

NORTH RED DEER RIVER WATER SERVICES COMMISSION
REGULAR MEETING MINUTES
November 5, 2012

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

Others Present: Chris Huston, Infrastructure Services, Lacombe, NRDRWSC Operations
Matthew Goudy, Infrastructure Services Director, Lacombe, NRDRWSC Engineering
Norma MacQuarrie, CAO, Lacombe
Brad Watson, CAO, Town of Ponoka
Corrine Newman, CAO, Town of Blackfalds

Regrets:

1. Call to Order:

Chairperson Christie called the meeting to order at 9:01 am.

2. Adoption of the Agenda:

MOVED by Mayor Henkelman that the agenda for November 5, 2012 be adopted as presented.

CARRIED

3. Adoption of the Minutes:

MOVED by Councillor Soper that the minutes for September 24, 2012 be adopted as presented.

CARRIED

4. Reports

Operator's Report

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

In summary:

- Responded to 344 Alberta One Call locate requests in the months August to October, 2012.
- Wolf Creek and Pumphouse "B" actuator valves began acting up; bringing in Summit Valve & Incite Energy to repair actuator valves and replace motherboards; this action should allow for stability for the next few years.

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:

- Preparation of the annual operations budget for 2013
- Updating the 5 year forecast for 2013 & has been forwarded to the City of Red Deer.

Financial Report

Mr. Minchin presented the third quarter Financial Statements.

In summary:

- Water sales & purchases are a little short at the end of 2012, however the closest projection in 3 years.
- Water losses amounted to 32,000 to 40,000 m³.
- Currently on par with projected surplus.
- Still waiting on City of Red Deer water rates for 2013.

Chairman Report

- Chairperson Christie discussed in brief the fluoride issue which will be discussed under Old Business.

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

5. Old Business:

Fluoride – Red Deer Advocate News Release

Discussion was held on the information reported in the Red Deer Advocate's news release on the City of Red Deer's decision to continue with water fluoridation.

In summary:

- Fluoride will continue to be added to the City of Red Deer's water.
- This issue might surface again in the near future as it may become an election issue in the Red Deer.

6. New Business:

2013 Draft Budget – Memo and reports

Mr. Minchin presented the 2013 Draft Budget.

In summary:

- The Commission is still waiting on the proposed water rate increase from the City of Red Deer; there is no anticipation that there will be a huge change from the current rates.

- The 2013 Draft Budget is based on a 5% increase in water rates from the City of Red Deer
- The 2013 Draft Budget includes a slight increase in water sales from 2012; consumption is relatively the same as previous years.
- A number of other small adjustments to the operation expenses was summarized:
 - Interest Revenue increased \$5,000 due to growing cash balances.
 - Telephone expense increased \$425.
 - Management fees increased \$2,325.
 - Audit fees increased \$125.
 - Professional services increased \$40,100; including Alberta First Call, water testing & line marking.
 - Equipment repairs & maintenance decreased \$8,700.
 - Administration Accounting services increased \$325.
 - Elimination of safety gear – a \$250 decrease.
 - Valves expense decreased \$40,000 due to valves in stock (this amount applied to Professional services).
- Commission member municipalities will increase their water rates to \$2.04/m³, based on a 5% price increase from the City of Red Deer.
- Debt repayment is in its 4th year; there is a premium penalty to pay off sooner; repayment schedule is covered by the water rate; we have two 30 year loans of principal amounts of \$2,000,000 & \$17,000,000.

MOVED by Councillor Soper that 2013 Draft Budget be accepted as information.

CARRIED

7. Next Meeting:

December 4, 2012 at 9:00 am.

8. Adjournment:

MOVED by Reeve Svenningsen to adjourn this November 5, 2012 NRDRWSC Meeting at 9:27 am.

CARRIED

Chairperson

Administrator