

**NORTH RED DEER RIVER WATER SERVICES COMMISSION**  
**MEETING MINUTES**  
**June 4, 2010**

**In Attendance:** Mayor Judy Gordon, Chairman  
Mayor Larry Henkelman  
Reeve Terry Engen  
Mayor Melodie Stol  
John Van Doesburg, Administrator  
Kim Sharyk, Administrator Assistant

**Others Present:** Tim Timmons, Asst. County Comm., Lacombe County  
Charlie Curtforth, County Manager, Ponoka County  
Gawney Hinkley, Asst. County Reeve, Ponoka County  
Michael Minchin, Corporate Services, Town of Lacombe  
Matthew Goudy, Engineering Services, Town of Lacombe

**Regrets:** Reeve Gord Svenningsen  
Chris Huston, Infrastructure Services, Lacombe, NRDRWSC Operations

**Call to Order:**

The meeting was called to order at 10:05 a.m.

**Adoption of the Agenda:**

*MOVED by Mayor Henkelman that the agenda for June 4, 2010 be adopted as presented.*

*CARRIED*

**Adoption of the Minutes:**

*MOVED by Reeve Engen that the minutes for April 16, 2010 be adopted as amended.*

*CARRIED*

**Reports:**

Chairman Report

Mayor Gordon briefly informed Commission Members of no new information to report.

Operator's Report

Chris Huston was not in attendance to discuss recent activities. Operations were summarized by Mr. J. Van Doesburg in the Manager's Report.

Manager's Report

The Administrator, Mr. J. Van Doesburg provided a written report as attached to these minutes.

In summary:

- This is meeting number 95 of the Commission.
- Operations are currently exercising valves and have no other concerns at this time.
- Continuing to update insurance.
- Have been working on the new Contract for Services from the Town of Lacombe and will discuss further in this meeting.
- There have been no other Line Crossing Agreements set up besides Atco Gas who continues to cross our line. The crossing/twinning of their line south of Blackfalds continues with operations watching and keeping track on them.
- To date, the amount of financial loss on the line break is estimated at \$169,000. This amount does not include the loss of water which could be up to 50,000 to 60,000 cubic meters of water. Next year there might be a need to take money out of our reserves to cover the cost for this line break.
- Financially, water sales are much lower than expected. Consumption for the year to date is lower than for the same point last year. This is mainly due to the cooler temperatures in the weather.
- This is the first year the Commission has contributed to our reserves.

*MOVED by Mayor Stol that the Manager's Report herein be accepted as presented.*

**CARRIED**

## **New Business:**

### Services Contract – Town of Lacombe

The Commission reviewed the draft Services Contract for the Town of Lacombe with the assistance from Mr. M. Minchin. This contract takes effect June 15, 2010.

It was noted that the one area of major change from the original contract is in section 3.1; where it states the operational commitment that was not included prior to the Town of Lacombe being awarded the Services Contract. This clause also ensures that the proposal submitted by the Town of Lacombe and the final Services Contract are reflective of the same obligations.

Discussions continued with regards to an additional clause (clause 6) that was added to cover any responsibilities to Public Health in case of water contamination.

*MOVED by Reeve Engel to accept the Town of Lacombe's Services Contract as amended; to remove clause 6 and to remain silent in this area and to have an Emergency Preparedness Plan document to reflect line breaks and water quality at a later date.*

**CARRIED**

*MOVED by Mayor Henkelman to appoint Mr. Michael Minchin as the new Manager/Administrator for the NRDRWSC, effective June 15, 2010.*

**CARRIED**

### Tangible Capital Asset Policy

The purpose for this policy is to provide direction on recognizing, recording, valuing and reporting on Tangible Capital Assets in accordance with the standards adopted by Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. This policy addresses asset classification, capitalization threshold for each asset classification, treatment of tangible capital assets, amortization method and financial statement presentation and disclosures.

This particular policy has been questioned by the Commission for the past 5 years as to the need based on the fact that the Public Utilities Act has not been changed. The TCA policy recognizes expenses that are not currently recognized in the Rate Model used by the Commission and its Member customers

Although the TCA is not required at this time as it relates to the calculation of rates, it was discussed that it may be advantageous for the Commission to start on the process to be prepared for anticipated future policy changes.

Discussion continued with different points of view on the Tangible Capital Asset Policy.

*MOVED by Reeve Engen to accept the Tangible Capital Asset Policy as amended.*

**CARRIED**

### Administrator's Final Comments

Mr. J, Van Doesburg, Administrator thanked the Commission for the opportunity to act as Administrator over the past several years. He further was further commented to keep in mind the potential expansion of the land recognizing the 50 yr/ 25 yr sizing of the water line and with past negotiations with First Nations. A discussion of the Healing Centre wanting to obtain water service from the Commission took place. Ponoka County will pass on this discussion to First Nations to make the situation clearer.

**Next Meeting:** September 13, 2010 at 9:00 a.m.

### **Adjournment:**

*Meeting adjourned at 11:20 am.*

---

Chairman

---

Manager