Associated) met to discuss the City's request for additional pressure from EPCOR's Blackmud Booster Station during construction at the Main Reservoir, during which time a temporary feed line will service the St. Vital Reservoir directly from the Commission's waterline. Due to the hill or ridge between the two reservoirs, higher pumping pressure will be required from Blackmud Booster Station for the duration of the proposed construction at the City's Main Reservoir to achieve peak day demands. The work is scheduled for October of 2027 to April of 2028.

Associated has provided this Technical Memorandum to summarise the results of modelling this pressure increase under several conditions, to support the City and EPCOR in determining an appropriate pressure setting during construction.

2 DESIGN CRITERIA

Between the two reservoirs, there is a significant hill or ridge with a peak elevation of 738.8 m. In comparison, the elevation of the Main Reservoir is 717.8 m, while the St. Vital Reservoir stands at 732.2 m. The temporary feed line, a 400 mm dia., PVC DR25 pipe, has been installed at 3 m below ground elevation, so the high point in the line is at 735.8 m.

In the meeting, EPCOR indicated they currently have the Blackmud Booster Station set point at approximately 700 kPa, or 760 m HGL. This should be confirmed by EPCOR closer the to construction date. The required minimum pressure throughout the Commission's system is 20 psi.

Water demands were estimated based on 1 year of daily flows from Beaumont's Main Reservoir, from August of 2025 to July of 2026. The Average Day demand (AD) over that period was 54.8 L/s. Using the Commission's Peaking Factor of 1.8 x AD, the Peak Day demand (PD) was determined to be 98.6 L/s. However, the current schedule provided by Beaumont indicates construction will occur from October 2027 to April 2028, a period that generally experiences lower peak flows than the summer months. The daily flow data over this period provide a Peaking Factor closer to 1.4, which will be used for this analysis. This results in a PD of 76.7 L/s.

3 ASSESSMENT SCENARIOS AND MODEL RESULTS

Both the full 1.8 x AD peak flow and the adjusted 1.4 x AD peak flow were modelled for this analysis. Additional scenarios were also modelled as described below.

To reduce the pressure requirements at Blackmud as much as possible, an alternative flow scenario for the Nisku East Reservoir, which is on the same line as the Beaumont connection, was considered. Nisku East and Nisku West Reservoirs supply Leduc County, with a demand allocation of 75% at Nisku East and 25 % at Nisku West based the information provided for the 2026 masterplan completed for the Commission. Reversing this allocation to 25% at Nisku East and 75% at Nisku West was modelled as an alternate demand scenario. For simplicity, demands from Nisku East and West Reservoirs were modelled according to the 2026 Water Master Plan projections, with the full Peaking Factor of 1.8.

For the final scenario, 1 year of growth was applied to the demands for modelling the work planned to take place in 2027. Growth rates used were from the 2026 Water Master Plan; Beaumont with 3.5% and Leduc County with 3.0%.

Using the WaterCAD model used for the Commission's current Water Master Plan, under the 2026 Peak Day Scenario, the following flow scenarios were modelled:

- **Scenario 1**: Full (1.8 x AD) Peak Day Flow for Beaumont applied at St. Vital
- **Scenario 2**: Adjusted (1.4 x AD) Peak Day Flow for Beaumont applied at St. Vital
- **Scenario 3**: Adjusted Peak Day Flow plus reversing the demand allocation at the Leduc County Reservoirs (Nisku East and West)
- **Scenario 4**: Adjusted Peak Day Flow, reversing demand allocation of Nisku East and West, with 1 year of growth applied

Table 3-1 shows the required hydraulic grade line (HGL) at Blackmud Booster Station and the resulting pressures at the ridge location and St. Vital under each of the modelled scenarios.

Table 3-1 Model Results

Scenario	Beaumont Demand	Nisku Reservoir Allocation	Required Blackmud HGL	Ridge Pressure	St. Vital Pressure
1	98.6 L/s	75% East, 25% West	771.7 m	20.2 psi	24.1 psi
2	76.7 L/s	75% East, 25% West	765.5 m	20.2 psi	24.5 psi
3	76.7 L/s	25% East, 75% West	763.5 m	20.2 psi	24.6 psi
4	79.4 L/s	25% East, 75% West	764.3 m	20.2 psi	24.5 psi

Based on the results, the least increase in pumping required at Blackmud Booster Station is in **Scenario 3**, with the adjusted Beaumont PD and the adjusted demand allocation for Leduc County. This results in an increase in pumping head at Blackmud of 3.5 m. By projecting 1 year of growth, the increase in pumping head becomes 4.3 m.

4 CLOSURE

Associated recommends that Beaumont and the Commission review the results of this memorandum and, in consultation with EPCOR, determine the appropriate operating scenario and corresponding pumping head to be implemented at Blackmud Booster Station during operation of the temporary connection to St. Vital. As EPCOR will be responsible for establishing and maintaining the operating pressure at Blackmud Booster Station, their input is required to confirm the final pressure setting.

Should you have any questions regarding this memorandum, please contact the undersigned.

Prepared by:

Emma Knapik, M.Sc., E.I.T.
Civil Engineer-in-Training

Reviewed by:



Chris Parfitt, P.Eng.
Commission Engineer

PERMIT TO PRACTICE
ASSOCIATED ENGINEERING ALBERTA LTD.
RM Signature:
RM APEGA ID #: 72575
Date: 1 Oct. 2026
PERMIT NUMBER: P 03979
The Association of Professional Engineers and Geoscientists of Alberta (APEGA)

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October 27, 2026
Reference/Project No.: 2025-3197

Shawn Olson
Commission Manager
Capital Region Southwest Water Services Commission
City of Leduc
#1 Alexandra Park
Leduc, AB

Re: WHITEMUD LANDING ASP CONNECTION ASSESSMENT

Dear Mr. Olson:

Associated Engineering (Associated) was requested by the Capital Region Southwest Water Services Commission (the Commission) to review the Whitemud Landing ASP demand requirements and system connection options.

Leduc County would be the member of the Commission owning and operating the future reservoirs required for the development area. Associated provided the modelling assessment to determine the impacts of the added Whitemud Landing demands on the current Commission system during the 10-year, 20-year, and ultimate scenarios. Potential connection locations and the required upgrades to support them were determined based on the proposed reservoir locations provided. The demand projections provided are assumed to be Peak Day demands.

The demands for Whitemud Landing are the following:

- 10-year: 5,500 m^3/day (63.5 L/s)
- 20-year: 11,000 m^3/day (127 L/s)
- Ultimate: 22,000 m^3/day (254 L/s)

Two potential connection locations were assessed for the three scenarios. The two locations are shown on Figure 1 (attached). The upstream location is along the mainline, approximately 1.25 km downstream of the Nisku Booster Station, and the downstream location is approximately 4.4 km down the Calmar line.

The current capacity available at the upstream connection location is 398 L/s, based on a preferred design velocity of 1.5 m/s. The current remaining capacity available at the downstream connection location (i.e. the Calmar line) is 98 L/s.

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10-Year Scenario

During the 10-year scenario, the total flow discharged from the Nisku Booster Station will be 404.2 L/s. Two pumps will need to be operating at the Nisku Booster Station, and no pipeline upgrades would be required. However, higher pumping head will be required at the Nisku Booster Station if the Whitemud Landing design demands are assigned at the downstream connection location rather than the upstream location.

20-Year Scenario

During the 20-year scenario, the total flow discharged from the Nisku Booster Station will be 571.3 L/s. Three pumps will need to be operating at the Nisku Booster Station, therefore a fourth pump will need to be installed for backup purposes, which was planned for in the 25-year scenario in the current Water Master Plan.

With the Whitemud Landing design demands assigned at the upstream connection location, no pipeline upgrades would be required. With demands assigned to the downstream connection location, 1.4 km of the transmission line between EIA R2 and the Calmar line tie-in would require twinning with a 900 mm line as velocity will exceed the preferred design guideline. This upgrade, extended to the Millet line tie-in, was determined in the current Master Plan to be required in the 25-year scenario. Additionally, the 4.4 km of the Calmar Line upstream of the connection location would require upgrading to a 500 mm line, which was not identified for upgrading in the current Master Plan.

Increased pumping head will be required at the Nisku Booster Station should pipeline upgrades be delayed.

Ultimate Scenario

The ultimate design demands at Whitemud Landing have been applied to the 25-year scenario from the Master Plan. During this scenario, the total flow discharged from the Nisku Booster Station will be 760.7 L/s. A fourth pump will be required and the existing pumps would need to be upgraded at the Nisku Booster Station, as the current pumps do not have capacity for the ultimate flows. The EPCOR-owned 750 mm steel transmission main from the Blackmud Booster Station to the Nisku Booster Station is recommended to be upgraded, as the velocity will exceed the preferred design guideline. This waterline was not identified for upgrading in the current Master Plan.

With the Whitemud Landing design demands assigned at the upstream connection location, 740 m of the 750 mm steel transmission main from the Nisku Booster Station to the upstream demand connection location will require twinning with a 900 mm line as velocity will exceed the preferred design guideline. This waterline was not identified for upgrading in the current Master Plan.

With the Whitemud Landing design demands assigned at the downstream connection location, 2.1 km of the 750 mm steel transmission main from the Nisku Booster Station to EIA R1 will require twinning

with a 900 mm line as velocity will exceed the preferred design guideline. This waterline was not identified for upgrading in the current Master Plan.

Increased pumping head will be required at the Nisku Booster Station should pipeline upgrades be delayed.

Costs

Leduc County, as the Commission Member requesting the connection, would be responsible for the CRSWSC system upgrade costs. In accordance with the Commission's Water Supply Policy and the Large Demand User and Infrastructure Upgrade Policy, upgrades identified in the Master Plan may be eligible for reimbursement by the Commission at the time the upgrade was originally planned to occur. The Commission and Leduc County would enter into an agreement to establish the timing of payment and reimbursement terms once the final alignment and servicing approach are confirmed. Any upgrade costs not identified in the Master Plan remain the sole responsibility of the Member.

An Opinion of Probable Costs for upgrades required for each connection location is provided in the table below. The upgrades required under the 20-Year Scenario include both upgrades identified in the Master Plan and new upgrades.

Scenario	Upstream Location	Downstream Location
10-Year Scenario	-	-
20-Year Scenario		
Upgrades Identified in the Master Plan (Eligible for Reimbursement)*	$628,000*	$7,903,670*
Upgrades Not Identified in Master Plan	-	$10,619,330
Ultimate Scenario	$6,288,000	$13,007,000
Total Costs	$6,916,000	$31,530,000

*All other upgrades are not identified in the Master Plan, and are therefore not eligible for reimbursement.

All upgrade costs that Leduc County is responsible for, regardless of the timing it would be required, is due upon approval. For the Upstream Location, Leduc County would be responsible for $6,288,000. For the Downstream Location, Leduc County would be responsible for $23,626,330.

Recommendations

Connecting Whitemud Landing to the upstream demand location results in fewer impacts to the Commission's existing system, including a lower pumping head at the Nisku Booster Station and fewer future pipeline upgrades, as well as lower upgrade costs. However, before the ultimate demands are

reached at Whitemud Landing, significant upgrades to the Nisku Booster Station will be required including upgrading the pumps for the 25-year (ultimate) flows and pumping head.

Additionally, a single connection point to the Commission's system is recommended to limit the required system upgrades. It is anticipated the Commission would provide adequate pressure to supply the North Whitemud Landing Reservoir from the upstream connection point, and the developer would be responsible for connections from the reservoir.

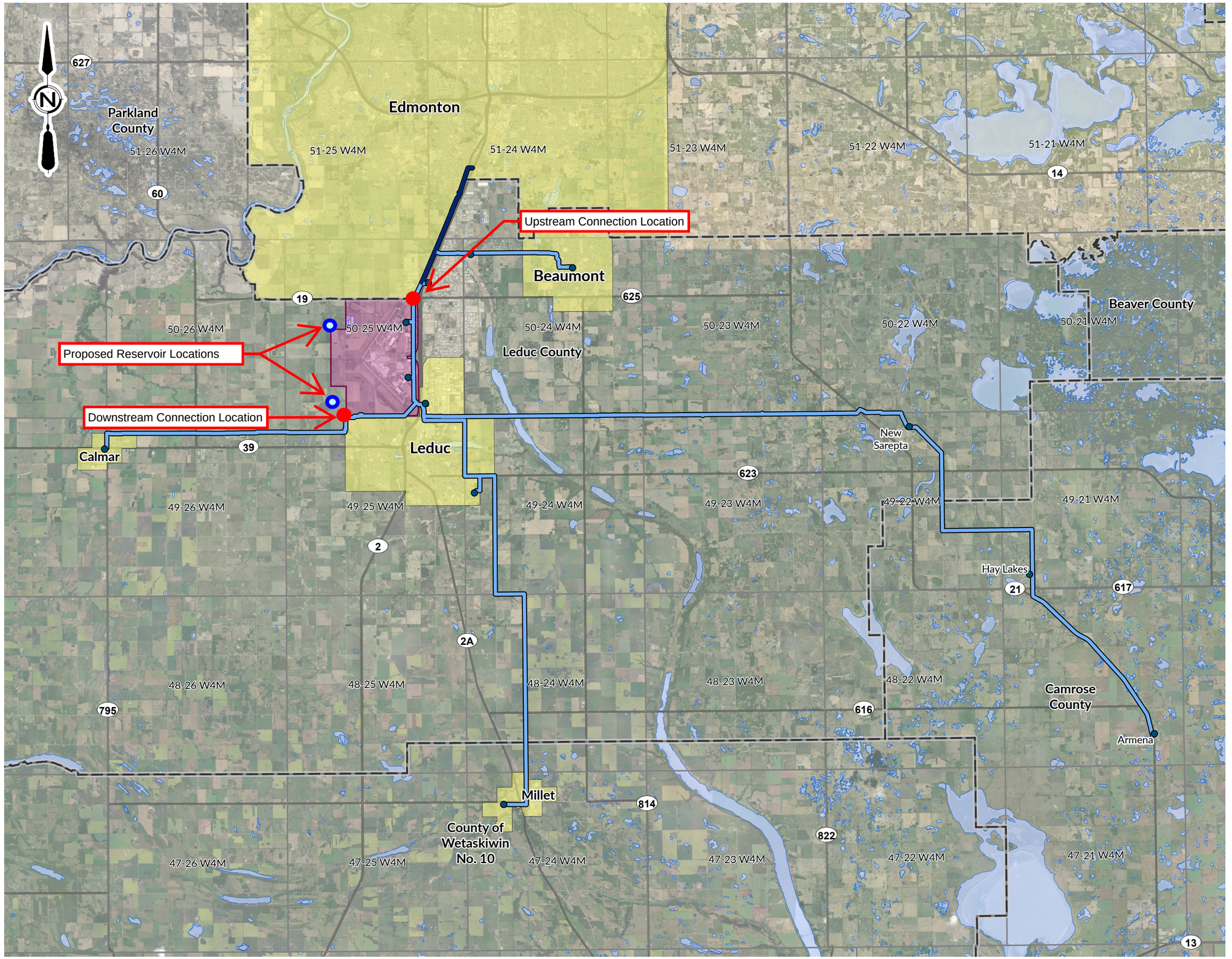
The Commission recommends Leduc County ties into the upstream location. The downstream connection location would require advancing infrastructure projects earlier than the Master Plan identifies, as well as additional upgrades not currently contemplated. Further analysis would be required to refine the Opinion of Probable Cost for the downstream location based on the land required to facilitate those infrastructure upgrades.

Closure

If you have any questions, please contact the undersigned.

Yours truly,

Chris Parfitt
Project Manager



Associated Engineering

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LEGEND:

- Service Location
- Existing Waterline EPCOR
- Existing Waterline CRSWSC

Base Data

- Highway
- Water Body
- Edmonton International Airport Land

FIGURE 1

CRSWSC
ENGINEERING SERVICES

WHITEMUD LANDING CONNECTION
LOCATIONS

AE PROJECT No.	2025-3197-00
SCALE	1:200,000
DATE	2026APR21
PROJECTION	NAD 1983 3TM 114
DRAWN BY	DD
CHECKED BY	KR
DESCRIPTION	ISSUED FOR DRAFT

0 2,500 5,000 m

IF NOT 25 mm ADJUST SCALES
SCALE(S) SHOWN ARE INTENDED FOR TABLOID (11X17) SIZE DRAWINGS UNLESS NOTED OTHERWISE
25 mm

SAVE DATE: 2026-04-20 2:05 PM SAVED BY:
DRAWING PATH: D:\project_data\2025-3197-00\2025-3197-00.aprx
DATA SOURCE: World Imagery: Earthstar Geographics.

CRSWSC
Capital Region Southwest Water Services Commission

Professional Development Opportunities
CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

AWWOA 52nd Annual Operators Seminar
Location: Banff, Alberta
Dates: March 15 – 19, 2027

Early Bird Deadline: February 15, 2027

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

This event offers an array of technical presentations covering current topics and emerging trends in the water and wastewater industry.

AWWA Annual Conference & Expo (ACE)
Location: San Diego, California
Dates: June 13 – 16, 2027

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

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.

WEFTEC 100th Annual Technical Exhibition & Conference
Location: Chicago, Illinois
Dates: September 25 – September 29, 2027

Website: WEFTEC Conference

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.

Capital Region Southwest Water Services Commission

	2026 Recap of Quantity of Water Sales to Purchases - M^3				2025 Recap of Quantity of Water Sales to Purchases - M^3			
	Commission Sales	**Commission Purchases**	**Commission Variance**	**%**	**Commission Sales**	**Commission Purchases**	**Commission Variance**	**%**
January	560,429	582,085	(21,656)	96.28%	557,610	582,303	(24,693)	95.76%
Februrary	513,705	532,215	(18,510)	96.52%	501,698	515,050	(13,352)	97.41%
March	536,808	555,699	(18,891)	96.60%	501,736	518,512	(16,776)	96.76%
April	611,562	630,309	(18,747)	97.03%	601,207	618,309	(17,102)	97.23%
May	639,907	660,933	(21,026)	96.82%	622,419	639,224	(16,805)	97.37%
June	582,465	743,471	(161,006)	78.34%	612,886	631,428	(18,542)	97.06%
July	699,371	547,341	152,030	127.78%	701,151	719,228	(18,077)	97.49%
August	597,732	606,527	(8,795)	98.55%	590,345	611,952	(21,607)	96.47%
September	580,046	503,280	76,766	115.25%	617,329	631,876	(14,547)	97.70%
October	673,617	765,607	(91,990)	87.98%	666,133	687,792	(21,659)	96.85%
November			-		525,323	544,253	(18,930)	96.52%
December			-		610,066	629,082	(19,016)	96.98%
Total To Date	**5,995,642**	**6,127,467**	**(131,825)**	**97.85%**	**7,107,903**	**7,329,009**	**(221,106)**	**96.98%**

Capital Regional Southwest Water Services Commission
2026 Recap of Water Sales by Customer
January 1, 2026 to October 31, 2026
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-26	$449,310	$59,844	$155,293	$3,873	$240,066	$33,709	$5,180	$2,786	$7,386	$1,166	$24,358	$982,972
28-Feb-26	$414,529	$50,470	$147,611	$3,873	$215,610	$31,765	$4,952	$2,786	$6,749	$1,166	$22,159	$901,672
31-Mar-26	$428,068	$55,388	$153,997	$3,873	$231,655	$30,607	$4,613	$2,786	$6,156	$1,166	$23,563	$941,871
30-Apr-26	$495,521	$65,323	$169,890	$3,873	$261,397	$34,475	$5,338	$2,786	$6,706	$1,166	$25,468	$1,071,943
31-May-26	$506,109	$65,236	$174,364	$3,873	$284,690	$37,015	$6,140	$2,786	$12,859	$1,166	$27,026	$1,121,263
30-Jun-26	$456,593	$72,245	$164,830	$3,873	$240,063	$35,366	$6,036	$2,786	$12,474	$1,166	$25,883	$1,021,314
31-Jul-26	$535,194	$95,296	$200,514	$3,873	$298,333	$40,547	$6,386	$2,786	$9,415	$1,166	$31,219	$1,224,731
31-Aug-26	$466,243	$80,492	$174,738	$3,873	$247,759	$32,054	$4,945	$2,786	$7,856	$1,166	$25,966	$1,047,879
30-Sep-26	$449,198	$72,782	$177,149	$3,873	$238,825	$34,048	$5,178	$2,786	$9,112	$1,166	$22,985	$1,017,105
31-Oct-26	$539,402	$75,217	$207,486	$3,873	$277,901	$31,073	$5,853	$2,786	$8,237	$1,166	$26,925	$1,179,919
30-Nov-26												
31-Dec-26												
	$4,740,167	**$692,294**	**$1,725,873**	**$38,731**	**$2,536,299**	**$340,659**	**$54,622**	**$27,859**	**$86,951**	**$11,660**	**$255,552**	**$10,510,668**

Regular Sales	$ 10,432,417
Flat Rate Sales	$ 78,251
Total Sales	$ 10,510,668

	Debenture 1	Debenture 2	Total
[1]Leduc 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
[2]Village of Hay Lakes Monthly Flat Rates Includes	$ 2,039	$ 746	$ 2,786
[3]Camrose 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
2026 Recap of Water Sales by Customer
January 1, 2026 to Oct 31, 2026
Volume - M^3

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-26	258,224	34,393	89,249	137,969	19,373	2,977	4,245	13,999	560,429
28-Feb-26	238,235	29,006	84,834	123,914	18,256	2,846	3,879	12,735	513,705
31-Mar-26	246,016	31,832	88,504	133,135	17,590	2,651	3,538	13,542	536,808
30-Apr-26	284,782	37,542	97,638	150,228	19,813	3,068	3,854	14,637	611,562
31-May-26	290,867	37,492	100,209	163,615	21,273	3,529	7,390	15,532	639,907
30-Jun-26	262,410	41,520	94,730	137,967	20,325	3,469	7,169	14,875	582,465
31-Jul-26	307,583	54,768	115,238	171,456	23,303	3,670	5,411	17,942	699,371
31-Aug-26	267,956	46,260	100,424	142,390	18,422	2,842	4,515	14,923	597,732
30-Sep-26	258,160	41,829	101,810	137,256	19,568	2,976	5,237	13,210	580,046
31-Oct-26	310,001	43,228	119,245	159,713	17,858	3,364	4,734	15,474	673,617
30-Nov-26									-
31-Dec-26									-
Total Volume	**2,724,234**	**397,870**	**991,881**	**1,457,643**	**195,781**	**31,392**	**49,972**	**146,869**	**5,995,642**
2026 Budgeted Sales at 97% Recovery Rate	3,261,542	457,048	1,079,039	1,732,335	227,950	39,154	63,281	186,423	7,046,772
2026 Actual Sales % of Budget	83.5%	87.1%	91.9%	84.1%	85.9%	80.2%	79.0%	78.8%	85.1%

2027 - 2029 Operating Budget
Capital Region Southwest Water Services Commission

	2026 Budget	2027 Budget	27/26 % Change	2028 Budget	2029 Budget	See Note #
OPERATING REVENUE						
Water Sales	12,261,383	13,342,280	9%	14,269,905	15,546,800	#1a
Water Flat Rates - Debenture Proceeds	93,903	93,903	0%	81,323	68,743	#1b
Interest Earned	50,000	50,000	0%	50,000	50,000	#2
Drawn from Operating Reserves	98,700	87,000	-12%	50,000	50,000	#3
TOTAL OPERATING REVENUE	12,503,986	13,573,183	9%	14,451,228	15,715,543	
TOTAL REVENUE	**12,503,986**	**13,573,183**	9%	**14,451,228**	**15,715,543**	
OPERATING EXPENSE						
Management Expenses						
Management Contract	153,000	158,000	3%	163,000	168,000	#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	18,000	18,500	3%	19,000	19,500	#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%	81,323	68,743	#9
Total Management Expenses	308,103	313,603	2%	306,523	299,443	
Operating Expenses						
Water Purchases	7,264,713	8,068,533	11%	9,144,826	10,122,713	#10
Operating Contract	377,000	388,000	3%	399,000	409,000	#11
Computer & Communications Maintenance, Supplies & Licenses	30,500	30,500	0%	30,500	30,500	#12
Cathodic Protection	6,000	-	-100%	-	-	#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	117,000	125,000	7%	123,500	123,500	#16
Easement Leases	3,000	3,000	0%	3,000	3,000	#17
Engineering Fees	35,000	35,000	0%	35,000	35,000	#18
Insurance	45,000	60,000	33%	63,000	66,000	#19
Power	200,000	200,000	0%	206,000	212,200	#20
Gas	13,000	13,000	0%	13,400	13,800	#21
Material & Supplies	18,000	20,000	11%	20,000	20,000	#22
Regular & Annual Meeting Expenses	26,000	26,000	0%	26,000	26,000	#23
Seminars & Conferences	124,400	112,600	-9%	75,600	75,600	#24
Transfer to Operating Reserves	169,449	236,746	40%	84,215	125,937	#25
Transfer to Capital Reserves	3,714,321	3,888,701	5%	3,868,164	4,100,350	#26
Total Operating Expenses	12,195,883	13,259,580	9%	14,144,705	15,416,100	
TOTAL EXPENSE	**12,503,986**	**13,573,183**	9%	**14,451,228**	**15,715,543**	
SURPLUS/(DEFICIT)	**-**	**-**		**-**	**-**	

2027 Interim Budget

CRSWSC Operating Budget Notes

		2026 BUDGET	2027 BUDGET	27/26 % Change	2028 BUDGET	2029 BUDGET
REVENUES:						
1) a	**Water Sales - Regular Rate**					
	Water consumption forecasts provided by member municipalities and budgeted at 97% to account for line loss					
	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				
	2027 based on consumption of 7,684,317 M^3 at a recovery rate of 97% with a rate of $1.79		$13,342,280	9%		
	2028 based on consumption of 7,952,023 M^3 at a recovery rate of 97% with a rate of $1.85				$14,269,905	
	2029 based on consumption of 8,435,594 M^3 at a recovery rate of 97% with a rate of $1.89					$15,546,800
	TOTAL - WATER SALES REGULAR RATE	$12,261,383	$13,342,280	9%	$14,269,905	$15,546,800
1) b	**Water Flat Rates - Debenture Proceeds Collected**					
	See Bylaw 02-2011 (Highway 21 to Hay Lakes/New Sarepta)					
	2027, 2028 & 2029 Budget - $68,742 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 (Armena line)					
	2027 Budget - $25,160 based on two payments of $12,580 for a 10 year $217,785 debenture with an interest rate of 2.832%					
	2028 Budget - $12,580 based on a final payment of $12,580 for a 10 year $217,785 debenture with an interest rate of 2.832%					
	2027 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%	$29,196	$24,679
	Village of Hay Lakes @ (35.60% of $68,742) + (35.60% of $25,160)	$33,429	$33,429	0%	$28,951	$24,472
	Leduc County @ (13.60% of $68,742) + (13.60% of $25,160)	$12,771	$12,771	0%	$11,060	$9,349
	County of Camrose @ (14.90% of $68,742) + (14.90% of $25,160)	$13,991	$13,991	0%	$12,117	$10,243
	TOTAL - WATER FLAT RATES	$93,903	$93,903	0%	$81,323	$68,743
	NOTE: THESE CHARGES WILL BE LEVIED AS A "FLAT RATE" CHARGE AND WILL BE LEVIED EQUALLY ON A MONTHLY BASIS					
2)	**Interest**					
	2027-2029 - $50K Interest is transferred to capital reserves.					
	TOTAL INTEREST	$50,000	$50,000	0%	$50,000	$50,000
3)	**Drawn from Operating Reserves**					
	2027 Budget, as per Board Development & Training Policy					
	To fund carry forward for unused budget for Seminars & Conferences from 2025 for Board	$35,000		6%		
	To fund carry forward for unused budget for Seminars & Conferences from 2026 for Board		$37,000			
	To fund emergency repairs	$50,000	$50,000	0%	$50,000	$50,000
	To fund additional Board training	$13,700				
	TOTAL DRAWN FROM OPERATING RESERVES	$98,700	$87,000	-12%	$50,000	$50,000

2027 Interim Budget
CRSWSC Operating Budget Notes

		2026 BUDGET	2027 BUDGET	27/26 % Change	2028 BUDGET	2029 BUDGET
EXPENSES:						
Management Expenses						
1)	**Management Contract**					
	2027 Budget based on contract extension as approved with board motion number 12-26					
	2028-29 extrapolated based on historical increase of 3%	$153,000	$158,000	3%	$163,000	$168,000
	TOTAL MANAGEMENT CONTRACT	$153,000	$158,000	3%	$163,000	$168,000
2)	**Honorariums**					
	2027 - 2029 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	$16,200	$16,200	0.0%	$16,200	$16,200
3)	**Mileage**					
	2026 - 2028 Budget	$4,000	$4,000	0%	$4,000	$4,000
	TOTAL HONORARIUMS & MILEAGE	$20,200	$20,200	0.0%	$20,200	$20,200
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	$10,000	$10,000	0%	$10,000	$10,000
5)	**Audit Fees**					
	Budget 2027-2029	$18,000	$18,500	3%	$19,000	$19,500
	TOTAL AUDIT FEES	$18,000	$18,500	3%	$19,000	$19,500
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 including Guest Speaker for AGM	$5,000	$5,000	0%	$5,000	$5,000
	TOTAL OTHER PROFESSIONAL FEES	$10,500	$10,500	0%	$10,500	$10,500
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	$2,000	$2,000	0%	$2,000	$2,000

		2026 BUDGET	2027 BUDGET	27/26 % Change	2028 BUDGET	2029 BUDGET
8)	**Bank Charges and Interest**					
	2026-2028 Budget - $500	$500	$500	0%	$500	$500
	TOTAL BANK CHARGES AND INTEREST	$500	$500	0%	$500	$500
9)	**Debenture Payments**					
	2027 - 2029 Budget - based on debenture schedule. Includes principal and interest.	$93,903	$93,903	0%	$81,323	$68,743
		$93,903	$93,903	0%	$81,323	$68,743

Debenture #	Principal O/S 2026 Y/E	Principal O/S 2027 Y/E	Principal O/S 2028 Y/E
4000845	$455,975	$407,608	$356,997
4002395	$36,697	$12,405	$0
	$492,671	$420,013	$356,997

Operating Expenses

10)	**Water Purchases**					
	Water purchases forecasts provided by member municipalities					
	2026 Budget Projected Purchases - 7,264,713 M^3 @ $1.00/$M^3$ = $7,264,713	$7,264,713				
	2027 Budget Projected Purchases - 7,684,317 M^3 @ $1.05/$M^3$ = $8,068,533		$8,068,533	11%		
	2028 Budget Projected Purchases - 7,952,023 M^3 @ $1.15/$M^3$ = $9,144,826				$9,144,826	
	2029 Budget Projected Purchases - 8,435,594 M^3 @ $1.20/$M^3$ = $10,122,713					$10,122,713
	NOTE: 2027 Budget Water Purchase Rate @ $1.05/$M^3$					
	Estimated 2028 & 2029 Budget Water Purchase Rate @ $1.15/$M^3$ & $1.20/$M^3$					
	TOTAL WATER PURCHASES	$7,264,713	$8,068,533	11%	$9,144,826	$10,122,713
11)	**Operating Contract**					
	2027 Budget based on contract extension as approved with board motion number 12-26					
	2028-29 Extrapolated based on historical increase of 3%	$377,000	$388,000	3%	$399,000	$409,000
	TOTAL OPERATING CONTRACT	$377,000	$388,000	3%	$399,000	$409,000
12)	**Computer & Communications Maintenance, Supplies & Licenses**					
	UPS batteries, website hosting, repairs/maintenance/licenses, TeamViewer license	$8,000	$8,000	0%	$8,000	$8,000
	Yearly SCADA licensing	$20,000	$20,000	0%	$20,000	$20,000
	Radio Station License, central control panel monitors - Strathcona County	$2,500	$2,500	0%	$2,500	$2,500
	TOTAL COMPUTER & COMMUNICATIONS MAINTENANCE, SUPPLIES & LICENSES	$30,500	$30,500	0%	$30,500	$30,500
13)	**Cathodic Protection:**					
	2026 Budget - $6,000, 2027 - 2029, budget has been moved to infrastructure maintenance.					
	Annual Cathodic Survey & Report	$4,000		-100%		
	Cathodic Protection Maintenance	$2,000		-100%		
	TOTAL CATHODIC PROTECTION	$6,000	$0	-100%	$0	$0

2027 Interim Budget
CRSWSC Operating Budget Notes

		2026 BUDGET	2027 BUDGET	27/26 % Change	2028 BUDGET	2029 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					
	Supply & Distribution Meter Calibration	$25,000	$25,000	0%	$25,000	$25,000
	SCADA maintenance and other automation issues-contract to be set up with Vector	$20,000	$20,000	0%	$20,000	$20,000
	TOTAL INSTRUMENTATION & MECHANICAL	$45,000	$45,000	0%	$45,000	$45,000
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
	Annual Cathodic Survey & Report		$8,000		$6,500	$6,500
	TOTAL INFRASTRUCTURE MAINTENANCE	$117,000	$125,000	7%	$123,500	$123,500
17)	**Easement Leases**					
	AESRD (Government of Alberta), Alberta One Call Service	$3,000	$3,000	0%	$3,000	$3,000
	TOTAL EASEMENT LEASES	$3,000	$3,000	0%	$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**					
	Regular Policy Includes: Comprehensive Crime/General Liability/					
	Boiler & Machine & property coverage/Directors and Officers Liability	$45,000	$60,000	33%	$63,000	$66,000
	TOTAL INSURANCE	$45,000	$60,000	33%	$63,000	$66,000
20)	**Power**					
	2027 - Maintaining 2026 Budgeted amount					
	2028 - sees an increase of 3% to account for inflation and rate increases.					
	2029 - sees an increase of 3% to account for inflation and rate increases.	$200,000	$200,000	0%	$206,000	$212,200
	TOTAL POWER	$200,000	$200,000	0%	$206,000	$212,200

2027 Interim Budget
CRSWSC Operating Budget Notes

		2026 BUDGET	2027 BUDGET	27/26 % Change	2028 BUDGET	2029 BUDGET
21)	**Gas**					
	2027 - Maintaining 2026 Budgeted amount					
	2028 - sees an increase of 3% to account for inflation and rate increases.					
	2029 - sees an increase of 3% to account for inflation and rate increases.	$13,000	$13,000	0%	$13,400	$13,800
	TOTAL GAS	$13,000	$13,000	0%	$13,400	$13,800
22)	**Materials & Supplies**					
	Cleanup and general supplies, batteries, films, chlorine etc.	$12,000	$12,000	0%	$12,000	$12,000
	Small Tools, equipment tune ups	$1,000	$1,000	0%	$1,000	$1,000
	Materials for AGM	$5,000	$7,000	40%	$7,000	$7,000
	TOTAL GENERAL MATERIALS & SUPPLIES	$18,000	$20,000	11%	$20,000	$20,000
23)	**Regular & Annual Meeting Expenses**					
	Board Meetings	$12,000	$12,000	0%	$12,000	$12,000
	Annual General Meeting	$14,000	$14,000	0%	$14,000	$14,000
	TOTAL REGULAR & ANNUAL MEETING EXPENSES	$26,000	$26,000	0%	$26,000	$26,000
24)	**Seminars & Conferences**					
	2027-29 Budget - $58,800 ($8,400 x 7 (based on 7 member municipalities))					
	Miscellaneous Conferences for Board Members - includes all related expenses	$58,900	$58,800	0%	$58,800	$58,800
	Additional training dollars as per AGM Motion Apr 16, 2026	$13,700				
	Board carry forward from 2025	$35,000		-100%		
	Board carry forward from 2026		$37,000			
	Training for Administration - $16,800	$16,800	$16,800	0%	$16,800	$16,800
	TOTAL SEMINARS & CONFERENCES	$124,400	$112,600	-9%	$75,600	$75,600
25)	**Transfers to Operating Reserves**					
	Annual transfer to General Operations Reserve - 2027 $0.03/M3, 2028 $0.011/M3, 2029 $0.015/M3	$169,123	$223,614	32%	$84,848	$122,738
	Transfer to (from) Rate Stabilization Reserve	$326	$1,952	499%	-$633	$3,199
	TOTAL TRANSFERS TO OPERATING RESERVES	$169,449	$225,566	33%	$84,215	$125,937
26)	**Transfers to Capital Reserves**					
	Transfer of investment revenue to reserves	$50,000	$50,000	0%	$50,000	$50,000
	Equipment - General Capital Reserve - 27 $0.0315/M3, 28-29 $0.01/M3	$246,637	$234,794	-5%	$77,135	$81,825
	Future Water Capacity Reserve - $0.485/M3 for 2027-29	$3,417,684	$3,615,087	6%	$3,741,029	$3,968,525
	TOTAL TRANSFERS TO CAPITAL RESERVES	$3,714,321	$3,899,881	5%	$3,868,164	$4,100,350

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
2027 - 2029 CAPITAL BUDGET

	2026 Budget	2027 Budget	2028 Budget	2029 Budget
Capital Funding				
Water for Life grant	219,520			
Equipment General Reserve	399,950	900,250	150,000	
Future Water Capacity Reserve	3,808,275	4,416,506	63,000	35,900
	4,427,745	5,316,756	213,000	35,900
Capital Projects				
2017.002 Air Release Manhole Rehab	18,700			
2021.001 Nisku Booster Station & Beaumont Piping Upgrades	3,675,755	3,609,206		
2024.002 Scada upgrade	51,250	633,750	150,000	
2025.001 Water Master Plan & Strategic Plan	132,520			
2025.002 Emergency Planning	120,000	120,000		
2025.003 Camrose Feasibility Study	219,520			
2026.001 Calmar Line Repair	200,000			
2026.002 Arc Flash Study	10,000			
2027.001 Facility Assessment		807,300	63,000	35,900
2027.002 Chlorine Analyzers Probe Replacement		64,500		
2027.003 Nisku East Water Meter Replacement		30,000		
2027.004 Valve Replacement - Telford Booster Station		40,000		
2027.005 Operator Computer/Mobile Equipment Evergreen Plan		12,000		
	4,427,745	5,316,756	213,000	35,900
SURPLUS/(DEFICIT)	-	-	-	-

2027 - 2029 PROJECTED RESERVE BALANCES (thousands)

Operating Reserves	2026	2027	2028	2029
Rate Stabilization Reserve	170	170	172	172
Emergency & Operations Reserve	200	200	200	200
General Operations Reserve	1,204	1,274	1,422	1,457
	1,574	1,645	1,795	1,829
Capital Reserves				
Equipment - General Capital Reserve	1,768	1,615	797	724
Future Water Capacity Reserve	6,763	6,423	6,025	9,753
	8,532	8,038	6,821	10,477
Total	10,106	9,683	8,616	12,305

Regional Water Customers Group

November 5, 2026

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

Attention: Saqib Chaudhary, Director Regulatory Services

RE: RWCG 2027 Interim Rate

Thank you for attending the October 19, 2026 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 $1.05/m^3 for 2027.

Sincerely,

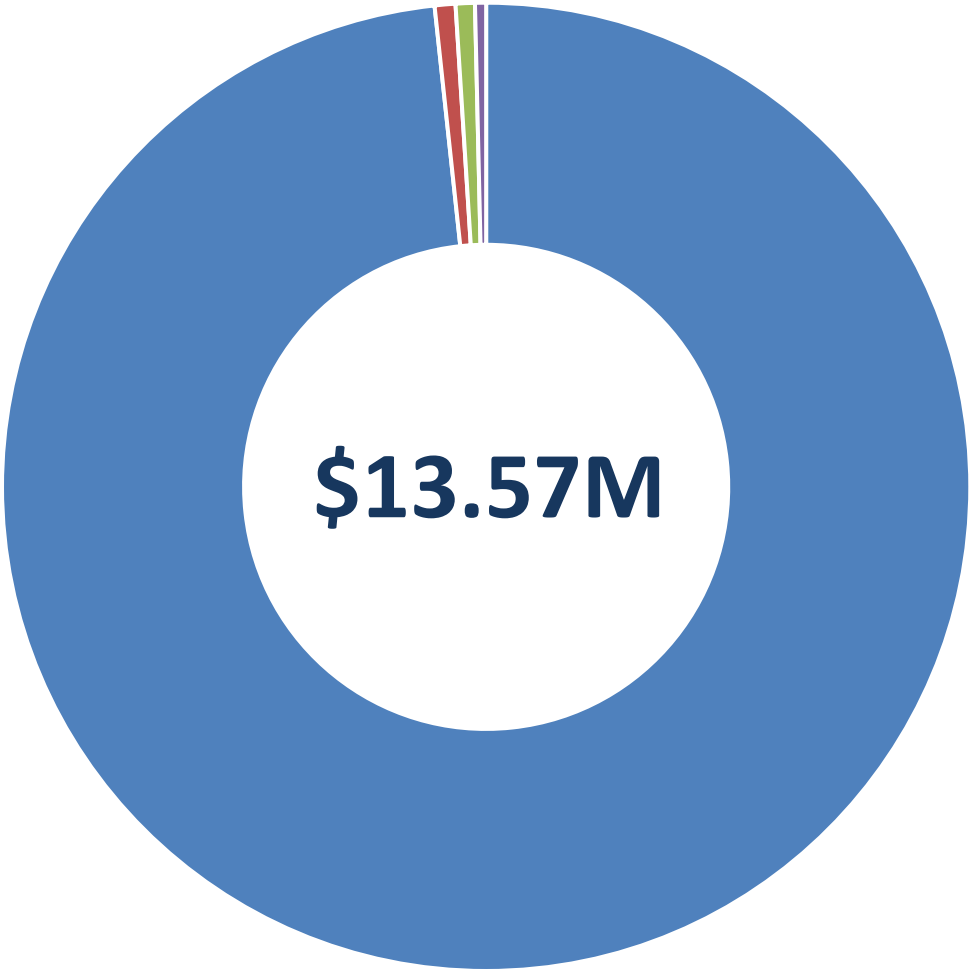
Jason Casault, Chair
Regional Water Customers Group Steering Committee

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

Budget Overview

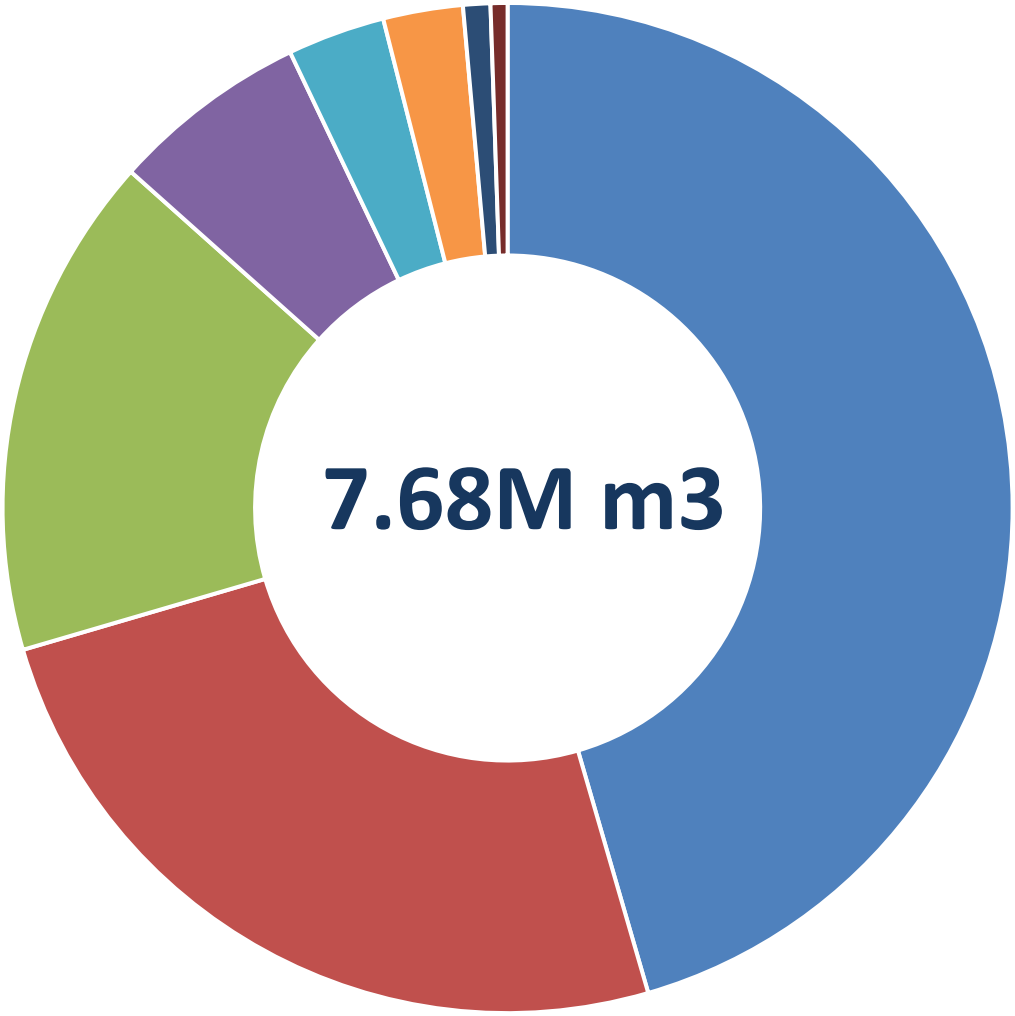
CRSWSC
Capital Region Southwest
Water Services Commission

2027 Revenue Sources



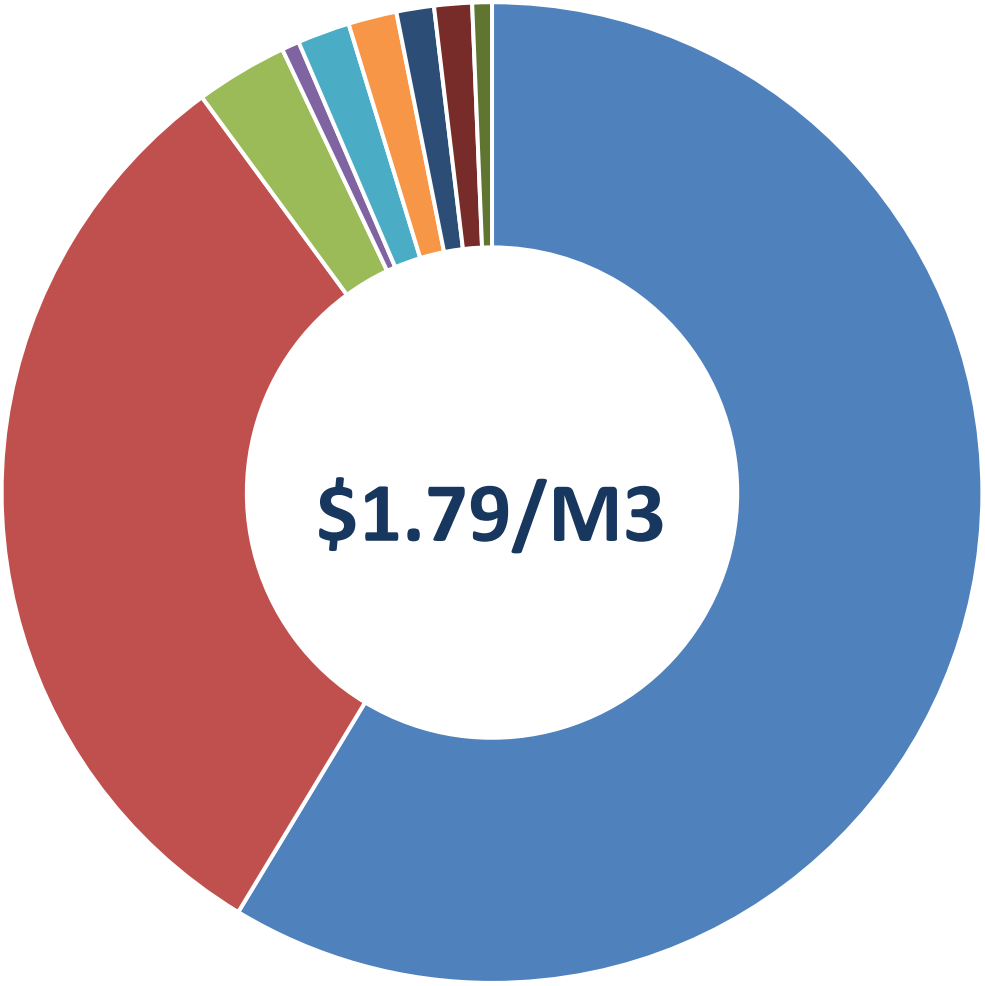
- Water Sales - 98%
- Water Flat Rates - Debenture Proceeds - 0.7%
- Drawn from Operating Reserves - 0.6%
- Interest Earned - 0.4%

2027 Projected Water Consumption



- City of Leduc - 46%
- Beaumont - 25%
- Leduc County - 16%
- EIA - 6%
- Calmar - 3%
- Millet - 3%
- Camrose County - 1%
- Hay Lakes - 1%

Where does the $1.79/m3 go?



- Water Purchases - $1.05
- Reserve Contributions - $0.56
- Operating Contract - $0.054
- Utilities - $0.031
- Repairs & Maintenance - $0.029
- Management Contract - $0.022
- Board Expenses - $0.022
- Other Expenses - $0.012
- Professional Fees - $0.01

2027 - 2029 Proposed Rates

	2027	2028	2029
Sales rate	$1.79/m^3	$1.85/m^3	$1.90/m^3
Purchase rate EPCOR	$1.05/m^3 (EPCOR projected rate of $1.10/m^3)	$1.15/m^3	$1.20/m^3

2027 - 2029 Proposed Operating Changes

Revenue

Water Sales

+$296K | +2%

Drawn from Operating Reserves

+$37K | +74%

Expenses

Water Purchases	−$347K | −4%
Cathodic Protection	+$2K | +33%
Insurance	+$15K | +33%
Power/Gas	−$6.4K | −3%
Materials & Supplies	+$2K | +11%
Seminars & Conferences	+$37K | +49%
Transfers to Operating Reserves	+$57K | +32%
Transfers to Capital Reserves	+$573K | +17%

2027 Proposed Capital Changes

Capital Projects	2027 Budget
Carryforward	
Nisku Booster Station	$3.6M
SCADA Upgrade	$34K
2027 Projects	
Emergency Planning	$120K
SCADA Upgrade	$600K
Facility Assessment	$807K
Nisku E Water Meter Replacement	$65K
Chlorine Analyzers Probe Replacement	$30K
Valve Replacement	$40K
Operator Computer/Mobile Equipment Evergreen	$12K
Total Capital Projects	**$5.31M**

Questions



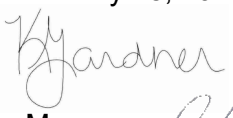
CRSWSC
Capital Region Southwest Water Services Commission

CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION

Policy Name: 9 – Large Demand User and Infrastructure Upgrade Policy

Related Bylaws and Policies: Bylaw 01/2021 and Policy 6 – Water Supply Policy

Date Approved: May 28, 2026

Chairman: 

Commission Manager: 

To be Reviewed Before: May 28, 2031

Policy Objective:

To establish a clear, consistent framework for how the Commission will assess, evaluate, and determine the impacts of proposed water service connections and growth—including connections from Large-Demand Users—on the regional treated water transmission system. This includes identifying potential System Capacity Constraints, determining any required infrastructure upgrades, and allocating financial responsibility for such upgrades. The Policy ensures that system integrity, service reliability, system hydraulics, and long-term planning objectives are protected while enabling responsible and sustainable growth across all Members and Customers.

Definitions:

All existing definitions in the Water Supply Policy remain. The following additional or updated definitions are proposed to be added:

Large-Demand User – the specific water demand attributable to a single proposed customer, development, or service area that exceeds either:

a) When combined with a Member's Forecasted Growth, the Commission's long-term planning projections.

b) The demand projections included within the Commission's Long-Term Demand, and which may trigger the identification of System Capacity Constraints and the requirement for Capacity Upgrades.

Forecasted Growth – Incremental user growth within a Member's service area that is consistent with and supported by the Commission's Long-Term Planning Projections and forms part of the Commission's Long-Term Demand.

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Long Term Planning – The 25 year planning forecast as outlined in the Commission's current Master Plan.

Long-Term Planning Projections – The projected water demand, system requirements, and associated infrastructure needs established and adopted by the Commission through its master plans for the purpose of system planning, capacity management, and investment decisions.

Long-Term Growth – The incremental increase in water demand within a Member's service area that is consistent with and supported by the Commission's Long-Term Planning Projections, representing anticipated and planned development over the applicable planning horizon.

Long-Term Demand – The total projected water demand over the Commission's established planning horizon, as defined through its Long-Term Planning Projections and long-range demand forecasts, including Forecasted Growth within Member service areas, and used to guide system capacity planning and infrastructure development.

Unplanned Capacity Growth – Demand generated by a Large-Demand Customer that exceeds a Member's Forecasted Growth and is not accounted for within the Commission's Long-Term Planning Projections or Long-Term Demand.

System Capacity Constraints – Any condition in which a proposed connection would:

a) Reduce system pressures below Commission design standards

b) Exceed hydraulic, pumping, or transmission capacity

c) Impair water quality, redundancy, or operational reliability

d) Compromise the Commission's ability to reliably serve existing Members and Customers

Interpretation:

a) Forecasted Growth forms part of Long-Term Demand and is planned for by the Commission.

b) Large-Demand Customer Demand represents demand outside of or exceeding planned growth.

c) Unplanned Capacity Growth is the portion of Large-Demand Customer Demand that is not included in Long-Term Demand and may require Member-funded upgrades.

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Capital Region Southwest Water Services Commission

Policy:

The Commission shall maintain sufficient system capacity to meet Member needs as forecast in its long-term growth plans.

The Commission must ensure that any new connection or increase in demand does not create system capacity constraints or compromise its ability to maintain established service levels. The Commission also seeks to protect capacity for existing Members by requiring that any new connection or demand increase that reduces available capacity contributes financially in proportion to the incremental cost required to add that capacity in the future.

When System Capacity Constraints are identified, the Commission may, at its sole discretion:

a) Deny the proposed connection

b) Approve the connection subject to required Capacity Upgrades

c) Impose demand management, phasing, or operational conditions necessary to maintain system reliability

d) Permit the Member to provide a financial contribution in lieu of constructing the required infrastructure

Responsibilities and Authorities:

The Capital Region Southwest Water Servies Commission Board of Directors is responsible for the review and approval of this policy on or before the review date specified and every 5 years thereafter.

The Commission Manager is responsible for the development, implementation, monitoring, and adherence to this policy.

1) Funding Responsibility for Capacity Upgrades

a) Commission Responsibility – Forecasted Growth:

The Commission shall fund and construct any capacity upgrades required to accommodate Forecasted Growth where:

i. The additional demand aligns with long-term growth projections adopted by the Commission.

ii. The required upgrade is included in the Commission’s approved capital and financial plans.

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Interpretation: If growth was predictable and already identified through the Commission's master planning, the Commission funds the required upgrades.

b) Member Responsibility – Unplanned Large Capacity Growth:

A Member shall be responsible for funding all Capacity Upgrades required to support a Large Demand User when:

i. The projected demand of the Large Demand User exceeds the Member's forecasted growth in long-term planning.

ii. The demand necessitates upgrades not included in the Commission's capital plans.

iii. The upgrade accelerates, expands, or advances a Commission planned project solely due to the new user's demand.

iv. The proposed connection would cause System Capacity Constraints as determined through Commission engineering assessments.

Interpretation: If the demand was not forecasted as part of expected growth or would overload the system, the Member funds the required upgrades. The Commission's Board may, at their discretion, vote to waive all or a portion of the applicable surcharge for a Member.

2) Cost Allocation for Mixed Benefits

a) Where a required upgrade benefits both the Large Demand User and the broader system:

i. The Member shall pay the incremental cost attributable to the Large Demand User and the mitigation of any System Capacity Constraints.

ii. The Commission shall pay the portion associated with Forecasted Growth or previously planned system development.

b) The Member shall initially fund the total cost of the required upgrades. The Commission shall reimburse the Member for its share at the time the upgrades would have otherwise been implemented through the Commission's approved capital planning and budgeting process.

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c) In determining the reimbursement amount, the Commission shall recognize the financial impact to the Member of advancing the works, including interest and debt servicing costs incurred during the interim period. The cost of borrowing shall be considered an eligible component of reimbursement and will be based on the market interest rate, subject to any limitations, criteria, or rates established by the Commission. The Commission reserves the right to reimburse approved amounts in a single lump-sum payment.

3) System Capacity Constraints Evaluation

a) The Commission shall conduct hydraulic modelling, engineering evaluations, and operational assessments to determine whether a proposed connection may cause System Capacity Constraints.

b) If constraints are identified, the Commission shall issue a written notice to the Member outlining:

i. The nature of the constraints

ii. Required mitigation measures or capacity upgrades

iii. Cost responsibilities under this policy

iv. Any conditions under which the connection may proceed.

c) The Commission may defer, limit, or condition the approval of the connection until mitigation has been completed.

4) Application and Review Process

a) A Member proposing to connect a Large Demand User shall submit a formal request for capacity assessment to the Commission.

b) The Commission shall complete the following:

i. A hydraulic capacity assessment

ii. An evaluation of System Capacity Constraints

iii. A determination of whether the demand aligns with Forecasted Growth

c) The Commission shall issue a formal Determination of Capacity, identifying available system capacity, any applicable System Capacity Constraints, and the associated cost responsibilities. This determination will include the cost of completing the required capacity assessment, which may be charged back to the prospective or existing Member, as applicable.

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5) Payment and Construction Requirements

a) Member funded Capacity Upgrades must be paid in full prior to construction or financed through agreements approved by the Commission.

b) All Commission upgrades must be designed, tendered, managed, and constructed under the Commission's authority to ensure consistency with system standards.

c) Upon completion, ownership of the infrastructure shall transfer to the Commission unless otherwise agreed in writing.

6) Policy Amendments

a) This Policy may be amended by resolution of the Commission Board.