

**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION  
 REGULAR MEETING, HELD ON THURSDAY, NOVEMBER 21, 2019 AT 6:00 P.M.  
 KOSMOS BOARDROOM, 5010 - 49 AVENUE, LEDUC, AB.**

**1. CALL TO ORDER**

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

<b>PRESENT:</b>	Councillor Rick Smith	Leduc County
	Councillor Kelly-Lynn Lewis	Leduc County
	Councillor Bill Daneluik	City of Beaumont
	Councillor Sam Munckhof-Swain	City of Beaumont
	Councillor Doug Lyseng	Camrose County
	Councillor Greg Gillespie	Camrose County
	Mayor Dawn Pauls	Village of Hay Lakes
	Councillor Dave Vallee	Village of Hay Lakes
	Councillor Beverly Beckett	City of Leduc
	Councillor Lars Hansen	City of Leduc
	Mayor Tony Wadsworth	Town of Millet
	Councillor Pat Garrett	Town of Millet
	Mayor Wally Yachimetz	Town of Calmar
	Councillor Krista Gardner	Town of Calmar

<b>ALSO PRESENT:</b>	Shawn Olson, Commission Manager	City of Leduc
	Rick Sereda, Operations Manager	City of Leduc
	Samantha Folster, Project Manager	City of Leduc
	Pamela Regier, Project Manager	City of Leduc
	Gerard Del Rosario, Accounting Technician	City of Leduc
	Shawn Tooth, Water Technician	City of Leduc
	Shannon Bremner, Recording Secretary	City of Leduc
	Roger Steele, Manager, Technical & Utilities	EIA
	Garrett Clark, Project Engineer, Infrastructure	EIA
	Councillor Kevin Hycha	City of Camrose
	Councillor David Ofrim	City of Camrose
	Malcolm Boyd, City Manager	City of Camrose
	Des Mryglod, Director, Public Works/Engineering	Leduc County
	Shawn Boven, Manager, Public Works	City of Beaumont
	Sean Nicoll, Associated Engineering	
	Chad Maki, Associated Engineering	

<b>WITH REGRETS:</b>	Councillor Kelly Vandenberghe	Leduc County
	Councillor Mike Storey	Town of Millet
	Carol Hounsell, Treasurer	City of Leduc

**2. ADOPTION OF AGENDA**

- 59-19      **Motion:** It was **Moved** by Mayor Tony Wadsworth that the agenda for the November 21, 2019 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

**Carried**

**3. APPROVAL OF MINUTES**

**A. Minutes of the September 19, 2019 Regular Meeting**

- 60-19      **Motion:** It was **Moved** by Councillor Doug Lyseng that the meeting minutes of the September 19, 2019 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

**Carried**

**4. REPORTS OF OFFICERS**

**A. Manager's Report**

In response to a recommendation from Ian McCormack, President of Strategic Steps Inc., Administration has consolidated the Manager's and Operator's Reports in an effort to ensure the reports are presented in a high level manner, avoiding technical details. This will allow the Board to focus on governance matters, as suggested by Ian McCormack. The Board was supportive of this change.

**Strategic Plan – High Priority Items**

1. *Align the Commission's Master Plan with Members municipal plans. (Communicating with Members - 4.1.1)*  
As part of the Master Plan, all municipal members were approached for updated projected growth rates, to align with their municipal plans. This will be expanded on during the presentation of the Master Plan.
2. *Provide comprehensive orientations to Board members. (Internal Efficiency – 4.2.1)*  
This will be completed before the next election in October 2021.
3. *Provide ongoing training to Board members. (Internal Efficiency – 4.2.1)*  
The Board training policy will be brought forward for an update before the next election in October 2021.
4. *Conduct an energy audit. (Internal Efficiency – 4.2.2)*  
Administration completed an energy audit of the Boundary Station in 2018. Once the asset sale is complete, and planning for a new Boundary/Booster

station is underway, another energy audit of Commission facilities will be completed, likely towards the end of the current strategic plan (2023).

5. *Develop a current governance policy manual. (Internal Efficiency – 4.2.4)*  
To be completed by 2022 so it can be shared with the new Board. This work will commence as time becomes available following the finalization of the Master Plan document, but due to competing priorities next year the completion date is set for 2022 (e.g. travelling road show for the Master Plan, executing the list of outstanding items on the EPCOR sales Agreement to finalize the Agreement, preparing an RFP for operations and management, finalizing the option to purchase with Leduc County and commencing the environmental investigations, procurement of design services for the Booster station, and completion of the water supply policy incorporating strategic plan items 7 and 10).
6. *Educate Members on water conservation methods. (Managing a Scarce Resource – 4.3.1)*  
This is contained within the Master Plan. This will be expanded on during the presentation of the Master Plan.
7. *Evaluate crossing agreements within Member rights of way. (Managing a Scarce Resource – 4.3.2)*  
A recommendation is included within the Master Plan regarding protection of the CRSWSC lines. The recommendation states that a CRSWSC policy should be drafted to require member municipalities to have standards that developers must obtain crossing agreements from the CRSWSC and have Commission pipelines identified within planning documents by members. This work will commence in 2020 following finalization of the Master Plan and completion of the EIA Agreement.
8. *Charge reasonable rates to Members. (Master Planning – 4.4.1)*  
This is contained within the Master Plan and is included within the rate scenarios. This will be expanded on during the presentation of the Master Plan.
9. *Provide a simplified utility rate structure summary to Members. (Master Planning – 4.4.2)*  
A simplified utility rate pie chart will be included within the Annual Report document.
10. *Request that Members development permitting process includes identifying location of Commission water lines. (Master Planning – 4.4.3)*  
This work will commence in 2020 following finalization of the Master Plan and completion of the EIA Agreement.

### **Millet Water Supply Line Project**

Based on the findings of Associated Engineering's report, on February 28, 2019 Administration issued Weaver Welding Notice advising of impacts and damages. A meeting was held on September 15, 2019 with Weaver to review the claim details. Weaver was accompanied by their insurance adjuster and a Forensic Engineer. The insurance adjuster contacted Administration on October 17, 2019 requesting that they be sent all the backup for costs associated with the claim, which was provided on October 29, 2019.

In the September meeting, the insurance adjuster noted there would be no concern proceeding with having the work completed within the Telford Booster Station as part of the claim. In discussion with Weaver and the adjuster, it was agreed to have Weaver provide pricing for this scope to determine the value upfront. The Commission could then have Weaver complete the work, which would be covered under the claim if the adjuster finds them to be at fault. Weaver agreed to price and complete this work, which has not yet been received by Administration.

### **EIA License Agreement for Commission Main Infrastructure and EIA Development**

On March 13, 2019, the CRSWSC received a response from William (Bill) Wright, Vice President Risk, General Counsel and Governance Officer for the EIA regarding the License Agreement. He indicated that the last edits submitted on October 2, 2018 are acceptable to the EIA. Administration reviewed the Schedule A of the Agreement, the drawing identifying the licensed area, and noted that the lateral to reservoir 2 was missing. This was identified to Brownlee on September 18, 2019 who has followed up multiple times with the EIA to no resolve.

The EIA has also noted their concern having two Agreements apply to the airside portion of the line; the Right of Way (ROW) and the License Agreement. They requested the ROW be discharged if the License Agreement was to apply to this airside, or alternatively that airside be excluded from the license. Upon guidance from Brownlee, it was decided that discharging the ROW was not preferred. The Commission noted it is amicable to removing the airside piece from the license, but that the EIA would then be required to seek crossing agreements each time work is performed in proximity to the Commission line, something the License Agreement would have already covered. Brownlee raised these points to the EIA on October 7, 2019 but has not received a response.

As of November 21, 2019 these concerns have now been resolved. The EIA will provide the revised drawing on November 22, 2019. Once received, the License Agreement will be finalized and executed.

The City of Leduc's GIS team has worked diligently to update the Commission's GIS data on EIA lands utilizing the point data gathered by pure HM. An example was provided to demonstrate how the alignment was updated within an area affected by the License Agreement. This work provided assurances that the

License Agreement proposed area is sufficient to adequately protect Commission assets.

#### **Discovery Park Reservoir**

Discovery Park is now within the property boundary of the City of Edmonton and will be operated by EPCOR. In early fall, EPCOR contacted Administration to discuss the status of commissioning Discovery Park. The Commission advised EPCOR that the Commission portion of the facility had not been commissioned nor was any request submitted to the CRSWSC to assist with commissioning of the facility aside from the initial reservoir fill. Operations has now flushed the fill line in coordination with EPCOR's commissioning plan. While the Discovery Park facility is not yet commissioned and operational, the Commission side of the new facility was fully commissioned on November 4, 2019 and is operational. Commission operators are working to ensure the water in the fill line stays fresh while EPCOR, Alpha, and PCL work to get the pumps for the facility running.

#### **Highway 21 Booster Station Upgrade**

Commissioning of the Highway 21 Booster Station was completed and substantial performance achieved on October 10, 2019. The fencing scope security changes were approved and scheduled for completion in advance of the November, 21, 2019 Board meeting. The balance of the security scope has been issued to the contractor for pricing, which should be received shortly. This includes installation of security lighting, motion sensors, and a perimeter fence security detection system which will send an intruder alert to the operators via the SCADA system. Two security cameras will track and record clips independent of the lighting and perimeter detection systems, which the operator will be able to access via the cellular system which is also part of the scope.

#### **History of EPCOR discussions and Master Plan Updates**

##### **EPCOR Discussions**

Administration was previously asked to present the chronological events regarding the discussions with EPCOR. These are being retained in the Manager's Report moving forward to keep the Commission up to speed on negotiations. Below are the events as they took place:

- On June 8, 2017, at the CRSWSC Commission meeting, in the Manager's Report, under the Annexation discussions, an April 25th meeting between the City of Edmonton, EPCOR, Leduc County and the CRSWSC was referenced having been held where three options were discussed; 1) EPCOR purchase Commission assets within annexation boundary, 2) EPCOR purchases water from a Commission member, and 3) annexation area waits for servicing to come from the new lines from Edmonton (an independent system). It was decided that any further discussions would have to happen during the Master Plan revisions in 2018. This was reaffirmed in the November meeting.
- At the April 26, 2018 Commission meeting, Associated Engineering presented three viable options for the future of the Commission. Rough financials were

discussed and Option 2 (EPCOR purchases CRSWSC assets within annexation area and provides additional connection North of Beaumont) was the least expensive option presented. A motion was passed by the CRSWSC Board (motion 21-18) to invite the Board Chair and/or Vice Chair to attend discussions with EPCOR. There are no minutes for this section of the meeting as it was an In-Camera discussion.

- On May 18, 2018, the first meeting with EPCOR was held at the City of Leduc Operations building. Associated presented the same three options to EPCOR as previously presented to the Board. EPCOR indicated that they preferred to own and operate utilities that were within City of Edmonton boarders but made no preference to either of the options, which this scenario met as this was the first time seeing the information and modelling would need to be done to further any discussions. The CRSWSC representatives present at the meeting indicated that Option 2 appeared to be preferable but that any decisions, and prior to any negotiations occurring, the Board would need to vote and agree on the preferred option at the next CRSWSC meeting.
- On June 28, 2018, at the next Board meeting, with updated draft figures, Administration asked the Board to approve a recommendation to pursue Option 2 in further discussions with EPCOR as this appeared to be the best financial option for the Commission. The majority of the Board voted in favor of pursuing Option 2 (motion 43-18).
- On July 4, 2018 a meeting was held between EPCOR and Associated Engineering with Administration present to discuss modelling scenario's and required system pressures, etc.
- On August 10, 2018 a meeting between EPCOR, Associated Engineering, Administration and the Board Chair and Vice Chair was held to discuss going down the path of pursuing Option 2. EPCOR asked the Commission to provide a summary of assets and their value, as well as energy consumption costs. A follow up meeting was scheduled for October 12, 2018 to further these discussions. The requested information was provided and the copies were provided to the Board at the September 20, 2018 Board meeting, along with a summary of the meeting.
- On October 12, 2018, the Commission met again with EPCOR. EPCOR presented a draft Agreement of purchase and sale of the Commission assets. A copy of the Agreement with comments by both the Commission and legal representation, Reynolds Mirth Richards & Farmer, was provided in the November 22, 2018 Manager's Report.
- On December 10, 2018, the Commission met with EPCOR and provided a copy of the Agreement with comments that was included in the November 22, 2018 Manager's Report noted above for their review. There was further discussion regarding the logistics of assets to be transferred, timelines and the operational requirements from each group within these timelines. Discussions

included the demarcation point(s) and location of the meter chamber, as well as the location for the three other meter chambers potentially being located within each of the three reservoirs (Nisku East, Nisku West, and Beaumont Reservoir). It was noted that the metering stations and the Commission's new booster station would be required to be constructed prior to the transfer of assets. As such, the Commission needs to identify potential land locations for the new booster station prior to finalizing the Agreement. It was agreed that the Commission will commence drafting an operational plan with the assistance of Associated Engineering, which defines the logistics of the asset transfer which is to be appended to the Agreement.

- On February 1, 2019, Administration technical members met with Associated Engineering to discuss an operational plan to better understand how assets would be transferred, the timelines, and the operational requirements for each period of asset ownership and transfer. At this meeting it was determined that further modelling and investigation regarding system pressures was required at the potential Beaumont connection from EPCOR. Associated Engineering's modeler is reviewing these technical details with EPCOR's modeler directly so that Administration has sufficient information to finalize these requirements, which will be an Appendix to the purchase of sale Agreement. A follow up meeting is being scheduled with EPCOR in early March to review and discuss the operational plan and transfer.
- Discussion was held by the Board during the February 21, 2019 meeting regarding how to proceed with the Water Master Plan given the significant delays caused by the ongoing negotiations with EPCOR pertaining to the potential transfer of assets. The Board passed a motion (motion 04-19) to delay finalizing the Water Master Plan until negotiations with EPCOR are complete, in order to avoid unnecessary rework and costs that would be associated with revising the plan based on the final Agreement with EPCOR.
- A technical meeting was held with EPCOR on March 4, 2019 to discuss the servicing details for Beaumont and to clarify technical assumptions developed as part of the potential asset transfer between EPCOR and the CRSWSC. As a result of this meeting, it appears that EPCOR is able to provide adequate pressure at transfer points to the Beaumont line and from a future connection point from the South end of Edmonton. Associated Engineering will prepare a servicing concept diagram that indicates the points of infrastructure transfer and the point of sale/metering/pressure for review and discussion.
- A meeting was held between Administration and Associated Engineering to discuss CRSWSC operational requirements of the asset transfer with EPCOR. As a result of this meeting, Associated Engineering prepared a Technical Memorandum on May 6, 2019 outlining these operational requirements for further discussion/negotiation with EPCOR.

- A meeting was held on May 9, 2019 with CRSWSC and EPCOR legal counsels to discuss the terms and conditions of the Agreement. Discussions progressed with the legal terms and purchase conditions that the CRSWSC would have if the assets were to transfer. This allowed the lawyers to start to draft documents that will eventually be used if the transfer is approved. More information will be needed from the technical groups to filter into these documents and that meeting is to come.
- A meeting was held on May 14, 2019 to finalize technical discussions on the points of transfer and to further discuss the details that will be included in the revised Water Supply Agreement and the Sale Agreement. A further meeting will be scheduled upon receipt of outstanding deliverables for inclusion in the legal agreements being finalized by both legal teams.
- Administration received a draft Agreement from Brownlee on July 23, 2019. Comments were provided and a revised draft was received and circulated to EPCOR for review on September 6, 2019. The draft was distributed to the Board for comments at the September 19, 2019 Board meeting.
- Minor comments on the current draft of the EPCOR Agreement were received from EPCOR on October 1, 2019. Comments from the Board on the draft EPCOR Agreement were due by October 10; just over half of the members responded with comments. Both the EPCOR comments and a summary of the Board comments were sent back to Brownlee for review on October 24, 2019. A meeting was held with EPCOR on October 28, 2019 to review both their comments and Board concerns. Neither party had significant concern and Brownlee is finalizing the Agreement for signature. The revised EPCOR Agreement will be presented In-Camera under Old Business for finalization.
- Comments from the Board on the draft Master Plan were due by October 10; just over half of the members responded with comments. The comments were sent to Associated Engineering who provided an updated draft on November 1, 2019. The Master Plan will be presented under Old Business for direction for Associated Engineering to finalize the Master Plan, which will be brought back at the next meeting to formally accept for information.

#### **Leduc County Land Discussions**

Administration received a letter from Leduc County on October 15, 2019 with comments on the land purchase Agreement; the letter was provided under Old Business for information. A meeting was held on October 30, 2019 at the Leduc County offices to review the letters contents and address any of Leduc County's concerns. Reynolds Mirth revised the Agreement on October 31 to address the County's concerns, which was sent back to Leduc County to present to their Council on October 31, 2019. The County has subsequently raised concerns regarding the requested Right of Way and proximity to the existing reservoir, and as a result an updated Agreement was sent to Leduc County for approval which they are taking for Council approval on November 26, 2019. The revised



Memorandum of Understanding (MOU) was presented In-Camera under Old Business for acceptance, pending approval by Leduc County.

**Erwick/Armena Feasibility Study & Armena Reservoir Upgrades**

Camrose County has yet to provide data required for the Commission to monitor the downstream reservoir from the Armena reservoir. This data is required for the Commission to properly conduct demand management. Administration sent a follow up email to Camrose County on November 5, 2019 requesting an update and received a response on November 12, 2019 which has been forwarded to Associated Engineering for review.

**Operations and Management Contracts**

Administration previously advised the Board of the expiration of the Operations and Management Contracts which expire on December 31, 2020. The requirements of the previous Request for Proposal (RFP) indicate that only a member of the Commission may bid on the contracts and it prohibits subcontracting the work to a third party (i.e. operations could not be subcontracted to an entity like EPCOR). Administration is preparing to draft a similar RFP to distribute to Commission members in 2020.

As an alternative to the current path forward, the Chairman of the Board has suggested that an RFP may not be necessary given that the City of Leduc was the sole respondent previously, and other considerations that the Chairman spoke to. If no other member is interested in pursuing these contracts, the Board could choose to forgo the preparation of an RFP and instead negotiate directly with the City of Leduc. Direct negotiation with the City of Leduc would not impede the Board from pursuing the RFP option at a later time, should negotiations not result in acceptable terms and conditions. Administration is seeking feedback and direction from the Board prior to undertaking the RFP preparation in 2020.

Chairman Rick Smith asked Board members to consult with their Councils to determine whether any municipal members may be interested in submitting an RFP to undertake the Management and Operations Contracts. Member municipalities interested in submitting an RFP for this opportunity are asked to contact Chairman Rick Smith directly by December 31, 2019 to express their interest. If no interest is expressed by the end of 2019, the Board will proceed with extending the current contracts with the City of Leduc until after the first year of the newly elected Board term.

**APPL Pipeline**

The Commission received a letter from Trans-Northern Pipelines Inc. (TNPI's) land administrator on October 16, 2019, advising of commissioning activities on the APPL pipeline between October 21 and November 19, 2019. A crossing agreement was previously issued for the install of the pipe and there are no concerns with regards to the commissioning activities and the installation of temporary above ground markers. A copy of the notice was attached to the report for information.

### **City of Beaumont Development Plans**

On October 29, 2019, the City of Beaumont distributed notices of public hearings for two bylaws regarding their development plans. One was regarding a public hearing on November 12, 2019 for the Lakeview Area Structure Plan Amendment. The second was regarding the public hearing for Lakeview Redistricting on November 12, 2019. Administration sees no concerns with the Lakeview Area Structure Plan or Redistricting. As this development is within the southeast area of Beaumont, it does not conflict with any Commission infrastructure, nor does it restrict the Commission's ability to protect for a corridor to connect to a future EPCOR connection.

A letter was also received on October 28, 2019 providing opportunity for comments on the Centre-Ville Area Redevelopment Plan. Comments were requested by November 25, 2019. With regards to the Centre-Ville Area Redevelopment Plan, Administration has no concerns as the area is already developed and is East of any Commission infrastructure. There are a few upgrades noted within the plan outside of Centre-Ville that have minimal impact and can be addressed via a crossing agreement.

A letter was received on October 30, 2019, providing the ASP Amendment application for Beau Val Park / Beaumont Lakes South. Administration reviewed the amendment and had no comments.

The notices were attached to the report for reference. There is no issue with the proposed developments and they do not impact any potential future pipeline alignments in accordance with the future connection from EPCOR to the North.

### **Statistics Canada Surveys**

The Commission received an email invitation to complete Canada's Core Public Infrastructure Survey, 2018 on November 4, 2019 from Statistics Canada. Participation in the survey is mandatory and must be completed within 21 days. Administration has previously completed this survey in 2017 and will update our responses with the most current information by the date requested.

The Intellectual Property Awareness and Use Survey, 2019 was received from Statistics Canada on November 6, 2019. Administration is also completing this mandatory survey within the required 21-day timeframe.

### **Welcome to the City of Camrose**

The City of Camrose will be attending Commission Board meetings moving forward as Board Observers. The letter sent from the CRSWSC to the City of Camrose welcoming them to the meetings was attached for reference.

### **Commission Facility Locates**

Commission operators have completed 1750 1st Call locates year to date on Commission facilities as compared to 1861 in 2018.

- 61-19**      **Motion:** It was **Moved** by Councillor Krista Gardner that the Capital Region Southwest Water Services Commission receives as information the Manager's Report as presented by Shawn Olson, Commission Manager, CRSWSC.

**Carried**

**B. Treasurer's Report**

**2019 Financial Update**

After ten months of operations (to October 31, 2019), there should be approximately 16.67% of the budget remaining. Management expenses are under budget with 37.77% of the budget remaining. Operating expenses are slightly under budget with 17.51% of the budget remaining. This variance is due mainly to the timing and seasonality of expenditures. Keep in mind that there may still be unrecorded October expenditures at the time of the writing of this report.

**Revenue Variances**

- Water sales are over budget for the period with 13.86% of the budget remaining and is expected to be over budget at yearend.
- Debenture proceeds are on budget for the year.
- Interest earned is below budget with 32.46% of the budget remaining due to the timing of when interest is paid. Yearend entries for interest earned will bring this closer to budget.
- Government transfers are typically booked at yearend.
- The Commission has recorded a line loss of 2.37% to date.

**Expenditure Variances**

- Other professional fees is under budget with 73.66% of the budget remaining. The October CIBC Investment Statement had not been received at the writing of this report so October advisor fees have not yet been recorded. In addition, the actual expenditures for the Strategic Plan budgeted under this line item were recorded to Engineering Fees. This will be adjusted at year end when the final 2019 expenditures are known.
- Audit fees are recorded at yearend.
- Legal fees are under budget with 51.73% of the budget remaining.
- Debenture interest and principal payments are made in June and December, therefore only one entry for debenture payments has been recorded for 2019.
- Seminars and conferences is under budget with 98.71% of the budget remaining because Board members did not attend any training or conferences in the first ten months of 2019.
- Insurance has been paid for 2019. The insurance premium was slightly higher than budget.
- Engineering fees is below budget with 59% of the budget remaining. \$125,000 was budgeted for the Long-Range Master Plan which is in progress and any unused funds will be carried forward to 2020 to complete the project.

- Power and gas are both below budget. However, some October invoices were not received at the writing of this report. These are expected to be closer to budget by yearend.
- Instrumentation and mechanical is over budget with 4.44% of the budget remaining mainly due to a check valve replacement at the Boundary Station for \$14K. This is offset by some of the other areas that are under budget such as engineering fees and line maintenance.
- Water purchases are at \$0.95/m<sup>3</sup> which is the interim rate set by EPCOR for 2019. Members of the RWCG agreed to this rate.
- Water purchases are over budget with 14.42% of the budget remaining which is consistent with water sales being over budget by a similar percentage.
- Other expenditure variances are primarily a result of timing and seasonality.

#### ***Capital Expenditures***

Capital expenditures are below budget with 99.39% of the overall budget.

- 2015.003 Millet Line Extension – there have been no expenditures to date. Additional information regarding the Millet Line was presented in the Manager's report.
- 2017.002 Air Release Manhole Rehab – intentionally on hold due to failures in the pilot project.
- 2018.002 Pump for Hwy 21 Booster – in progress.
- 2019.001 Cathodic Protection Survey – completed. The invoice was received but not posted. The total cost was \$73,321.50 which is over the \$50,000 budgeted for this project but savings in the Cathodic Protection operating budget will help offset some of this cost.
- 2019.002 Beaumont Piping Upgrades – in progress. This is projected to come in under budget.

#### **2019 Water Consumption**

Water sales and purchases are over budget to date and are anticipated to be over budget for 2019. This *2019 Water Sales and Expenditures Projections* report shows the impact of water sales and purchases to October 31, 2019 in comparison to budget. It also shows the projections for yearend.

Water sales are over budget by \$257,589 to October 31, 2019 and purchases are over by \$124,506. The net effect on operating surplus is \$124,506. It is anticipated that water sales will be over budget by an estimated \$309,107 by yearend and purchases will be over budget by an estimated \$149,408 for a projected net impact on operating surplus of \$159,699.

#### **Regional Water Customers Group**

The most recent meeting of the Regional Water Customers Group was held in Strathcona County on October 7, 2019.

The 2018 true-up rate was settled at \$0.8653 which is \$0.0247 less than the interim rate of \$0.8900. This will result in an adjustment of approximately \$148K for the CRSWSC based on 2018 consumption of 6 million m<sup>3</sup>.

The preliminary forecast rate for 2019 is \$0.9344/m<sup>3</sup> and the RWCG and EPCOR agreed to a 2019 interim rate of \$0.93/m<sup>3</sup>. This will result in a balance owing to EPCOR for the 2019 budget year.

EPCOR recommended a 2020 interim rate of \$0.95/m<sup>3</sup> which is \$0.02/m<sup>3</sup> above the 2019 interim rate. The members of the RWCG approved this interim rate. A copy of the 2020 Interim Rate letter that was sent to EPCOR in support of the interim rate was attached for reference.

The Spring 2020 Regional Water Customers Group meeting has not been scheduled.

#### **RFP for Investments**

At the June 20, 2019 CRSWSC Board meeting, the Board approved a motion (Motion 28-19) to allow Administration to issue a Request for Proposal (RFP) for Investment Advisors, to be posted on the Alberta Purchasing Connection.

The RFP was issued on September 18, 2019 with a closing date of October 10, 2019. Eight proposals were received in response to the RFP. It is important to note that the Commission's current investment advisor, CIBC Wood Gundy, Seed Financial Group, did not submit a proposal in response to the RFP.

The evaluation committee consisted of Carol Hounsell, Commission Treasurer and Jennifer Cannon, Director, Finance for the City of Leduc. Jennifer has a very comprehensive understanding of investments and knows what qualifications and experience to look for in an investment advisor.

The eight proposals received were reviewed and scored independently by each of the committee members and they both agreed that the proponent that scored the highest based on the evaluation criteria was CIBC Wood Gundy Hobson Chahal Advisory Group. The following highlights some of the reasons why Administration recommends this proponent:

- Their investment management style aligns more closely with the investment needs of the Commission. They will construct an optimal portfolio for the Commission and use pooled funds with other commissions, authorities, and municipalities where possible to achieve the best rates available. Their investment philosophy strictly adheres to the Prudent Investment Rule which emphasizes reasonable return on investment while preserving capital. They are available to make a presentation to the Commission Board of Directors to answer any questions or discuss concerns. They are willing to review the Commission's current investment policy, recommend updates and present rationale to the Board for approval.

- Their fee structure is simple and results in the lowest cost to the Commission of the eight proponents that responded. The fee is charged when transacting securities and will be 10 basis points per year on the value of the transaction, or 1/10th of one-percent. This fee comes off the yield on bonds, not out-of-pocket. For example, a bond yielding 3.1% will be shown to the CRSWSC as a yield of 3.0% (net of their 0.1% fee). If the investment is a new issue of a security, the issuer pays the transaction fee, not the client. There will be no other commissions or fees payable, including custodial fees, setup fees, management fees or wire transfers. Their fee structure is much more cost-effective for the Commission.
- The eight references provided were all municipalities, authorities and commissions. Some of the references included the City of Red Deer (25 years), Parkland County (20 years), the City of Lethbridge (15 years) and Leduc County (2 years). It is important to note that CIBC Wood Gundy Hobson Chahal Advisory Group has also successfully managed the City of Leduc's investment portfolio for the past two years and have achieved excellent results for the City.
- Both Investment Advisors James Hobson and Charet Chahal have earned their Chartered Financial Analysts (CFA) designation and are licensed Investment Industry Regulatory Organization of Canada (IIROC) Portfolio Managers (PM). They have a long track-record of successfully investing and safeguarding municipal funds and they have a comprehensive understanding of the Municipal Government Act (MGA). They have a wealth of experience creating and advising on investment policies.
- They will provide monthly customized reports and accounting support and meet quarterly to review the investment portfolio, provide recommendations and discuss market conditions. They provide detailed accounting spreadsheets and reporting to reduce workload for clients, including bond amortization spreadsheets and yearend accruals. They also offer educational seminars and annual investment outlooks to help educate key decision makers.

Based on the above, Administration recommends that the CRSWSC Board of Directors approve CIBC Wood Gundy Hobson Chahal as the successful proponent to manage the Commission's investment portfolio.

62-19

**Motion:** It was **Moved** by Councillor Bill Daneluik that the Capital Region Southwest Water Services Commission Board of Directors approve Administration's recommendation to select CIBC Wood Gundy Hobson Chahal Advisory Group as the new investment services advisor.

**Carried**

The Board expressed interest in taking advantage of a presentation from the new investment advisors. The Board would like to set aside 15 - 20 minutes at a Board meeting for a presentation, including an opportunity for Board questions afterwards. This will be arranged for a Board meeting in early 2020.

**ATB Financial**

At the most recent Board Meeting on September 19, 2019, information was provided on the new Municipal Operating Account offered through ATB Financial. The CRSWSC bank account has been transitioned to the new account and interest is now being earned on the cash balance in the bank while fees continue to be waived.

The interest rate varies depending on the account balance and the prime rate. Below is the range of interest rates for the Municipal Operating Account:

- Balance up to 1.49MM - Prime less 1.90 = 2.05%
- Balance up to 2.49MM - Prime less 1.80 = 2.15%
- Balance up to 4.99MM - Prime less 1.70 = 2.25%
- Balance up to 9.99MM - Prime less 1.60 = 2.35%
- Over \$10MM - Prime less 1.55 = 2.40%

The prime rate at the writing of this report is 3.95%.

At the September 19, 2019 Board meeting, the Board made a motion (Motion 39-19) to approve electronic funds transfer (EFT) as an alternative method for paying vendor invoices. ATB requires a copy of the signed meeting minutes for the September 19, 2019 Board meeting in order to proceed with this request. In order to allow time for the documentation to be processed and the setup of EFTs in the accounting system and at the bank, it is anticipated that electronic funds transfer, as a method of payment, will be fully implemented early in 2020.

**2020 Interim Budget**

The 2020 Interim Operating and Capital Budget will be presented following the Treasurer's report.

63-19

**Motion:** It was **Moved** by Mayor Wally Yachimetz that the Capital Region Southwest Water Services Commission receive as information the Treasurer's Report as presented by Gerard Del Rosario, Accounting Technician, CRSWSC.

**Carried**

**C. 2020 Interim Budget Report**

**Proposed 2020 Interim Budget Highlights**

**Revenue**

**Water rates**

The CRSWSC sales rate for water has increased to \$1.64/m<sup>3</sup> from \$1.59/m<sup>3</sup> in 2019. The increase is due to a number of factors. The 2020 interim rate for EPCOR was set at \$0.95/m<sup>3</sup> up from \$0.93/m<sup>3</sup> in 2019. The increase of \$0.05/m<sup>3</sup> is required for the following:

- \$0.020/m<sup>3</sup> for the EPCOR rate increase.
- \$0.020/m<sup>3</sup> increase for General Capital Reserve.
- \$0.010/m<sup>3</sup> increase for Operating Reserves.

There was an inquiry in regards to the \$0.010/m<sup>3</sup> increase towards the Operating Reserves. The Board is seeking clarification in regards to the justification of the increase towards Operating Reserves and whether this is required by policy or a recommendation from Administration. Administration will consult Carol Hounsell, Commission Treasurer, to provide clarity on this inquiry.

In response to the Board inquiry regarding the \$0.010/m<sup>3</sup> portion of the rate increase towards the Operating Reserves, Carol Hounsell later clarified that this is intended to be used to fund future operating projects that are not budgeted for. Examples include the strategic plan (which was budgeted for out of reserves); offsetting any future operating deficits; or to cover amounts owing to EPCOR if future true-up rates are in excess of the interim rate. The CRSWSC did not quite require a full 1 cent increase; however, we cannot increase the rate less than 1 cent. Therefore, this increase provides a bit of a buffer which will either be used to buffer any management operation increases next year or rate stabilization if EPCOR increases their rate more than we are expecting.

***Water Flat Rates – Debenture Proceeds***

Debenture proceeds charged to the member municipalities on transmission line 2 has remained the same as the 2019 budget of \$93,903. The 2020 budget is based on actual debenture payments (including principal & interest) for two debentures.

***Interest***

Interest has increased from \$30,000 to \$60,000 based on projected actuals for 2019.

***Drawn from Operating Surplus***

The drawn from operating surplus budget decreased from \$65,000 in 2019 to \$35,000 in 2020. \$35,000 is to offset the carry forward for unused seminar and conference funds based on the *Board Training & Development Policy*. The additional \$30,000 budget in 2019 was to fund the development of a *Strategic Plan* approved by the Board June 28, 2018 (Motion 39-18). This project was completed in 2019.

***Accumulated Surplus***

The required net balancing amount of \$2,977 will result in an increase to accumulated surplus.

***Expenditures***

- Operational and management contracts are as per contractual agreements. The current contracts expire in 2020 and may go out for RFP before the end of 2020, depending on Board direction. The 2021 and 2022 budgets are based on an estimated annual increase of 3.2%.
- Honorariums and mileage have decreased by \$8,070 and \$250 respectively, which was additional to the 2019 budget to cover Board member's expenses for attending the two Strategic Plan Workshops.



- Audit fees are as per contractual agreement with an estimate for 2021 & 2022 since the current contract expires after the 2019 yearend is completed. The Commission will have to issue an RFP for Audit Services in 2020.
- Other Professional Fees have decreased by \$10,000. The 2019 budget included \$30,000 for the 2019 Strategic Plan which was completed in 2019. The 2020 budget includes an additional \$12,000 increase for higher CIBC Wood Gundy Management Fees plus \$8,000 to cover a guest speaker for the Annual General Meeting.
- Debenture payments expense (interest + principal) have remained the same at \$93,303. The 2020 budget is based on the debenture schedules for both debenture 4000845 at \$68,742 annually & 4002395 at \$25,161 annually.
- Line maintenance has decreased from \$50,000 to \$35,000. It was increased in 2019 because the 2018 expenditures were over budget due to two major line breaks. The 2020 budget was adjusted to better reflect the 2019 expenditures.
- Engineering Fees has decreased by \$35,000 over 2019. The Long-Range Master Plan review and update was started in 2018. The unexpended funding from 2019 has been carried forward to 2020 to finish the project.
- Water Purchases – For 2020 EPCOR has recommended an interim rate of \$0.95/m<sup>3</sup>. The Regional Water Customers Group agreed to this interim rate and Administration recommends that the CRSWSC use this as its budgeted water rate for 2020. This represents a \$0.02/m<sup>3</sup> increase over the 2019 budget.
- Materials and supplies has increased by \$5,000 in 2020 to allow for the purchase of special gifts to celebrate the 35<sup>th</sup> anniversary of the CRSWSC.
- The Seminars & Conferences budget for 2020 has increased to \$80,000. This is a result of a carry forward of \$35,000 from 2019 as per the *Board Training and Development Policy*. The carry forward is funded through the operational reserve and therefore does not impact the rates. An additional \$10,000 was added in 2020 to fund training opportunities for Administration.
- Transfers to Operating Reserves has increased over the 2019 budget. The transfer for General Operating Reserves was increased to \$0.01/m<sup>3</sup> in 2019 to \$0.02/m<sup>3</sup> in 2020. In addition, \$50,252 was budgeted for the Rate Stabilization Reserve in 2020 in order for it to align with the cap outlined in the Rate Stabilization Reserve Fund Policy.
- All other expense line items have remained unchanged or have not changed by material amounts.

### Capital

- "Transfers to Capital Reserves" has increased in 2020. The increase is due to a \$0.02/m<sup>3</sup> increase in the rate for the General Capital Reserves from \$0.04/m<sup>3</sup> in 2019 to \$0.06/m<sup>3</sup> in 2020. This reserve is intended to fund major unforeseen capital repairs and capital maintenance projects not related to expansion.

- Project 2015.003 – Millet Waterline Expansion. There was no activity on this project in 2019 and the full budget will be carried forward into 2020. This budget is needed as there are still unresolved issues with this project.
- Project 2017.002 – Air Release Manhole Rehabilitation is expected to be completed in 2020 and the full budget has been carried forward.
- Project 2018.002 – Pump for Hwy 21 Booster Station was started in 2019 and expected to be completed in 2020. The unexpended budget is carried forward into 2020.
- Project 2019.001 – Cathodic Protection Survey was completed in 2019.
- Project 2019.002 – Beaumont Piping Upgrades was not completed in 2020 and the budget of \$50,000 is carried forward into 2020.
- Project 2020.001 – Environmental Land Assessment for a new facility was added to the 2020 with a budget of \$50,000. This is in anticipation of EPCOR purchasing the current boundary station on Highway 2 resulting in the Commission having to find a suitable site for a new facility.

**64-19**      **Motion:** It was **Moved** by Councilor Doug Lyseng that the Capital Region Southwest Water Services Commission Board of Directors adopt the 2020 Interim Operating and Capital Budget as presented by Gerard Del Rosario, Accounting Technician, CRSWSC, with total revenues and transfers from reserves of \$10,797,666 and total expenditures and transfers to reserves of \$10,797,666.

**Carried**

**65-19**      **Motion:** It was **Moved** by Councillor Kelly-Lynn Lewis that the Capital Region Southwest Water Services Commission Board of Directors accept in principle the 2021-2022 forecasted Operating and Capital Budget as presented by Gerard Del Rosario, Accounting Technician, CRSWSC.

**Carried**

Councillor David Ofrim, Councillor Kevin Hycha, Malcolm Boyd, Roger Steele, Garrett Clark, Des Mryglod and Shawn Boven left the meeting at 6:56 p.m.

## **5. UNFINISHED BUSINESS**

### **A. Sale Agreements (*In-Camera Item*)**

The City of Edmonton recently annexed lands in Leduc County. As part of the CRSWSC water transmission main and the Boundary Pump Station are located in these annexed lands, Associated Engineering (AE) was tasked with reviewing options for the Commission assets in these lands as part of the master planning process. On April 26, 2018, AE presented 3 options: Option 1 is the status quo in which the Commission retains all assets; Option 2 is the sale of assets within the annexed lands to EPCOR, with a second feed being provided to Beaumont from 50<sup>th</sup> Street; Option 3 is the sale of assets within the annexed lands to EPCOR but without the second feed to Beaumont from EPCOR. During the June 28, 2018

CRSWSC Board Meeting, the Board passed a motion to pursue Option 2 (motion 43-18).

With the oversight of the Board Chairman, Administration has been working on finalization of the Sale Agreement of the assets within the annexed lands to EPCOR. A draft was presented to Board members at the September 19, 2019 meeting.

Minor comments on the current draft of the EPCOR Agreement were received from EPCOR on October 1, 2019. Comments from the Board on the draft EPCOR Agreement were due by October 10; just over half of the members responded with comments. Both the EPCOR comments and a summary of the Board comments were sent back to Brownlee for review on October 24, 2019. A meeting was held with EPCOR on October 28, 2019 to review both their comments and Board concerns. Neither party had significant concern and Brownlee finalized the Agreement for signature. Administration provided the most recent revision of this Sale Agreement to the Board for approval.

With the sale of the Boundary Pump Station, the Master Plan is forecasting the need for a new Booster Station in 2023. During the May 28, 2019 Leduc County Council meeting, Council passed a motion (169-19) to explore a Memorandum of Understanding with the CRSWSC for the potential future purchase, lease, or right of first refusal for a land parcel suitable for the new Booster Station. Administration then contacted Reynolds Mirth Richards & Farmer LLP to draft an Option to Purchase Agreement which was distributed to Board members at the September 19, 2019 meeting for comments.

Administration received a letter from Leduc County on October 15, 2019 with comments on the land purchase Agreement; the letter was attached for reference. A meeting was held on October 30, 2019 at the Leduc County offices to review the letters contents and address any of Leduc County's concerns. Reynolds Mirth revised the Agreement on October 31, 2019 to address the County's concerns which was sent back to Leduc County. Leduc County subsequently raised concerns regarding the requested Right of Way and proximity to the existing reservoir, and as a result an updated Agreement was sent to Leduc County for approval. Leduc County Administration has advised that it is being brought to their Council for approval at the end of November. Administration provided the revised Option to Purchase to the Board for approval. The Option to Purchase will be executed upon confirmation of Leduc County Council approval. Should any significant deviations be requested by Leduc County, this Agreement will be brought forward again to the CRSWSC Board.

66-19

**Motion:** It was **Moved** by Councillor Bill Daneluik that the Capital Region Southwest Water Services Commission Board of Directors move In-Camera at 7:02 p.m. to discuss the Sale Agreements.  
(FOIP s. 16, 23, 24 & 25)

**Carried**

- 67-19**      **Motion:** It was **Moved** by Mayor Tony Wadsworth that the Capital Region Southwest Water Services Commission Board of Directors move In-Public at 7:07 p.m.
- Carried**
- 68-19**      **Motion:** It was **Moved** by Councillor Kelly-Lynn Lewis that the Capital Region Southwest Water Services Commission Board of Directors approve the EPCOR Sale Agreement as to form and content, subject to such revisions as the Commission manager and legal counsel for the Commission determine reasonably necessary to carry out the transaction as intended.
- Carried**
- 69-19**      **Motion:** It was **Moved** by Councillor Pat Garrett that the Capital Region Southwest Water Services Commission Board of Directors approve the Leduc County Option to Purchase Agreement, subject to such revisions as the Commission manager and legal counsel for the Commission determine reasonably necessary to carry out the transaction as intended.
- Carried**

**B. Water Master Plan (*In-Camera Item*)**

At the April 26, 2018 Commission meeting, Sean Nicoll from Associated Engineering presented three potential servicing scenarios for the Commission. During the June 28, 2018 Board Meeting, a motion was passed by the CRSWSC Board (motion 43-18) to pursue Option 2 (EPCOR purchases CRSWSC assets within the annexation area and provides additional connection North of Beaumont) from the draft Master Plan in negotiations with EPCOR.

Associated Engineering presented updated cost analysis of the Options at the June 20, 2019 Board meeting as a result of the ongoing meetings and negotiations with EPCOR as well as the Leduc County land parcel. The Master Plan was completed with 3 different rate scenarios for Option 2, which was presented by Sean Nicoll at the September 19, 2019 Board meeting. Comments from the Board on the draft Master Plan were due by October 10; just over half of the members responded with comments. The comments were sent to Associated Engineering who provided an updated draft on November 12, 2019. Sean Nicoll presented a review of the revised Master Plan. Administration is looking for Board direction for Associated Engineering to finalize the Master Plan, which will be brought back at the next meeting to formally accept for information. Administration is also looking for direction on the rate scenarios provided within the draft Master Plan or any other rate scenario the Board may request.

The Master Plan is being left In-Camera until the Sale Agreements are signed to prevent information regarding the financial benefit to the Commission being publicized, which could negatively impact our negotiation with EPCOR. Board members were asked to please ensure any circulation is kept in confidence.

**70-19**      **Motion:** It was **Moved** by Councillor Sam Munckhof-Swain that the Capital Region Southwest Water Services Commission Board of Directors move In-Camera at 7:09 p.m. to discuss the Water Master Plan Update.  
(FOIP s. 16, 23, 24 & 25)

**Carried**

**71-19**      **Motion:** It was **Moved** by Councillor Bill Daneluik that the Capital Region Southwest Water Services Commission Board of Directors move In-Public at 7:49 p.m.

**Carried**

**72-19**      **Motion:** It was **Moved** by Councillor Sam Munckhof-Swain that the Capital Region Southwest Water Services Commission Board of Directors move forward with Scenario 4 as presented by Sean Nicoll, Associated Engineering.

**Motion Carried with 8 votes in favour and 6 votes opposed.**

In Favour: Councillor Rick Smith, Councillor Kelly-Lynn Lewis, Councillor Sam Munckhof-Swain, Councillor Bill Daneluik, Councillor Doug Lyseng, Councillor Greg Gillespie, Mayor Tony Wadsworth and Councillor Pat Garrett.

Opposed: Councillor Beverly Beckett, Councillor Lars Hansen, Mayor Wally Yachimetz, Councillor Krista Gardner, Mayor Dawn Pauls and Councillor Dave Vallee.

**73-19**      **Motion:** It was **Moved** by Mayor Tony Wadsworth that the Capital Region Southwest Water Services Commission Board of Directors move In-Camera at 8:03 p.m. to discuss the Water Master Plan Update.  
(FOIP s. 16, 23, 24 & 25)

**Carried**

**74-19**      **Motion:** It was **Moved** by Councillor Bill Daneluik that the Capital Region Southwest Water Services Commission Board of Directors move In-Public at 8:08 p.m.

**Carried**

**75-19**      **Motion:** It was **Moved** by Councillor Sam Munckhof-Swain that the Capital Region Southwest Water Services Commission Board of Directors agree to finalize the draft November 2019 CRSWSC Master Plan with Scenario 4 recommended for formal acceptance at the January 30, 2020 Board Meeting.

**Motion Defeated with 7 votes in favour and 7 votes opposed.**

In Favour: Councillor Rick Smith, Councillor Kelly-Lynn Lewis, Councillor Sam Munckhof-Swain, Councillor Bill Daneluik, Councillor Doug Lyseng, Councillor Greg Gillespie and Mayor Tony Wadsworth.

Opposed: Councillor Beverly Beckett, Councillor Lars Hansen, Mayor Wally Yachimetz, Councillor Krista Gardner, Mayor Dawn Pauls, Councillor Dave Vallee and Councillor Pat Garrett.

- 76-19**      **Motion:** It was **Moved** by Councillor Sam Munckhof-Swain that the Capital Region Southwest Water Services Commission Board of Directors agree to finalize the draft November 2019 CRSWSC Master Plan with Scenario 2B recommended for formal acceptance at the January 30, 2020 Board Meeting.

**Motion Defeated with 7 votes in favour and 7 votes opposed.**

In Favour: Councillor Rick Smith, Councillor Kelly-Lynn Lewis, Councillor Sam Munckhof-Swain, Councillor Bill Daneluik, Councillor Doug Lyseng, Councillor Greg Gillespie and Mayor Tony Wadsworth.

Opposed: Councillor Beverly Beckett, Councillor Lars Hansen, Mayor Wally Yachimetz, Councillor Krista Gardner, Mayor Dawn Pauls, Councillor Dave Vallee and Councillor Pat Garrett.

- 77-19**      **Motion:** It was **Moved** by Mayor Tony Wadsworth that the Capital Region Southwest Water Services Commission Board of Directors move In-Camera at 8:12 p.m. to discuss the Water Master Plan Update.  
(FOIP s. 16, 23, 24 & 25)

**Carried**

- 78-19**      **Motion:** It was **Moved** by Councillor Kelly-Lynn Lewis that the Capital Region Southwest Water Services Commission Board of Directors move In-Public at 8:25 p.m.

**Carried**

The Board thoroughly discussed and debated Scenario 2B, Scenario 4 and a revised hybrid Scenario 5 (a combination of Scenario 2B and 4).

- 79-19**      **Motion:** It was **Moved** by Councillor Pat Garrett that the Capital Region Southwest Water Services Commission Board of Directors move forward with Scenario 5 as presented by Sean Nicoll, Associated Engineering.

**Motion Carried with 11 votes in favour and 3 votes opposed.**

In Favour: Councillor Rick Smith, Councillor Kelly-Lynn Lewis, Councillor Sam Munckhof-Swain, Councillor Doug Lyseng, Councillor Greg Gillespie, Mayor Wally Yachimetz, Councillor Krista Gardner, Mayor Dawn Pauls, Councillor Dave Vallee, Councillor Pat Garrett and Mayor Tony Wadsworth.

Opposed: Councillor Beverly Beckett, Councillor Lars Hansen and Councillor Bill Daneluik.

**80-19**      **Motion:** It was **Moved** by Mayor Tony Wadsworth that the Capital Region Southwest Water Services Commission Board of Directors agree to finalize the draft November 2019 CRSWSC Master Plan with Scenario 5 recommended for formal acceptance at the January 30, 2020 Board Meeting.

**Motion Carried with 13 votes in favour and 1 vote opposed.**

In Favour: Councillor Rick Smith, Councillor Kelly-Lynn Lewis, Councillor Sam Munckhof-Swain, Councillor Bill Daneluik, Councillor Doug Lyseng, Councillor Greg Gillespie, Mayor Wally Yachimetz, Councillor Krista Gardner, Mayor Dawn Pauls, Councillor Dave Vallee, Councillor Lars Hansen, Councillor Pat Garrett and Mayor Tony Wadsworth.

Opposed: Councillor Beverly Beckett

Chairman Rick Smith requested that Administration circulate formal documentation of the chosen Scenario 5 following the meeting. This will be distributed to Board members by email as a confidential In-Camera item.

**6. NEW BUSINESS**

There were no new business items presented.

**7. NEXT MEETING**

The next regular meeting of the Capital Region Southwest Water Services Commission will be held on January 30, 2020 at Kosmos Boardroom, located at 5010 – 49 Avenue, Leduc, AB.

Dinner will be served at 5:30 p.m. and the meeting will begin at 6:00 p.m.

**8. ADJOURNMENT**

**81-19**      **Motion:** It was **Moved** by Mayor Wally Yachimetz to adjourn the meeting at 8:36 p.m.

**Carried**

  
\_\_\_\_\_  
CHAIRMAN

  
\_\_\_\_\_  
MANAGER