

AQUA 7 REGIONAL WATER COMMISSION

**MINUTES OF THE JUNE 26, 2024, REGULAR MEETING OF THE BOARD OF
AQUA 7 REGIONAL WATER COMMISSION HELD
IN THE VILLAGE OF ACME COUNCIL CHAMBERS**

PRESENT

PRESENT	KNEEHILL COUNTY	DIRECTOR	JERRY WITTSTOCK
	LINDEN	DIRECTOR	KELLY KLASSEN
	ACME	DIRECTOR	BRUCE MCLEOD
	IRRICANA	DIRECTOR	NATHANIAL FLEMING
	CARBON	DIRECTOR	ROSALIE JIMMO
	ROCKY VIEW CNTY	DIRECTOR	GREG BOEHLKE
	BEISEKER	DIRECTOR	LES SPURGEON

ADMINISTRATION PRESENT

MANAGER	MIKE HAUGEN
SECRETARY/TREASURER	DEANNA KEIVER

1.0 ORDER Chairman, Jerry Wittstock, called the meeting to order at 7:30 p.m.

2.0 AGENDA **Adoption of Agenda**

13/24 Greg Boehlke moved the agenda be adopted as presented. **CARRIED**

3.0 APR 25/24 **Adoption of April 25, 2024 Regular Meeting Minutes**

REG MTG MIN Kelly Klassen moved the minutes of the April 25, 2024
14/24 Regular Meeting be adopted as presented. **CARRIED**

Les Spurgeon entered the meeting at 7:32 p.m.

4.0 FINANCIALS **Financials**

- a) **May Bank Reconciliations (Chequing and HISA)**
- b) **Expense Table**
- c) **Revenue Table**
- d) **Payment Register (chq#3830 to #3857; Ref#1464121638 – April 30, 2024 to Ref#1472868270 – June 10, 2024)**

15/24 Nathanial Fleming moved the Financials be accepted as information. **CARRIED**

5.2 ALLOCATION **Allocation (Report Attached and Forms Part of Minutes)**

Key points to the discussion were:

- No matter what is decided the current bylaw (Bylaw 2018-1) needs amending.
- To date, no recent discussions have been held between Drumheller and Aqua 7.
- Consensus of the members was that an amended Bylaw needs to include the provision from the Water Agreement in regard to the ability

to obtain 650,000 m³ from the Town of Drumheller over and above the licensed amount of 2.35 million m³.

- A valuation of the waterline needs to be determined and included in the bylaw, in order to provide a valuation for allocation.
- Greg Boehlke emphasized Rocky View County's need to know it has a secure source of water from the Aqua 7 Regional Water Commission. This security has to be the 2,200 m³ per day.
- Consensus of the members agreed to honour the 2012 Amending Agreement allowing Rocky View County 2,200 m³ per day.

16/24 Nathaniel Fleming moved to direct the Manager to amend and present Draft Bylaw 2018-1 based on Scenario 3 as per Agenda Item 5 Water Allocation Discussion from June 26, 2024 Regular Meeting.

CARRIED

6.0 REPORTS

Reports

a) Chairman Update – Nothing to report at this time.

b) Manager Update

Discussions with Town of Drumheller – Mike advised he has had communications via email however it sounded like the previous Chief Financial Officer had the notes in regard to the previous year's rate change. They were currently reaching out to the consultant for back up.

Flushing Study – Mike hoped to have a plan to present to the Commission at the next meeting. He was currently in discussions with the water operators.

Communication Equipment – The current system has become outdated and parts are no longer available. This will be a large capital item which depending on when it gets replaced, will either come out of reserves or be a budget item for 2025.

Water Restrictions – The 5 urban municipality members have entered into a Memorandum of Understanding whereby they will all place water restrictions (if required) at the same time. The Manager will make the call as to when restrictions will be placed or lifted based on certain guidelines and triggers. An infographic will be completed soon which will also guide the flow of communication.

17/24 Greg Boehlke moved to receive the update as information.

CARRIED

7.0 NEXT MTG The next Regular Meeting will be held on October 3, 2024, or called by the Chair.

8.0 ADJOURN Chairman Jerry Wittstock adjourned the meeting at 9:08 p.m.

Chairman

Secretary/Treasurer

Water Allocation Discussion – June 26th, 2024

Relevant Background Information:

Aqua 7 License – 2,350,000 m³

LICENCE NO.: 00234476-00-00

FILE NO.: 00193242

PRIORITY NO.: 2003-11-28-001

EFFECTIVE DATE: October 3, 2006

EXPIRY DATE: October 2, 2031

SOURCE OF WATER: Red Deer River (through the works of the Town of Drumheller)

POINT OF DIVERSION: SE 01-029-20-W4

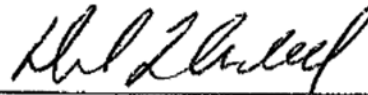
LICENSEE: Kneehill Regional Water Services Commission

Pursuant to Division 2, of Part 4, of the *Water Act*, R.S.A. 2000, c.W-3, as amended, a licence is issued to the Licensee to:

operate a works and to divert up to 2,350,000 cubic metres of water annually at a maximum rate of diversion of 0.075 cubic metres per second from the source of water for the purpose(s) of municipal

subject to the attached terms and conditions.

Designated Director under the Act:



David L. Ardell, P.Eng.

Water Supply Agreement 2008 Excerpts

5. Maximum Quantity

The Maximum Annual Quantity of water to be allocated from the Town's water system to the Commission shall be 3,000 (dam³) or 3,000,000 m³ as referenced in the Urban System Report dated June, 2000.

1. Corporate Boundaries of the Hamlet of Kathryn IN AN AMOUNT NOT EXCEEDING 2,200 m³ (TWO THOUSAND TWO HUNDRED CUBIC METRES) per day.

2012 Amending Agreement Excerpt

Schedule "F"

As amended, parties to whom the Commission may sell the Town's water outside of the Commission Boundaries:

1. Within Rocky View County, to the Graham Reservoir – East Balzac Water Distribution System (Appendix 1) located in the SE 25-26-28-W4 for distribution within the area outlined in red (as defined on Appendix 2) and in an amount not exceeding 2,200 metres cubed per day.

A 2017 presentation indicates that allocation is based on 2.35 million cubes.

Issue:

The provision of 2200 cubic metres per day cannot be achieved under current allocations:

$$2200 \times 365 = 803,000$$

Scenarios:

1. Allocation based on Aqua 7 License (2.35 million cubes/year):

Acme	5.68%	133480
Beiseker	6.83%	160505

Carbon	6.83%	160505
Linden	8.56%	201160
Irricana	17.10%	401850
Kneehill	36.24%	851640
Rocky View	18.76%	440860

Rocky View shortfall: $803,000 - 440,860 = 362,140$

2. Aqua 7 Allocations based on Water Purchase Agreement (3 million cubes/year):

Acme	5.68%	170400
Beiseker	6.83%	204900
Carbon	6.83%	204900
Linden	8.56%	256800
Irricana	17.10%	513000
Kneehill	36.24%	1087200
Rocky View	18.76%	562800

Rocky View shortfall: $803,000 - 562,800 = 240,200$

3. Aqua 7 Allocations based on 2.35 million cubes (License) with Commission included as holder of 650,000 cubes (difference between License and Purchase Agreement)

Acme	5.68%	133480
Beiseker	6.83%	160505
Carbon	6.83%	160505
Linden	8.56%	201160
Irricana	17.10%	401850
Kneehill	36.24%	851640
Rocky View	18.76%	440860
Aqua 7		650000

Rocky View shortfall can be covered from Commission holdings with capacity remaining:

$650,000 - 362,140 = 287,860$

Considerations:

1. Additional capacity of 287,860 cubic metres could be made available.

2. Additional capacity is dependent upon the continued ability to purchase (current Water Purchase Agreement expires in 2029).
3. There is risk that the 650,000 cubic metres will not be available in the future (risk level is unknown)

Suggestions:

1. Amend Bylaw 2018-1:
 - a) Reflect Aqua 7 as an allocation holder of the 650,000 cubic metres
 - b) Other allocations could be amended if any partner is transferring/selling allocation to Acme
 - c) Include more clarity regarding the Aqua 7 valuation
 - d) Include process clarifying allocation transfers between existing members
2. Investigate increasing Aqua 7 license to secure future capacity and reduce risk.