

NORTH RED DEER RIVER WATER SERVICES COMMISSION
REGULAR MEETING MINUTES
April 16, 2012

In Attendance: Mayor Larry Henkelman, Vice Chairperson, Town of Ponoka
Mayor Melodie Stol, Town of Blackfalds
Councillor Gord Svenningsen, Ponoka County
Michael Minchin, Corporate Services Director, Lacombe, NRDRWSC Administrator
Kim Sharyk, Administrator Assistant, Lacombe

Others Present: Brad Watson, CAO, Town of Ponoka
Corrine Newman, CAO, Town of Blackfalds
Chris Huston, Infrastructure Services, Lacombe, NRDRWSC Operations
Matthew Goudy, Infrastructure Services Director, Lacombe, NRDRWSC Engineering
Brenda Dryer, Financial Services Manager, Lacombe
Allan Lister, Auditor, BDO LLP

Regrets: Mayor Steve Christie, Chairperson, City of Lacombe
Councillor Cliff Soper, Lacombe County
Norma MacQuarrie, CAO, Lacombe

1. Call to Order:

Vice Chairperson Henkelman called the meeting to order at 9:03 am.

2. Adoption of the Agenda:

MOVED by Mayor Stol that the agenda for April 16, 2012 be adopted as presented.

CARRIED

3. Adoption of the Minutes:

MOVED by Councillor Svenningsen that the minutes for December 5, 2011 be adopted as presented.

CARRIED

4. Reports

Chairman Report

Vice Chairperson Henkelman did not have anything new to report.

Administrator's Report

Mr. Minchin discussed recent activities as per the attached Administrator's Report herein.

Administrator, Mr. Minchin mentioned, in summary, the following points:

- There was an Alberta Environment Waterworks System Risk-Based Inspection completed in January 2012.
- Water volumes as of the end of February 2012 were above the 5 year average.
- Working on protocols in case of interruption of service from Red Deer.

Financial Report

Mr. Minchin presented the Financial Statements as of March 31, 2012.

In summary:

- Financials are in line with projections.

Operator's Report

Mr. Huston and Mr. Goudy discussed recent activities as per the attached Operational Report herein.

In summary:

- Responded to 122 Alberta One Call locate requests.
- Received actuator valve last Thursday which will be placed into stock.
- Regular Operation Meeting with the City of Red Deer has not been set up; still working on implementation of scheduling.
- In early December 2011 operations was having trouble with the PLC on reservoirs; Associate Engineering was not able to look at for 2 to 3 weeks; Stantec Engineering was out the following day to assist; may want to look at RFP in changing engineering firms – bring back to the Commission or quote on individual basis as needed. Commission decided to approach Associated with concerns, as they were the initial firm involved with the set up of the line.

MOVED by Mayer Stol to accept the Reports presented as information.

CARRIED

5. New Business:

2011 Audited Financial Statements

Allan Lister of BDO LLP reviewed the Auditor's Report on the 2011 Audited Financial Statements attached herein.

In summary:

- NRDRWSC has a 'clean bill of health'.
- TCA is difficult to show tangibly, however amortization is an important aspect of the annual financial state of the commission. Amortization is now a budgeted expense in the 2012 operations budget for the Commission.

MOVED by Mayor Stol to accept the 2011 Audited Financial Statements as presented.

CARRIED

2011 Operating Surplus

Discussions were held on 2011 Operating Surplus as per the attached memorandum.

In summary:

- Budget is based on cash flows; surplus shown here is reconciled.
- Cash surplus = \$450,000; water projections were below 400,000.
- We are not required to account for amortization in the budget process which causes the annual statements to be confusing.
- However, the 2012 Budget included a change to reflect the year end audited statements with the removal of transfers to reserves and the inclusion of amortization.

2011 True Up Calculation

Discussions were held on 2011 True Up Calculation as per the attached correspondence.

In summary:

- Correspondence for Commission's information.
- There were low volumes but still well within the 10% variance outlined in the supply agreement.
- Still waiting on actual rate for 2012 and confident that we will fall within 1 to 2%.

MOVED by Councillor Svenningsen to accept the 2011 True Up Calculation as information.

CARRIED

Right of Way Agreement

MOVED by Mayor Stol to enter In Camera session at 9:32 am

CARRIED

MOVED by Councillor Svenningsen to adjourn In Camera session at 9:43 am.

CARRIED

MOVED by Mayor Stol to approach the Grahams with compensation of \$1,000.00 for each above ground structure and to have a new agreement signed.

CARRIED

6. Next Meeting:

June 25, 2012 at 9:00 am.

7. Adjournment:

MOVED by Councillor Svenningsen to adjourn this April 16, 2012 NRDRWSC Meeting at 9:53 am.

CARRIED

Chairperson

Administrator