

NORTH RED DEER RIVER WATER SERVICES COMMISSION
REGULAR MEETING MINUTES
August 10, 2015

In Attendance: Mayor Steve Christie, City of Lacombe
Mayor Rick Bonnett, Town of Ponoka
Mayor Melodie Stol, Town of Blackfalds
Councillor Ken Wigmore, Lacombe County
Michael Minchin, NRDRWSC Administrator
Jennifer Peterson, Administrator Assistant

Others Present: Norma MacQuarrie, CAO City of Lacombe
Terry Hager, Lacombe County Commissioner
Myron Thompson, CAO Town of Blackfalds
Preston Weran, Director of Infrastructure, Town of Blackfalds
Jordan Thompson, Engineering Manager, City of Lacombe
Chris Huston, Utilities Manager, City of Lacombe

Guest: Wayne Gustafson, Engineering Services Manager, City of Red Deer

Regrets: Councillor Mark Matejka, Ponoka County

1. Call to Order:

Chair Christie called the meeting to order at 9:05 am.

2. Adoption of the Agenda:

MOVED by Councillor Wigmore that the agenda for August 10, 2015 be adopted as presented.

CARRIED

3. Adoption of the Minutes:

MOVED by Mayor Stol that the minutes for April 13, 2015, be adopted as presented.

CARRIED

4. Presentation

City of Red Deer Water Supply Request – Wayne Gustafson

Mr. Gustafson updated the Commission on the status of development in the areas north of Highway 11A that the City of Red Deer has annexed. Mr. Gustafson repeated the City's previous offer to purchase the Commission's line that now lies within this area of the City which then be used to service the annexed land. A number of developments near or adjacent to the line need water servicing for a number of reasons. In the interim, the City is requesting that the Commission supply these areas through the Commission's line.

5. Reports

Operator's Report

Mr. Huston discussed the recent activities.

In summary:

- Responded to 591 Alberta One-Call Locate requests from April to July 27, 2015. Locates are down from last year, as the fibre optic project by Telus in the Blackfalds area is complete or nearing completion.
- Small issues with communication lost between City of Red Deer and all sites. The router at the plant was rebooked and communication restored.
- Review of Lucas Reservoir indicates weak power feed issue. Mr. Bonnett will take this information back to the Town's electrical distribution maintenance company.
- Mr Thompson shared that the roundabout design at 597 and Hwy 2A has been reviewed and there are no further objections from engineering services. The Commission was provided with a memo confirming that steel casings were installed along the full length of the Alberta Transportation road allowance for both crossings.
- The Commission's actuator valves at Pump house A, B and C in Lacombe are scheduled to be changed out this week.
- Working to develop a plan to upgrade the SCADA system. A complete upgrade will be done only if required. The current system is obsolete. The system will have to be compatible with Red Deer's treatment system. Upgrading the system should clean-up the communication between Red Deer and the Region.

Administrator Report

Mr. Minchin presented the Administrator's report.

In summary:

- Administration continues to work on reviewing and updating the right of way on the regional line and the lateral lines. Some of the lateral lines within municipalities do not have easements agreements in place.
- Mrs. Stol shared with the Commission that she has been receiving letters regarding fluoride in the water. She has not replied to the concerns and has asked the Commission to issue a formal letter addressing this matter. Mr. Minchin and Mr. Huston will meet to discuss the issues and concerns then provide a letter to the Commission for review.
- Administrative staff reviewed a request from the Ponoka County for a service connection for fire suppression. The request will be declined as line is not designed to handle such a request.

Mr. Minchin presented the financial report.

In summary:

- Water sales in most communities are above targeted sales for the year. These are records for Lacombe and Blackfalds.

- The Commission is right on budget in terms of overall operating expenses and revenues.
- Valve expenses for the year are already over budget, due to the replacement of the mechanical portion of an 8 inch valve at the 39th Reservoir in Ponoka

Chairman's Report

The Chair met with the Wastewater Commission in the early part of July. The regional waste commission is moving forward with design and alignment options for a regional wastewater line.

MOVED by Councillor Wigmore to accept the reports as information.

CARRIED

6. Correspondence/Information

2014 True-up City of Red Deer

Mr. Minchin explained to the Commission the process on how the True-up is calculated.

- It is determined by matching-up expenses and revenues with actual sales volume. No payment until it true up exceeds 10% variance.
- Resulting in the variance for the region has resulted in a payment in the amount of \$ 350,631 to the Commission for 2014 calendar year.
- The true will be incorporated back into the rates for future years.

MOVED by Mayor Bonnett to accept as information.

CARRIED

7. Old Business:

n/a

8. New Business:

2016 – 2020 - 5 year Budget Projection

Mr. Minchin presented the initial draft of the 2016-2020 Operational Budget. He advised the Commission that the City of Red Deer has prepared a long term rate plan but has yet to identify the rates that were used in their region in the report.

Projections are estimated on the conservative side for most of the municipalities to allow for fluctuation in sales. The planning document will be presented to the Commission in October for further review. He recommended to the Commission to receive the report as information.

MOVED by Councillor Wigmore to accept as information.

CARRIED

Supply of Water Services – City of Red Deer

A discussion occurred with concerns and potential solutions with regards to the supply request from the City of Red Deer.

MOVED by Councillor Wigmore to have Administration complete a cost analysis and business case on the sale of the portion of the Regional line that lies within the corporate boundaries of the City of Red Deer north of Highway 11a. Administration is also directed to examine possible supply arrangements to the City of Red Deer for the identified industrial and residential users immediately adjacent to the regional line as an interim solution.

CARRIED

9. IN Camera

n/a

10. Next Meeting:

Monday, October 5, 2015 at 9 a.m., City of Lacombe Council Chambers.

11. Adjournment:

MOVED by Mayor Bonnett to adjourn this Meeting at 10:23 am.

CARRIED

Chairperson

Administrator