



**GREATER MONCTON SEWERAGE COMMISSION
APPROVED MINUTES OF REGULAR MEETING**

DATE: Thursday - February 20, 2014 - 4:00 pm
Wastewater Treatment Facility

IN ATTENDANCE: Winston Pearce, Chair
Chanel Michaud, Treasurer
Daniel Bourgeois, Commissioner
Brian Hicks, Commissioner
Julie Thériault, Commissioner
Clarence Sweetland, Secretary
Bernard LeBlanc, General Manager, GMSC

The Chair welcomed everyone to the meeting.

1. Chair's remarks and Approval of Agenda

The Chair thanked everyone for coming to the meeting with the Minister of Environment and Municipal Services on February 18th 2014.

The agenda was reviewed. The Chair advised that Andrew Boudreau from AC Stevenson was present and suggested moving his presentation to the beginning of the meeting. (see item 5.2 below for comments). Also to add as item 4.2.3 Standard GMSC Clause for use in all Requests for Proposals (RFPs).

It was **Moved By:** C. Michaud and **Seconded By:** J. Thériault to approve the agenda as amended. **CARRIED**

2. Minutes of Meeting

2.1 Procès - Verbal de la réunion du 16 janvier 2014

It was **Moved By:** D. Bourgeois and **Seconded By:** C. Michaud to approve the French minutes as presented. **CARRIED**

(J. Thériault abstained from the vote as she had not reviewed the minutes)

2.2 Minutes of Regular Meeting - January 16, 2014

It was **Moved By:** C. Sweetland and **Seconded By:** C. Michaud to approve the minutes as presented. **CARRIED**

(J. Thériault abstained from the vote as she had not reviewed the minutes)

2.3 Procès - Verbal de la réunion extraordinaire du 30 janvier 2014
(not yet available)(French)

2.4 Minutes of Extraordinary Meeting - January 30, 2014

It was **Moved By:** J. Thériault and **Seconded By:** C. Michaud to approve the minutes as presented. **CARRIED**

3. Items arising from Minutes (Appendix 1)

All items are dealt with separately as agenda items.

4. Capital Construction Program, Engineering Studies

4.1 Capital Projects

4.1.1 Capital Construction Program 2014 - Progress Report (to follow)

B. LeBlanc provided a copy of a spreadsheet entitled GMSC 2014 Capital Program, GMSC Projects in Planning / Pre-Design / Design Phase. He stated this report provides an update in terms of the status of each project. He also provided a copy of a Gantt chart outlining the scheduling of the GMSC Major Capital Projects for 2014.

B. LeBlanc advised that the Capital Projects are now summarized on these two reports. He indicated this is still a “work in progress” because C. Allain wants to ensure the two reports are in sync.

4.1.1.1 Gantt Chart - Schedule of 2014 Major Capital Projects

A Gantt chart of the GMSC Major Capital Projects 2014 was provided to all present. This report provides a more visual picture of what projects are ongoing and will help to ensure that the Commission is staying on track with what needs to be done and when.

4.1.2 R.V. Anderson Projects - Progress Report

B. LeBlanc advised there are not a lot of R.V. Anderson contracts at present. The only contract is for the compost pad and basically nothing will happen with this until the Spring.

4.1.3 Compost Facility Operations Centre

Compost Operations Centre - we are still waiting to get in. B. LeBlanc is following up with Exp and Avondale. The delay seems to be related the heating system. The furnishings will be purchased once the work is completed.

4.1.4 Equipment and Contracts - Recommendations and Awards

B. LeBlanc circulated a chart showing the results of the GMSC - RFQ - New Wheel Loader - Compilation / Comparison. He reviewed this chart and numerous questions asked were clarified.

4.1.4.1 Compost site loader replacement RFP - Recommendation

It was **Moved By:** D. Bourgeois and **Seconded By:** J. Thériault for the GMSC to purchase a Volvo 120 loader from Strongco Corporation at the quoted price of \$271,460 plus HST, sell the 1998 Komatsu loader, and relocate the existing Volvo loader to the sludge and dewatering facility in Riverview to eliminate the need for the purchase of a new unit next year. **CARRIED**

4.2 Engineering Studies/Reports

4.2.1 RFP for Biological Treatment

B. LeBlanc advised that a Letter of Intent has been completed between the GMSC and CBCL and that CBCL have initiated the work. B. LeBlanc indicated that he is working with legal counsel concerning the drafting of the contract with CBCL.

J. Thériault questioned whether the other bidders had been notified of the RFP award. B. LeBlanc stated they had been advised and that two of the four bidders would like to have a debrief session. These will take place in the next two weeks.

4.2.2 RFP for Operations Building Architectural Services

B. LeBlanc advised this is ongoing and we have had at least four architectural firms that have looked at the RFP so far. The RFP is closing on March 7, 2014.

4.2.3 Standard GMSC Clause for Use in All RFPs

The Chair provided a copy of a document entitled 'Standard GMSC Clause To Be Used In All Procurement Requests dealing with 'Grounds for Disqualification'. All present were in agreement to having this clause used in all future RFPs that the GMSC issues as it would eliminate lobbying.

5. Financial and Administration

5.1 Monthly Financial Report - December 2013 and January 2014

B. LeBlanc indicated that a clarification of the question concerning 'tangible assets' asked by C. Michaud last month was provided by M. Asplet. C. Michaud commented it was a very comprehensive reply and he was quite satisfied with it.

The financial reports were reviewed in detail and B. LeBlanc provided further explanation on some items. Discussion followed and questions asked were clarified. B. LeBlanc advised the financial reports are good for the first month of the year and we are on track with the budget.

5.2 2013 AC Stevenson Audit Result Presentation

Andrew Boudreau from AC Stevenson and Mike Asplet, Director of Finance and Administration GMSC, joined the meeting. Mr. Boudreau provided in draft form the Greater Moncton Sewerage Commission Financial Statements, December 31, 2013; the Statement of Cash Flows for the Year Ended December 31, 2013; and the Greater Moncton Sewerage Commission Report to the Commissioners, December 31, 2013.

Mr. Boudreau reviewed the reports and several questions asked by the commissioners were clarified.

D. Bourgeois suggested that an explanation at the bottom of page 4 of the Statement of Operations and Accumulated Surplus for the Year Ended December 31, 2013 "accumulated surplus at end of year" be added to the report. This could be added as a Note 11 reference that would indicate and explain what the surplus is. All were in agreement with this suggestion and Mr. Boudreau will make this change.

It was **Moved By:** C. Michaud and **Seconded By:** C. Sweetland to approve the Greater Moncton Sewerage Commission Financial Statements, as at December

31, 2013 with the addition of a Note 11 explanation of “accumulated surplus at end of year” on page 4 of the statement. **CARRIED**

The presentation commenced at 4:10 p.m. and ended at 5:15 p.m., at which time Messers Asplet and Boudreau left the meeting.

5.3 **2014 Audit Services RFP - Results & Recommendations (to follow)**

B. LeBlanc advised the response to the Request For Proposal (RFP) was very good and six bids were received. He reviewed each proposal received and provided some further highlights with respect to each company that submitted a proposal. C. Michaud also reviewed all the proposals and provided his comments and observations to the Commission.

Considerable discussion followed and questions asked were clarified by C. Michaud and B. LeBlanc. D. Bourgeois commented that a spot check audit should be performed periodically or at least annually. J. Thériault suggested that a termination of contract clause and/or an unsatisfactory performance clause should be included in the contract. B. LeBlanc advised that he will consult with legal counsel to ensure that the GMSC has a standard document for use with this type of award.

B. LeBlanc indicated the award of contract should also be posted on NBON including the contract price. All were in agreement.

It was **Moved By:** C. Michaud and **Seconded By:** J. Thériault that the GMSC awards its auditing services contract to Price Waterhouse Cooper for a period of 3 years, to be renewed annually, with an option to renew for up to 2 additional years based on the proposal received on February 17, 2014. **CARRIED**

(One nay vote)

5.4 **Sage 300 Implementation Update**

B. LeBlanc advised we are still on track and moving ahead with the implementation. The January results were generated out of Sage. He advised we are waiting for A.C. Stevenson to give us the fixed asset module so it can be installed on the GMSC system. Once it is received M. Asplet will work on the project management side.

5.5 **2013 Annual General Meeting Update**

B. LeBlanc advised that he is waiting to receive some information from A.C. Stevenson and then will put together the package to give to the Commission's Public Relations and Graphic Arts consultants so they can start to draft the template, review what we have and start doing the translation. The Annual General Meeting will be held on March 21, 2014 at 11:00 a.m. in the Riverview Town Hall Council Chambers.

6. Other - General

6.1 General Manager Report - February 2014

B. LeBlanc presented the report for February 2014. He provided further highlights on the risk mitigation efforts being made. He indicated that ADS IT provided some recommendations on things we should look at upgrading, i.e., firewalls, and those type of things. He advised that M. Asplet has been registered for a Public Safety Canada meeting in Halifax where IT risk issues for our type of business will be discussed. The two day seminar is entitled Protecting Canada's Critical Infrastructure.

J. Thériault advised that ACWWA will conduct in-house training seminars for 10 people or more. Considerable discussion followed and several questions asked were clarified by B. LeBlanc.

B. LeBlanc advised that progress is being made concerning the Technical Committee review of the GMSC limits of jurisdiction and that recommendations to the Commission will be made in the next couple of months.

B. LeBlanc advised the centrifuge has been sent out for repair and the estimate for the repair is \$87,104 plus HST. Andritz of Saskatoon is doing the repairs.

It was **Moved By:** C. Michaud and **Seconded By:** C. Sweetland to proceed with the refurbishment of the centrifuge at the cost of \$87,104 plus HST.

CARRIED

6.1.1 Composting and Sludge Disposal Cost Update

B. LeBlanc presented a chart with respect to GMSC's cost of biosolids composting versus alternative disposal methods for biosolids. Considerable discussion centred around the small cost advantage of contracting out (15% +/-) versus the environmental and contractual risks involved.

D. Bourgeois suggested that we should at some point in time have a business case concerning composting versus sludge disposal. C. Sweetland commented that we have to examine all these things and exercise due diligence in any of our decisions. B. Hicks suggested that we should look at the marketing of the product.

6.1.2 Septage receiving recommendations

B. LeBlanc presented a report on Evaluation of Septage Receiving Station. Discussion followed.

It was **Moved By:** D. Bourgeois and **Seconded By:** J. Thériault that the Commission concurred in the recommendation:

(a) that planning for the “Preliminary treatment Expansion” includes a fully automated Septage receiving station capable of generating receipts to haulers and providing a preliminary treatment;

(b) that GMSC move to one rate system “Septage” for all material received, as monitoring carried out during 2013, confirmed that except for an occasional load all material received has a Total suspended solids concentration well above the 800mg/L;

(c) that the haulers be advised accordingly that if they have a tank content other than standard household septic tanks, holding tanks and portable toilets, that a request be made to the Commission in advance and that information be provided on the source. This could include various utility chambers. The Commission reserves the right to request laboratory analysis of any material to ensure that it meets the interim contaminant limits.

CARRIED

6.1.3 Feedback on presentations to Councils, MLA’s, MP’s, and Tri-Community Council

The Chair circulated a brief memo concerning the meeting with the Provincial Minister of Environment & Municipal Services, Danny Soucy, February 18, 2014.

The Chair highlighted the major points emerging from the meeting. Discussion followed.

Concerning the last point in the memo with respect to “Greater Moncton is the only municipality in New Brunswick without secondary treatment”. B. LeBlanc will ask the Ministry of Environment for clarification of this point.

6.2 Gabbey Report - Commission Review

6.2.1 Section 2 - GMSC Legal Structure Results of January meeting

Section 2 GMSC Legal Structure - Results of January Meeting Review - Following the January meeting the Chair reviewed the Commission’s discussion of the Gabbey recommendations re the Legal Structure and prepared a summary which was circulated to the Commission prior to the February meeting. Its purpose was to assist Staff in developing the various By-Law changes recommended in the Gabbey report. Given its complexity and the work load involved, the Commission agreed that this need only be completed for approval at the 2014 Annual General Meeting in March of 2015.

6.2.2 Section 7 - GMSC Cost Recovery Models - For Review at February meeting

Section 7 GMSC Cost Recovery Models – The General Manager presented a spreadsheet dealing with the Summary of Recommendations re GMSC Cost Recovery Models. Discussion followed with respect to these recommendations.

The Commission accepts the following Gabbey recommendations:

- 7.1 Invoicing Member Municipalities
- 7.2 Provision of User-equivalent Information from each Member Municipality.

The Commission cannot at this time accept the Gabbey recommendation 7.3, ‘The GMSC Cost Recovery Model’. A decision on an acceptable cost sharing formula must await receipt of the Technical Committee’s recommendations.

Decisions on Gabbey Recommendations 7.4 through 7.9 are also subject to receipt of the Technical Committee's recommendations and will be discussed at a future meeting.

6.2.3. Section 6 - GMSC Jurisdiction Limits - Awaiting Technical Committee Recommendations

Section 6 GMSC Jurisdiction Limits – The Technical Committee has prepared a map detailing location, size, etc. of all sewerage facilities within Greater Moncton. The intent is to develop a recommendation re 'Jurisdiction Limits' for the four parties involved. The Commission awaits the Technical Committee recommendations prior to dealing with this.

7. Information Items

- 7.1 Technical Committee minutes (January 2014) not yet available
- 7.2 Payables - February 2013 Payables
- 7.3 Letter to Mayors re Funding of Investments to meet Federal Regulations
- 7.4 February 2014 GMSC Press Release
- 7.5 T&T Article - Concerns raised over Dieppe water supply
- 7.6 T&T Article - P.M. unveils infrastructure fund
- 7.7 T&T Article - Federal Budget has help for N.B.: Moore
- 7.8 Estuary - River Alert Program (E-RAP)
- 7.9 GMSC monthly compliance reminder (Example)

8. Private Meeting

MOTION TO MOVE TO "PRIVATE" MEETING

It was **Moved By:** J. Thériault Michaud and **Seconded By:** C. Michaud to adjourn the general meeting and move to "Private" meeting. **CARRIED**

The meeting went to "Private" meeting at 7:45 p.m. and ended at 7:55 p.m.

It was **Moved By:** J. Thériault to adjourn the general meeting.

Next meeting March 20, 2014 at 4:00 p.m

The meeting adjourned at 8:00 p.m.