

NORTH RED DEER RIVER WATER SERVICES COMMISSION
REGULAR MEETING MINUTES
November 5, 2018

In Attendance: Chair Ken Wigmore, Lacombe County Councillor
Mayor Grant Creasey, City of Lacombe
Mayor Rick Bonnett, Town of Ponoka
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
Charlie Cutforth, CAO, Ponoka County
Matthew Goudy, CAO, City of Lacombe
Myron Thompson, CAO, Town of Blackfalds
Michael Minchin, Manager of Corporate Services, Lacombe County
Preston Weran, Director of Infrastructure, Town of Blackfalds
Jordan Thompson, Operation & Planning Director, City of Lacombe
Chris Huston, Utilities Manager, City of Lacombe

1. Call to Order:

Chair Wigmore called the meeting to order at 9:00 am.

2. Adoption of the Agenda:

MOVED by Mayor Creasey that the agenda for November 5, 2018, be adopted as presented.

CARRIED

3. IN Camera

Chair Wigmore ask that this item is address earlier in the meeting to accommodate a Board Member's schedule.

MOVED by Mayor Poole to go into camera at 9:02 am.

CARRIED

Waterline Extension

Charlie Cutforth, CAO, Ponoka County, left the meeting at 9:40 am.

MOVED by Mayor Creasey to resume regular meeting at 9:50 am.

CARRIED

4. Governance

a. Annual Election

i. Chair

Mr. de Bresser, Administrator, called for nominations from the floor.

Mayor Poole nominated Ken Wigmore for Chair. After three calls for attentional nomination, Mayor Bonnet moves ceased nominations.

Councillor Ken Wigmore is acclaimed as Chairman.

Mr. Wigmore resumed the Chair position.

ii. Vice Chair

Mr. de Bresser, Administrator, called for nominations from the floor.

Mayor Bonnett nominated Grant Creasey for Vice Chair.

Mayor Creasy nominated Richard Poole for Vice Chair.

After three calls for attentional nomination, Chair Wigmore moves to ceased nominations.

A Secret Vote was held for the Vice Chair position. Mr. Goudy, CAO City of Lacombe, disrupted, collect and counted the ballots.

Mayor Grant Creasey was named as the successor of Vice Chair.

MOVED by Mayor Bonnett that all ballots are destroyed.

CARRIED

5. Adoption of the Minutes:

MOVED by Councillor Matejka that the minutes for September 17, 2018, be adopted as presented.

CARRIED

6. Presentation:

Mr. Goudy presented to the Board a request to consider a reduction in the cubic meter cost of water provided to members. He outlined what the current costs are and what has been placed in reserves since the construction of the line to cover the replacement and upgrades to the line. The City of Lacombe Administration believes it is overly conservative to budget for full cost depreciation, and further, that to do so imposes an unfair burden on current ratepayers in municipalities. He recommended that a rate reduction of 16% is imposed on the members' rate or a lump sum payment is paid back to members based on past payment structure.

Mr. Minchin reminded the Board that when the line was constructed the Commission also acquired a number of feeder lines that feed reservoirs within the municipality. Those lines were not replaced with new pipe and some could need to be replaced at anytime. The replacement cost in the water sale rate was not just for the replacement and upkeep of the main line, it was also to address the ageing feeder lines.

A discussion occurred on what this could mean to the current members, as well as any future members. Concerns were expressed that there was a lot of information presented and the Board does not have enough information to make a recommendation on the request.

MOVED by Mayor Poole that Administration work with Mr. Minchin to investigate the request and provide the Board at the next meeting of a recommendation based on the findings.

CARRIED

7. Reports:

Operations Report

Mr. Huston discussed the recent operation activities.

In summary:

- Alberta One calls are down.
- Operation found that an actuator valve at PH' A leaking, new valve has been ordered.
- No power at Main vault on October 21st due to a scheduled outage by Fortis. Main vault was on back-up power until the main power was restored.

SCADA Upgrades

Eramosa has completed site visits and is working on the required upgrades to the SCADA system.

MOVED by Councillor Matejka to accept the Operation's report as information.

CARRIED

Administrator Report

Mr. de Bresser presented the Administrator's report.

In summary:

- Administration attended the annual planning meeting with the City of Red Deer. Topics included the sale of the waterline, and the 2019 Water Rate. The City of Red Deer has not finalized the rate.

- The draft Waterline Sale Agreement has been sent to Red Deer. Will present to the board at the December meeting. Administration will need a resolution from the board to move forward with the sale.
- The draft 2019 Operating budget will be presented to the Board for review.
- Currently working on the 5 year projection and will present at the December meeting for information.

MOVED by Councillor Matejka to accept the Administrator's Report as information.

CARRIED

Mr. de Bresser presented the financial report.

In summary:

- Water sales are above the historical average. Projection to the end of the year, water sales will be higher in Lacombe and Blackfalds and will be slightly lower in Ponoka, Ponoka County and the City of Red Deer.
- Administration and Chair Wigmore met with Ermineskin Cree Nation and the Province of Alberta to discuss a waterline extension. Details of the meeting were shared with the board members
- Administration is currently working on the 5 year projection and will present at the December 10th meeting.

MOVED by Councillor Matejka to accept the Financial Report as information.

CARRIED

Chairperson's Report

Nothing to report at this time.

8. Correspondence/Information

9. Old Business:

No old business to discuss.

10. New Business:

Mr. de Bresser presented the draft 2019 Operating budget for the boards review.

- The 2019 Operating Budget will have a 2% increase. The rate stabilization funds will be used to maintain the commission members' rate at \$2.07.
- The operation surplus will be down from \$100,000 to \$80,000.

Mr. de Bresser was asked what the rate stabilization fund was at the end of 2017. It was \$1.2 million and at the end of 2018 it will be at \$1 million.

MOVED by Mayor Poole to accept the 2019 Operating Budget as information.

CARRIED

11. Next Meeting:

Monday, December 10 at 9:00 am, City of Lacombe Council Chambers.

12. Adjournment:

MOVED by Councillor Matejka to adjourn this Meeting at 10:35 am.

CARRIED

Original Signed

Chairperson

Original Signed

Administrator