

**NORTH RED DEER RIVER WATER SERVICES COMMISSION**  
**REGULAR MEETING MINUTES**  
**June 17, 2019**

**In Attendance:** Chair Ken Wigmore, Lacombe County Councillor  
Councillor Mark Matejka, Ponoka County  
Mayor Richard Poole, Town of Blackfalds  
Justin de Bresser, NRDRWSC Administrator  
Jennifer Peterson, Administrative Assistant

**Others Present:** Albert Frootman, CAO, Town of Ponoka  
Myron Thompson, CAO, Town of Blackfalds  
Matthew Goudy, CAO, City of Lacombe  
Michael Minchin, Manager of Corporate Services, Lacombe County  
Jordan Thompson, Operation & Planning Director, City of Lacombe  
Angela Smith, Regional Utilities Foreman, City of Lacombe  
Amber Mitchell, Engineering Manager, City of Lacombe

**Regrets:** Mayor Grant Creasey, City of Lacombe  
Mayor Rick Bonnett, Town of Ponoka

**1. Call to Order:**

*Chair Wigmore called the meeting to order at 9:01 am.*

**2. Adoption of the Agenda:**

*MOVED by Mayor Poole that the agenda for June 17, 2019, be adopted as presented.*

*CARRIED*

**3. Adoption of the Minutes:**

*MOVED by Councillor Matejka that the minutes for April 8, 2019, be adopted as presented.*

*CARRIED*

**4. Reports:**

**4.1. Operation's Report**

Ms. Smith discussed the recent operation activities.

In summary:

- Received a higher amount of calls for Alberta One in April than 2018. The calls in May were much lower than the previous year.

- Responded to two call-outs at Lucas due to the reservoir being low and the water flow out was at a high velocity. Confirmed that Town of Ponoka was dealing with a water leak and were trying to locate it.
- Communication was lost at Railway, reset the modem which restored the communication.
- Operations will look for a SCADA upgrade.

*MOVED by Mayor Poole to receive the Operation's Report as information.*

**CARRIED**

#### 4.2. Administrator's Report

4.2.1. Mr. de Bresser presented the Administrator's report.

In summary:

- Administration is working on revisions of the waterline sales agreement. Estimated closing date is August 1, 2019 or 15 days after the new vault is built.
- Currently in talks with Alberta Transportation to secure grant funds to complete the feasibility study for the First Nations of Maskwacis.
- Working with Stantec on to develop costs to develop an Asset Management Plan:
  - Option 1 – lateral lines only;
  - Option 2 – all lines owned by the Commission.
- Finalized the 5-year projections adding back in the Capital Reserves.
- Meeting with Alberta Environment & Parks on June 19th. Main topics that will be discussed is the Feasibility Study and the Province's financial commitment to the project. A report to the Commission will be provided at the next meeting.

#### **IN Camera**

*MOVED by Mayor Poole to move into Camera at 9:13am to discuss additional questions for the meeting with Alberta Environment & Parks..*

**CARRIED**

*MOVED by Councillor Matejka to return to open meeting at 9:22am.*

**CARRIED**

#### 4.2.2 Financial Variance Report

The financial variance report ending May 31, 2019 was presented by Mr. de Bresser. Water sales are slightly over budget, this usage is consistent with the same time last year. Expenses remain within budget. The bond portfolio statement was provided to the Commission. Mr. de Bresser requested the Commission change the Financial Variance reporting to quarterly.

*MOVED by Councillor Matejka to go quarterly reporting of the Financial Variance Report.*

*CARRIED*

*MOVED by Mayor Poole to receive the Administrator's Report and the Variance Report as information.*

*CARRIED*

#### 4.3. Chairperson's Report

Chair Wigmore had nothing to report at this time.

### 5. **Correspondence/Information**

### 6. **Old Business:**

#### 6.1. SCADA Upgrade Request

Mr. Thompson presented the SCADA hardware upgrade to the Commission for directions. Eramosa completed an assessment of the existing hardware and identified key components, PLC CPU, that have life remaining but are no longer supported by the manufacturer. Stantec Engineering is recommended that these components are replaced before 2027. Should the components fail before recommended replacement, may require manual operation of the control valve for the reservoir.

The three options presented were:

Option 1 – proceed with the original approved software upgrade and source spare parts to have on hand in the event of early failure. Estimated cost would be \$8,000. This cost is within Eramosa's original bid.

Option 2 – replace all required hardware with modern version. Hardware support is available. Lower annual cost. Resets remaining life of the PLC CPU and input/output

hardware. Estimated cost would be \$73,000. Additional funds of \$4,212 would be funded through capital reserves.

Option 3 – replace the PLC CPU, leaving the PLC input/output hardware for future upgrade. Will require additional communication module to allow for the current input/output to communicate with the new CPU. Estimated cost would be \$36,000 plus additional communication hardware. This cost is within Eramosa’s original bid.

Discussion occurred on which of three options benefited the Commission. Administration is recommending Option 2.

*MOVED by Councillor Matejka that the Board endorse the upgrade of the PLC CPU and the PLC input/output hardware as presented in Option 2 at a cost of \$73,000.*

*CARRIED*

## 6.2. 2019-2023 Financial Projections

Mr. de Bresser presented the amended projected 2019-2023 Operational Budget to the Commission as information. Amendments include the rate range from \$1.67 to \$2.29 over 5 years, annual operational surplus per year decreased to @21,000 to \$74,000 and the depreciation maintained at \$465,610 throughout the 5 years.

*MOVED by Mayor Poole to receive the 2019-2023 budget projections as information.*

*CARRIED*

## 7. **New Business:**

### 7.1. Policy 1 05 Fee for Line Crossing proposed update

Mr. Thompson proposed recommend update to the current Fee for Line Crossing Policy which includes the increases to the crossing fees from \$250 to \$500, the type of crossings permitted, as well to allow for an encroachment of a 3<sup>rd</sup> party structure within the NRDRWSC easement for 10 years with the possibility of renewal for another 10 years. A discussion occurred on the need for the amendment of the existing policy.

*MOVED by Mayor Poole that Administration amend the Fee for Line Crossing Policy to include a 3<sup>rd</sup> party structure within the easement as long as the structure does not compromise the NRDRWSC line at one time cost of \$5,000 for 10-years, with the option to renew for additional 10-years and to develop an Encroachment Agreement to bring back to the Commission for endorsement.*

*CARRIED*

MOVED by Councillor Matejka that the Application Fee be increased from \$250 to \$500.

CARRIED

MOVED by Councillor Matejka that Administration revised the Fee for Line Crossing Policy to allow for other 3<sup>rd</sup> party roadway, pipeline, conduit and overhead utilities to cross the NRDRWSC transmission and laterals lines.

CARRIED

7.2. Operational and Administrative Service Contract

Deferred to the September 9, 2019 meeting.

**8. IN Camera**

**9. Next Meeting:**

Monday, September 9, 2019 at 9:00 am, City of Lacombe Council Chambers.

**10. Adjournment:**

MOVED by Mayor Poole to adjourn this Meeting at 10:05 am.

CARRIED

Original Signed

Original Signed

\_\_\_\_\_

Chairperson

\_\_\_\_\_

Administrator