

NORTH RED DEER RIVER WATER SERVICES COMMISSION
REGULAR & ANNUAL MEETING MINUTES
April 18, 2011

In Attendance: Mayor Steve Christie, Chairperson, City of Lacombe
Mayor Larry Henkelman, Vice Chairperson, Town of Ponoka
Mayor Melodie Stol, Town of Blackfalds
Michael Minchin, Administrator
Kim Sharyk, Administrator Assistant, City of Lacombe

Others Present: Brad Watson, CAO, Town of Ponoka
Corrine Newman, CAO, Town of Blackfalds
Norma MacQuarrie, CAO, City of Lacombe
Matthew Goudy, Engineering Services, Lacombe, NRDRWSC Engineering
Chris Huston, Infrastructure Services, Lacombe, NRDRWSC Operations
Brenda Dryer, Municipal Treasurer, City of Lacombe
Allan Lister, Auditor, BDO Dunwoody

Regrets: Reeve Gord Svenningsen, Ponoka County

1. Call to Order:

Chairperson Christie called the meeting to order at 9:04am.

2. Adoption of the Agenda:

MOVED by Mayor Henkelman that the agenda for April 18, 2011 be adopted as presented.

CARRIED

3. Adoption of the Minutes:

MOVED by Mayor Stol that the minutes for February 28, 2011 be adopted as presented.

CARRIED

4. Reports

Chairman Report

Mayor Christie had nothing to report at this time.

Administrator's Report

Administrator Mr. Minchin mentioned that with the passing of Deputy Reeve Doug Sproule, the Lacombe County is in the process of designating a new Commission Member to the fill current vacant seat.

Ponoka County Reeve Svenningsen has been notified of the Commission Meetings however has been absent since the election. Mr. Minchin will follow up.

Operator's Report

Mr. Goudy discussed recent activities as per the attached report herein.

In summary:

- Responded to 45 Alberta One Call locate requests since the last meeting of the Commission on February 28, 2011; locates are completed in house (consuming 5 to 15 minutes) or on site (consuming approximately one hour); the water system is equipped with a GPS locating system.
- Air release valve leaking at Ponoka; need to rent equipment (side/side Polaris quad) to gain access to the repair site; repairs are planned for April 19, 2011 however will be attempting a test run today on accessibility.
- Currently have spare valve in storage and a spare elbow in storage for the East Rail location (Blackfald's pumphouse).

Discussion with spring conditions affecting the water system was engaged:

- The water system has not had any problems with the deep frost; the pipe size and depth of the water line is not affected.
- Current spring runoff or melt will cause the water to have a "river smell"; Red Deer increases its water treatment to make sure water quality is not affected; June will be the second run off from the mountains when the water will make another change in appearance only.

Financial Report

Mr. Minchin presented the Financial Statements as of April 14, 2011.

In summary:

- Water sales are back on track so far this year.
- Ground water is high and might reflect in water sales in the upcoming seasons.
- Expenses are driven by water consumption.
- It is still early in the year to determine sales and expenses for year end.

2011 Operating Budget

Mr. Minchin discussed the 2011 Operating Budget.

In summary:

- Received letters of support from most of the municipalities regarding the 2011 proposed rate increase; no response from Ponoka County.

MOVED by Mayor Henkelman to approve the Reports as presented.

CARRIED

5. New Business:

2010 Audited Financial Statements

Mr. Allan Lister of BDO Dunwoody and Ms. Brenda Dryer of the City of Lacombe presented the audited 2010 Financial Statements to the Commission Members.

In summary:

- The Financial Statements have prepared in the format previously adopted in 2009 in order to meet the new financial reporting requirements for Alberta municipalities and commissions.
- Timing is a major factor in the final numbers reported in the Financial Statements.
- The Operating Statement includes higher than expected expenses from budget in the amount of \$179,456 due to the large leak on the main service line.
- Water loss expenses related to the leak have been deemed as a system loss and reported as part of the overall water purchases of the Commission from the City; no one municipality will be burdened with the total costs.
- Mr. Minchin included a memo stating two items that needed addressing:
 - A resolution is needed for the transfer of the surplus to be directed to the operating and capital reserves.
 - A resolution is needed to state the increase of the Board meeting rates.

MOVED by Mayor Stol to accept the 2010 Audited Financial Statements as presented.

CARRIED

MOVED by Mayor Henkelman to approve the increase of the Board meeting rates to \$350.00/ meeting for the Chairperson and \$150.00/meeting for Board Members effective January 1, 2010.

CARRIED

MOVED by Mayor Stol to transfer \$140,000.00 surplus equally to the Operating and Capital Reserves; \$70,000.00 to the Operating Reserves and \$70,000.00 to the Capital Reserve.

CARRIED

Appointment of Auditors

As per the memorandum attached herein, it is in accordance to the Commission's Bylaws that a resolution be made to appoint Auditors for the 2011 Fiscal Year. The Commission has just recently completed its second year of a five year contract with BDO Dunwoody.

MOVED by Mayor Stol to appoint BDO Dunwoody LLP of Red Deer, Alberta as the Commission's external financial auditors for the 2011 fiscal year.

CARRIED

6. Next Meeting:

August 22, 2011 at 8:30 am.

7. Adjournment:

MOVED by Mayor Henkelman to adjourn this April 18, 2011 NRDRWSC Meeting at 9:34 am.

CARRIED

Chairperson

Administrator