

**MINUTES OF THE CAPITAL REGION SOUTHWEST WATER SERVICES COMMISSION
 REGULAR MEETING, HELD ON THURSDAY, SEPTEMBER 16, 2021 AT 6:00 P.M.
 VIA GOTOMEETING (VIRTUAL)**

1. CALL TO ORDER

Chair Wally Yachimetz called the meeting to order at 6:00 p.m.

PRESENT:	Mayor Wally Yachimetz Councillor Krista Gardner Councillor Rick Smith Councillor Kelly Vandenberghe Councillor Bill Daneluik Councillor Doug Lyseng Mayor Dave Vallee Councillor Beverly Beckett Councillor Lars Hansen Councillor Pat Garrett Mayor Doug Peel	Town of Calmar Town of Calmar Leduc County Leduc County City of Beaumont Camrose County Village of Hay Lake City of Leduc City of Leduc Town of Millet Town of Millet
-----------------	--	---

ALSO PRESENT:	Councillor David Ofrim Councillor Kevin Hycha Kristofer Johnson, GM, Infrastructure Roger Steele, Manager, Technical & Utilities Shawn Olson, Commission Manager Rick Sereda, Operations Manager Lauren Padgham, Treasurer Gerard Del Rosario, Accountant Pamela Regier, Project Manager Mark D'aoust, Commission Technician Pamela Regier, Project Manager Shirley Weslosky, Recording Secretary Des Mryglod, Director of Engineering Chad Maki, Associated Engineering Melanie Richmond, Associated Engineering	City of Camrose City of Camrose City of Camrose EIA City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc City of Leduc Leduc County
----------------------	---	---

WITH REGRETS:	Zach Mazure, Manager, Public Works Councillor Greg Gillespie Malcolm Boyd, CAO Dean Downey, Manager, Utilities Councillor Sam Munckhof-Swain Joshua Gale, Manager, Infrastructure Trevor Bosma, Operations Resource Inspector Councillor Faye Leicht	Camrose County Camrose County City of Camrose Leduc County City of Beaumont City of Beaumont City of Beaumont Village of Hay Lakes
----------------------	---	---

2. ADOPTION OF AGENDA

- 33-21** **Motion:** It was **Moved** by Beverly Beckett that the agenda for the September 16, 2021 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

Motion Carried Unanimously

3. A MOMENT IN MEMORY OF MAYOR WADSWORTH

A. Recognition of Mayor Wadsworth

Before the meeting began, Chairman Wally Yachimetz took a moment to recognize Mayor Tony Wadsworth, a dedicated CRSWSC Board member who faithfully served on the Board since 2015, until his recent passing on July 23, 2021. Mayor Wadsworth was a respected colleague and a cherished friend to many. He will be remembered as a man of integrity, intelligence and dedication, with a deep passion to serve the community. It was both an honor and a privilege to work with Mayor Wadsworth and he will be deeply missed.

In order to recognize his contributions to the Commission, it is recommended that the Board considers creating a bronze memorial plaque in memory and in honor of Mayor Tony Wadsworth, acknowledging his integral role in the establishment of the waterline to the Town of Millet.

Bringing water to the Town of Millet had been a goal for the Town since 2009 and Millet received approval through the Water for Life Program in 2012. In 2015, the Town of Millet approached the CRSWSC to assist in this project. Construction of the Millet waterline first began in June 2016 and was completed in 2017, which was celebrated as a successful collaboration amongst Commission members. Mayor Tony Wadsworth was a champion for this waterline connection throughout his time on Millet Council and played an integral role in its establishment. As such, it is recommended that the Board approve production of a bronze plaque acknowledging this noteworthy accomplishment of Mayor Wadsworth's career, to be presented to the Town of Millet Council by the Board Chair or Vice Chair. A drafted plaque message was attached to the report for the Board's review and consideration.

Alternatively, it was suggested that the Board may wish to discuss other methods to recognize and honor Mayor Wadsworth. An alternative recommendation is for the Board to consider making a memorial donation in Mayor Wadsworth's name to the Alberta Transplant Institute at the University of Alberta, as requested by the family. Donations to this organization are used to help increase access to transplants and to improve the lives of patients. Further information can be found

on their website: <https://www.ualberta.ca/alberta-transplant-institute/giving/how-to-give.html>.

- 34-21** **Motion:** It was **Moved** by Rick Smith that the CRSWSC Board of Directors approve production of a bronze plaque in honor and in memory of Mayor Wadsworth's integral role in the establishment of the waterline to the Town of Millet, to be presented to the Town of Millet Council along with a monetary donation up to \$1,000.00.

Motion Carried Unanimously

4. APPROVAL OF MINUTES

A. Minutes of the May 20, 2021 Meeting

- 35-21** **Motion:** It was **Moved** by Krista Gardner that the meeting minutes of the May 20, 2021 Capital Region Southwest Water Services Commission regular meeting be approved as circulated.

Motion Carried Unanimously

5. REPORTS OF OFFICERS

A. Manager's Report

CRSWSC Operator Introduction

Administration introduced and welcomed Mark D'aoust to his new role as City of Leduc Utilities Manager and the new Commission Technician. Mark was the successful internal candidate that was hired to replace Shawn Tooth who left the City of Leduc in mid-July.

Mark is a dually certified level 4 operator through Alberta Environment and Parks. Mark has 14+ years of operating experience and 5 years of supervising experience. He spent the first 11 years in St. Albert where he started out as a labourer, and eventually worked up to a Team Lead. Mark was integral in the development of the City of St. Albert's catch basin cleaning program, including a fully functional dewatering plant to process the catch basin material. Mark also worked with their GIS group to develop their online asset management and work management through the ArcGIS suite of tools. During his time with the City of St. Albert, Mark also attended the N.A.I.T. Water and Wastewater certification program. Mark was hired by the City of Leduc in December 2018 as the new Utility Project Manager. Since then he has overseen the upgrades to our north reservoir pumping system, managed the replacement of 1800+ water meters, developed

and implemented the City of Leduc's cross connection control program, as well as numerous improvements to our asset management software.

Strategic Plan – High Priority Items

HIGH PRIORITY ITEMS

1. *Provide comprehensive orientations to Board members. (Internal Efficiency – 4.2.1)*
The orientation manual was presented at the May 20, 2021 meeting for Board feedback. None has been received to date. The manual was brought forward under Old Business Item 6A for adoption.
2. *Develop a current governance policy manual. (Internal Efficiency – 4.2.4)*
The governance policy manual was drafted in conjunction with the orientation manual outlined in item 1 above and presented at the May 20, 2021 meeting for Board feedback. None has been received to date. The manual was brought forward under Old Business Item 6A for adoption.
3. *Create a regional water conservation plan. (Reduce Per Capital Use – 4.3.4)*
This will be an ongoing annual Strategic Plan item as a reminder to have Board members bring this forward with their councils and administration. Administration will review the "Tips for Saving Water" document with technical members at a Fall meeting, in conjunction with the water demand measures discussed under item 4 below.
4. *Be prepared for water supply-related emergencies. (Plan B Options – 4.4.4)*
This will be an ongoing annual Strategic Plan item, to serve as an annual reminder to review the water demand measures. A letter was circulated to the CAO of each member municipality on May 7, 2021 with the published water demand management. Additionally, Administration is going to review the water demand management measures with the technical members of member municipalities in conjunction with the water conservation tips noted in item 3 above, at a meeting this Fall that has yet to be scheduled.

COMPLETED ITEMS

1. *Align the Commission's Master Plan with Members municipal plans. (Communicating with Members - 4.1.1)*
2. *Educate Members on water conservation methods. (Managing a Scarce Resource – 4.3.1)*

3. *Charge reasonable rates to Members. (Master Planning – 4.4.1)*
4. *Provide a simplified utility rate structure summary to Members. (Master Planning – 4.4.2)*
5. *Be fiscally sustainable as a Commission. (Operational Consistency – 4.2.3)*
6. *Provide ongoing training to Board members. (Internal Efficiency – 4.2.1)*

Nisku Booster Station Land Acquisition and RFP

The previous intent was to have the land parcel procured in 2021 and design complete for an early 2022 tender. During preliminary engineering, Associated Engineering (AE) reached out to ATCO Utilities to discuss a natural gas cabinet immediately adjacent to the land parcel. ATCO Utilities has advised that relocation of this cabinet is required based on our plans for the site and that relocation would take approximately 1 year. AE reviewed this revised timeline in conjunction with current demands and projections as compared to those within the Master Plan and confirmed that this delay would not negatively impact the Commission's ability to meet demand. The intent is now to be ready for tender early 2023.

Associated Engineering (AE) also approached Leduc County's Development Office to discuss the necessary variances required for the lot. A response was provided on May 13, 2021 that there were no concerns granting the variances proposed. AE also had an appraisal completed for the Leduc County land parcel by Dale Commercial, which provided a value for the land that was to be adjusted downwardly for abatement and demolition costs to get to a vacant lot. AE solicited 2 quotes from building abatement and demolition firms to assist in determining a fair purchase price.

A meeting was then held with Leduc County on May 28, 2021 to discuss the lot purchase price, conditions, variances, and routing options for the supply/discharge piping to/from the transmission main. The County was presented with the land appraisal from Dale Commercial for the lot and the County raised some concerns with regards to the MGA and how fair market value for a lot is applied in this circumstance, and the necessity of advertising sale of land. To alleviate the County's concerns, Administration requested a legal opinion from Reynolds Mirth Richards & Farmer LLP (RMRF). This opinion was attached to the report and was provided to the County on June 3, 2021. Leduc County provided a letter on July 7, 2021 (attached) that Leduc County Council approved the sale of the land to the CRSWSC for a value of \$20,340 (appraisal value less the abatement, demolition, backfill, and grading fees) at their June 22, 2021

Regular Council Meeting. Upon receipt of this letter, AE has commenced preparing the Offer to Purchase documentation.

A meeting was held with Alberta Transportation (AT) on May 20, 2021 to discuss potential routing options, which were previously discussed with Leduc County for supply/discharge connections to the main distribution line to/from the new booster station. As a result of these discussions, AE prepared a technical memo with the 5 different routing options evaluated (attached). This memo recommends the routing initially shown in the Option to Purchase with Leduc County which runs along the south side of the County Reservoir and across Highway 2. This technical memo was circulated to Leduc County on August 8, 2021 for feedback. The County has recently advised that they are reviewing the memo and will be bringing it forward to their Council for approval later this month.

Detailed design cannot be progressed further without the geotechnical investigation necessary to support structural design of the facility. Upon confirmation from Leduc County of approval for this right of way (ROW) for the routing options, the Offer to Purchase documentation will be finalized and sent to the County for execution, and the geotechnical investigation can commence.

Beaumont Piping Upgrades

In 2020, the Commission had Associated Engineering (AE) undertake the design of piping upgrades within the Beaumont fill station as part of planned Capital Upgrades identified within the 2020 Water Master Plan. The construction of these upgrades was included in the 2021 budget. Administration is working with AE to update the design as a result of the EPCOR asset sale and new Nisku Booster Station design. Once the new station is commissioned, part of the EPCOR Sale Agreement is that EPCOR will install water flow meters at each facility for invoicing purposes. Given the logistical challenges of installing 2 meters in some of the facilities, Administration directed AE to review the option of tying into EPCOR's meter. EPCOR is currently reviewing our metering request to see if they are able to use a meter compatible with the Commission's system. Administration believes the risk of reliance on a third party water meter is low, as this was done previously at the Boundary station. Additionally, the Water Agreement with EPCOR provides the CRSWSC to challenge EPCOR's readings. Should EPCOR agree to a compatible meter, Administration will move forward with this option. Administration will ensure the meters are properly maintained by EPCOR, including routine calibrations. This result will provide cost savings to the Commission in sharing this resource with EPCOR and further demonstrates ongoing regional collaboration with Commission partners. Until the metering issue is finalized with EPCOR, the Beaumont Piping Upgrade Project remains on hold.

Crossing Agreements

There were two items in the initial Strategic Plan that were lowered in priority this year, which Administration had already started working on. These are as follows:

1. *Evaluate crossing agreements within Member rights of way. (Managing a Scarce Resource – 4.3.2)*
2. *Request that Members development permitting process includes identifying location of Commission water lines. (Master Planning – 4.4.3)*

A recommendation is included within section 2.1 of 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. Administration will be incorporating these requirements within the new CRSWSC Water Policy.

Administration has generated an interactive map that will be hosted by the Commission and made available for member municipalities. Administration has also contacted Reynolds Mirth Richards Farmer LLP (RMRF) who has reviewed the risk of providing this service to the public and drafted a disclaimer notice for the website. At the May 20, 2021 the Board noted security concerns with an unsecured interactive map and requested municipal login or accounts. Administration was directed to work on putting together individual logins for municipalities at that time. Administration is still working through some technical issues with logins for member municipalities and expects to have this resolved shortly.

Administration would also like to remind all municipalities of the requirement of crossing agreements for any new infrastructure built over Commission infrastructure. Recently a Commission member municipality proceeded with construction of a multiway trail over the Commission's transmission main without an Agreement in place. Administration became aware of the situation during a routine pump station check. Typically, construction work in vicinity of the Commission line would be suspended until the appropriate agreement is in place. In this situation, however, Administration reviewed the risks and permitted construction to continue while the Agreement was completed concurrently. While no damage occurred to the Commission's main, this incident highlights the importance of the online tool to help municipalities review proposed development against known Commission infrastructure.

Private Connection Requests

Administration received several private connection requests over the summer. Administration responded to these inquiries and clarified that the CRSWSC does not provide distribution services for individual connections, as we are only a transmission system servicing member municipalities through an air gap. Residents requesting connections must approach their respective municipality to request distribution service. Municipalities can then determine whether they will bring the request forward to the CRSWSC Board. Many of these requests indicated they were advised by the municipalities to contact the CRSWSC directly. Administration will review this process with technical members at the Fall technical committee meeting.

EIA Reservoir 2

Construction Completion Certificate (CCC) has not yet been issued as there are several deficiencies remaining to be rectified including the Commission's standard fire and security integration through the Programmable Logic Controller (PLC) amongst other things. Administration emailed the EIA in May and agreed to compromises with the security and fire systems. The flow control valve has been remedied. As of the last communication that we have received, the CRSWSC is waiting on an official letter from the EIA stating that "to the best of our knowledge, the fill side of Reservoir 2 meets all of the Commission requirements. We would like to schedule commissioning at the CRSWSC's earliest convenience".

Ervick Connection

Administration has been advised by Zach Mazure, Manager of Utilities with Camrose County, that the extension to Braim from the Ervick connection will not be proceeding as Braim is contractually limited from constructing the extension and station from their current water supplier. Mr. Mazure also informed the CRSWSC that Camrose County is still planning the continuation line out to Ohaton for 2022.

Commission Facility Locates

Commission operators have completed 789 1st Call locates year to date on Commission facilities as compared to 664 in 2020.

36-21

Motion: It was **Moved** by Kelly Vandenberghe that the Capital Region Southwest Water Services Commission Board of Directors receives as information the Manager's Report as presented by Shawn Olson, Commission Manager, CRSWSC.

Motion Carried Unanimously

B. Treasurer's Report

2021 Financial Update

The financial reports have been prepared up to July 31, 2021. After seven months of operations, there should be approximately 42% of the budget remaining. Revenue is over budget with 35% of the budget remaining. Management expenses are slightly under budget with 51% of the budget remaining due to the timing of expenses. Operating expenses are slightly over budget with 37% of the budget remaining. Overall, the Commission is slightly over budget with total expenses at 38% of the budget remaining.

Water Sales and Purchases

- Water sales and purchases are over budget with 35% of the budget remaining. This is due to high consumption in June and July 2021. The Commission has recorded a line loss of 3% which is consistent with prior years.

Revenue Variances

- Interest earned on bank deposits and investments is projected to exceed the budget for the year, with five months left in the year it currently has 14% of the budget remaining.

Expenditure Variances

- Other professional fees are under budget with 76% of the budget remaining.
- Audit fees are booked at year end.
- Legal fees are under budget sitting at 49%. Costs to date include the bylaw draft/revision and asset transfer.
- Debenture interest and principal payments are made in June and December therefore only one entry has been recorded for 2021.
- Bank charges & interest is over budget. This is due to EFT fees which were not included in the budget for 2021; this will be included in the 2022 budget.
- Regular & Annual Meeting Expenses is under budget with 97% of the budget remaining as Board meetings have been held virtually to date.
- Insurance has been paid out for the year and has 24% of the budget remaining. A credit relating to the removal of the Booster Station from the policy was received.
- Other Communication/Maintenance Costs is over the annual budget due to the replacement of SD4 equipment at Calmar Reservoir.
- Facility Maintenance is under budget with 82% of the budget remaining.
- Line maintenance is over budget with 18% of the budget remaining primarily due to a water main repair between New Sarepta and Hay Lakes.
- There are a number of line items with 100% of the budget remaining due to the timing of when work is completed and expenditures occur. To the date of this report writing, no invoices had been received for these budgeted items.

Capital Expenditures

Capital expenditures are below budget with 94% of the overall budget remaining due to timing of capital projects.

- Beaumont Piping upgrades project is on hold.
- Nisku Booster Station costs incurred thus far relate to preliminary work on the Nisku Booster Station.
- Calmar piping upgrades project has been completed and the Commission is waiting to be invoiced for the work performed.

Information Return

The Commission's auditors, MNP LLP, identified a requirement to file information returns relating to a T2, Corporate Information Return and a T1044, Non-Profit Organization Information Return to the Canada Revenue Agency. The Commission engaged MNP LLP to complete and file 2011 - 2020 through the Voluntary Disclosure Program. The returns have been reviewed and approved to be filed. There is no tax impact as the CRSWSC is exempt from taxes under ITA section 149 and these returns were filed for information purposes.

37-21

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

Motion Carried Unanimously

6. UNFINISHED BUSINESS

A. Board Orientation Manual

The purpose of the Board Orientation Manual is to provide new Board members with an overview of the Commission, to acquaint them with pertinent key information and resources to enable them to be effective Board members. The Manual also provides convenient access to Board documents in an effort to increase efficiency and access to information.

Adoption of a Board Orientation Manual satisfies the current high priority Strategic Plan goals to *Provide comprehensive orientations to Board members (Internal Efficiency – 4.2.1)* and to *Develop a current governance policy manual (Internal Efficiency – 4.2.4)*.

Key information includes:

1. Overview of the Commission – establishment and history of infrastructure
2. Applicable Legislation – this includes the updated Provincial Regulations and Bylaw based on recent MGA changes
3. Board Governance Matters – information on the Board, meetings, strategic plan, decision framework, as well as Board and Management roles and responsibilities
4. Explanation of the Water Master Plan
5. Understanding of the Regional Water Customers Group

6. Information on Contracted Services – management and operations, engineering consultant, investment advisors and audit services
7. Overview of the Transmission System and Commission Facilities
8. Key Documents – such as policies, contact lists for Board and Management staff, Board member registration, expense and EFT forms, water management information

The draft manual was brought forward at the May 20, 2021 meeting. Board members were asked to review and provide feedback by August 31, 2021. Administration did not receive any feedback, so the manual is being brought forward for formal adoption. Once adopted, the manual will be provided to the incoming Board of Directors in Fall 2021 and will be updated on an ongoing basis as needed.

- 38-21** **Motion:** It was **Moved** by Dave Vallee that the Capital Region Southwest Water Services Commission Board of Directors adopt the Board Orientation Manual, to be used for the orientation of the incoming Board of Directors in Fall 2021.

Motion Carried Unanimously

7. NEW BUSINESS

A. Nisku Booster Station Finishes

In preparation for the Nisku Booster Station design, Administration is seeking direction from the Board on their preferences for the exterior finish of the Nisku Booster Station. Associated Engineering presented several options for the Board's consideration and were available to answer Board inquiries. Considering this is a fairly visible facility, the Board was encouraged to consider how they wish to present the CRSWSC to the public and conduct a straw poll to determine the preferred model.

- 39-21** **Motion:** It was **Moved** by Doug Lyseng that the Capital Region Southwest Water Services Commission Board of Directors receive today's information to be brought back with more definitive answers to this evening.

Motion Carried Unanimously

B. November 18, 2021 Meeting Date Change

Administration was recently advised that an AUMA conference has been scheduled in Edmonton from November 17 – 19, 2021 that will conflict with the CRSWSC organizational and regular meetings, currently scheduled for the evening of Thursday, November 18, 2021. In consideration that many Board members likely wish to attend this conference, Administration recommends that the Board consider rescheduling this meeting to another date.

Administration has prepared a list of alternative meeting dates for the Boards consideration, as listed below. Of these dates, Administration recommends the evening of Thursday, December 2, 2021 as the ideal meeting date, as this is consistent with the typical Thursday evening meeting schedule. This is in consideration that the Thursday prior is the November 11 Remembrance Day Holiday, and there is an Edmonton Metropolitan Region Board (EMRB) Council onboarding session scheduled for the evening of November 25, 2021.

Proposed Alternative Meeting Dates:

- Tuesday, November 16, 2021
- Tuesday, November 30, 2021
- Thursday, December 2, 2021
- Thursday, December 9, 2021

Administration is seeking the Board's direction to confirm whether the November 18, 2021 meeting date should be rescheduled to an alternative meeting date, as suggested above.

- 40-21** **Motion:** It was **Moved** by Doug Peel that the Capital Region Southwest Water Services Commission Board of Directors approve rescheduling the Thursday, November 18, 2021 organizational and regular meetings to Thursday, December 2, 2021 due to a conflict with the AUMA conference.

Motion Carried Unanimously

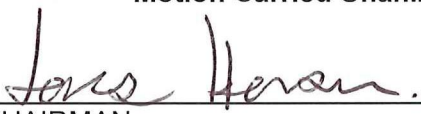
8. NEXT MEETING


The next meeting of the Capital Region Southwest Water Services Commission is the Organizational and Regular meetings, which has been rescheduled for December 2, 2021. These meetings will tentatively be held at the Best Western Premier Denham Inn & Suites, located at 5207 – 50 Avenue in Leduc.

9. ADJOURNMENT

- 41-21** **Motion:** It was **Moved** by Lars Hansen to adjourn the meeting at 7:11 p.m.

Motion Carried Unanimously



CHAIRMAN


MANAGER