



Greater Moncton Sewerage Commission
Commission d'épuration des eaux usées du Grand Moncton

GREATER MONCTON SEWERAGE COMMISSION MINUTES OF REGULAR MEETING

DATE: Thursday – June 21, 2012 - 4:00 pm
Wastewater Treatment Facility

In attendance: Winston Pearce, P. Eng., Chair
D. Baker, Treasurer
C. Michaud, Secretary
B. Hicks, Commissioner
C. Allain, Director of Operations
R. Richard, Manager of Special Projects

Portion of Meeting: E. Pitre – joined meeting by teleconference at 5:30 p.m. until 6:25 p.m.

1.0 Chairman's remarks and approval of Agenda

The Chair welcomed everyone to the meeting and advised that E. Pitre would not attend the meeting in person but would join in by teleconference for a portion of the meeting.

The Chair extended a special welcome to representatives from the City of Dieppe who were present to make a presentation on the 2012 Dieppe Sanitary Sewer Master Plan and the Babineau Creek Trunk Sewer. The representatives included:

Mr. Jacques LeBlanc, P. Eng., Director of Engineering and Public Works
Mr. Serge Dupuis, P. Eng., Municipal Engineer
Mr. Pierre LaForest, Assistant General Manager

The Dieppe presentation was listed as item 6.5 on the agenda and all agreed that the presentation would be moved up as the first item of the meeting.

The following items were added to the agenda by D. Baker.

- 6.7 – Elected New Councillors – Orientation Program
- 6.8 – Revenue Analysis
- 6.9 – Feedback on Annual General Meeting

It was Moved by: C. Michaud Seconded by: D. Baker to approve the agenda as revised.
Carried.

AGENDA ITEM 6.5

6.5 Presentation by City of Dieppe – Jacques LeBlanc, Director of Public Works and Engineering

Mr. Jacques LeBlanc and Serge Dupuis of the City of Dieppe Engineering Department shared a presentation on the recently completed 2012 Dieppe Sanitary Sewer Master Plan and a request for cost sharing from GMSC for the Babineau Creek Trunk Sewer Project. Mr. Pierre LaForest, Assistant General Manager, also provided comments during the presentation. In summary, the presentation consisted of the following elements:



- 2012 Dieppe Sanitary Sewer Master Plan
- Priority Recommendations regarding the Babineau Creek Trunk Sewer Replacement
- GMSC upsizing of Trunk Sewer Opportunity
- Dieppe/GMSC Partnership on Cost Sharing
- Timing of Project

A copy of the power point presentation was provided for future reference.

In addition to providing a general overview of the Master Plan, the City of Dieppe advised that they are planning to go forward with the replacement of the Babineau Creek Trunk Sewer in 2013.

Mr. LeBlanc referred to his letter to Mr. Pearce, Chair of GMSC, dated June 15, 2012 requesting that a cost sharing formula be developed between the City of Dieppe and the GMSC for the Babineau Creek Trunk Sewer replacement.

The City of Dieppe recommends that the GMSC invest in the upsizing of the Babineau Creek Trunk Sewer in order to save major costs in the future when it comes to servicing the Melanson Road and Fox Creek drainage basins.

Three (3) options were reviewed outlining the potential options for GMSC to service the Melanson Road and Fox Creek drainage basins in the future. The recommended option is the one whereby the Melanson Road flows are directed to the Babineau Creek Trunk Sewer. This option is suggested to be the least costly and the most beneficial for the City of Dieppe and the GMSC. This option requires the upsizing of the Babineau Creek Trunk Sewer.

In summary, the City of Dieppe requested that a partnership between Dieppe and GMSC be developed regarding cost sharing and ownership of the Babineau Creek Trunk Sewer. The estimated cost of the renewal project including the upsizing to accommodate GMSC is \$5.4 M. The requested partnership is proposed as follows:

- Babineau Creek Trunk Sewer to become a GMSC "Collector Sewer" with no lateral connections.
- Cost shared between Dieppe and GMSC is on 50/50 basis resulting in a cost of \$2.7 M. for the GMSC.
- Dieppe requests a response from GMSC before September 2012 because they are finalizing tender documents and the decision of upsizing must be made prior to tender call scheduled in the fall of 2012.

At the end of the presentation, Mr. LeBlanc thanked the Commission for the opportunity to provide the information regarding the Babineau Creek Trunk Sewer replacement and highlighted the urgency of the City's request.

The Chair thanked the City of Dieppe representatives for the presentation and confirmed that the GMSC will evaluate the proposal.

The Dieppe group left the meeting at 5:30 p.m.

Following the presentation, a general discussion followed. R. Richard suggested that now may be the time for GMSC to take a good look at its existing Collector Sewer Network and evaluate the requirements going forward for the next 50-100 years taking into consideration the most current municipal projections of land use planning. The existing GMSC Collector Sewer projections were



done over 30 years ago. It is time for a serious GMSC Collector Sewer Master Plan Review and update in his opinion. The City of Moncton has put the GMSC on notice that they will be looking for GMSC's participation in potential collector sewer expansions as well.

Because of the complexity of the Dieppe request, it was agreed that Senior Staff would evaluate and provide a report with recommendations for Commission consideration.

Return to Regular Meeting Agenda Items

Commissioner E. Pitre joins the meeting via teleconference at 5:30 p.m.

2.0 Minutes of Meeting

2.1/ Minutes of Regular Meeting – May 22, 2012

2.2

It was **Moved by:** C. Michaud **Seconded by:** D. Baker that the Minutes of the Regular Meeting of May 22, 2012 be adopted as presented in both languages. **Carried.**

2.3 Business arising from Minutes – May 22, 2012

Management Letter from Auditor

1. Public Sector Accounting Standards (PSAB)

D. Baker requested that GMSC proceed with the transition as recommended sooner than later and recommended that R. Richard be delegated to take the lead on this item with AC Stevenson and Partners. All agreed and R. Richard will take the lead and report back to the Commission as required.

2. Capital Reserve Funds

D. Baker recommended that GMSC has to take action on the status and amounts that should be transferred to the Capital Reserve Funds and that he will present a motion at the next Commission Meeting scheduled for July 19, 2012.

3. Internal Controls

D. Baker suggested that the Commission should consider requesting AC Stevenson and Partners to undertake a review/study regarding internal controls and report back directly to the Commission members and not staff.

B. Hicks commented that the "Letter to Management" indicates that the Commission currently appears to have adequate controls in place and, in his opinion, a study was not warranted at this time. B. Hicks further suggested that as a rule "Letters to Management" identify deficiencies, if any, and recommend remedies. On the current "Letter to Management", no deficiencies are noted.

It was agreed that a study would not be requested at this time.

D. Baker recommended and all agreed that a policy and guidelines should be prepared setting a procedure for the approval of the Commissioners expenses as recommended in the "Letter to Management".

D. Baker will present a proposal and draft policy at a future Commission Meeting.



4. Municipal Capital Borrowing Board (MCBB)

D. Baker requested that R. Richard investigate and get the details including specific requirements of the MCBB in view of the major expenditures and potential borrowing for Capital Projects facing the GMSC in the near future. R. Richard to report back to the Commission. All agreed with the initiative.

NOTE: E. Pitre left the meeting at this point of the agenda at 6:30 p.m.

Land Exchange

It was agreed that this item would be placed as the last item of the agenda as requested by B. Hicks.

Employee Benefits Package Review

R. Richard provided a verbal overview of the information gathered to date. A GMSC employee benefits package comparison has been made at a very preliminary and overview level, with the plans of Moncton, Riverview and Dieppe. They are similar but different. GMSC's plan appears to offer an excellent benefits package to its employees.

R. Richard explained that employee's benefits plans are very complex and should be evaluated by professionals in the field particularly for competitiveness and going to the market for pricing. Initial contacts have been made with the "Agents of Record" for the City of Dieppe and the Town of Riverview. The City of Moncton administers its plan internally.

In view of the complexity of the evaluations required to compare the current GMSC plan to others and go to the market for pricing, etc., R. Richard recommended that GMSC should consider preparing a R.F.P. to help the Commission retain an "Agent of Record" to assist with the Employee Benefits Plan evaluations, etc.

Following discussions on the matter, it was concluded that GMSC's current plan is very good and there are no special problems or reasons to change at this time.

The Commissioners present concluded that the current "Agent of Record" for the "Employee Benefits Plan" Alodium, and with the Co-Operators as the plan provider will continue and directed staff to maintain the status quo for the time being.

Report on the CWWA Spring Board Meeting

R. Richard provided a brief overview of his report. In response to an inquiry from D. Baker for additional information, R. Richard reported that he has agreed to participate on a CWWA advisory group to conduct preliminary discussions on the matter of "Infrastructure Funding" and how municipalities can meet their financial responsibilities. This is a very timely topic and CWWA will definitely play a leading National role. Strategically, having the opportunity to participate at the National levels can be very beneficial to the GMSC.

More Accurate Method of Payment to NB Power

R. Richard provided a brief overview of his report.

NB Power is assessing the potential options and looking forward to an improved billing solution for GMSC before the July Commission Meeting. R. Richard to provide report.



Feedback from discussion with Auditors re Financial Report Confusion

C. Allain indicated that the problem emanated from the three month difference the GMSC and Municipal fiscal years. The differences work themselves out within 12 months and the auditors do not recommend a change.

3.0 Payables – April 2012 Payables

It was **Moved by:** D. Baker **Seconded by:** C. Michaud that the payables be approved as presented. **Carried.**

B. Hicks requested copies of invoices related to the AC Stevenson payables. C. Allain to follow up.

4.0 Capital Construction Program, Engineering Studies

4.1 Progress Claim # 338 by R. V. Anderson

C. Allain provided an explanation and background regarding the Claim.

In addition, C. Allain provided an update on the ongoing Capital Projects Program for 2012. In summary, the following overview was presented:

VIRGINIA LIFT STATION AND RIVER CROSSING

The preliminary engineering phase is going well and on budget. The first draft report is expected in the near future.

COMPOSTING SITE GARAGE

A preliminary pre-construction meeting was held with the contractor and they are getting prepared to start construction. Shop drawings are being prepared and once approved the actual work will commence.

BNR PILOT PLANT STUDY

More Pilot Plant evaluations are required. The preliminary evaluations and results are positive. The ammonia is controlled to the limits desired with the process.

Conestoga-Rovers & Associates, the consultants assisting on the Pilot Plant project will cut back on their activities until the fall. More evaluations during the winter months are required before going to final design.

FINAL ADVANCED TREATMENT PHASE

C. Allain summarized that this phase includes four (4) main elements consisting of the BNR Plant, Pre-Treatment Elements, Main Pumping Station Upgrades and the CSO Strategy.

C. Allain reported that he is currently preparing a scoping exercise for each element with the objective to prepare the R.F.P.'s necessary to issue to a proposed list of consultants for evaluation prior to final design. He will submit a report in due course regarding this phase of development.



5.0 Financial and Administration

5.1 Monthly Financial Report – April 2012

It was **Moved by:** D. Baker **Seconded by:** C. Michaud that the monthly financial report for April 2012 be adopted as presented. **Carried.**

5.2 Distribution of 2011 Financial Statements

It was **Moved by:** D. Baker **Seconded by:** B. Hicks that copies of the 2011 Financial Statements be forwarded to the Mayors and Council Members as soon as possible and it was further approved that the accompanying presentation by D. Baker at the Annual General Meeting be included. **Carried.**

D. Baker to provide his report to be included with the financial statements.

6.0 Winston Pearce

6.1 Discussion of Board of Governance Training Requirements

The Chair provided information details on a training opportunity offered by “Training for the Non-Profit Sector”, a Program of Learn Sphere funded by ACOA and the Province of NB.

The training of interest is the “Governance and Board Development” which is facilitated by Aldea Landry.

The Chair requested the Commission members to consider this opportunity and he will bring forward at a future meeting.

6.2 Governance Framework Changes

The Chair and D. Baker referred to the decision of GMSC in late 2011 to engage a professional consultant to assist the Commission to improve its governance model including the follow-up response from the City of Moncton requesting that the Commission not proceed with such a study because it was the City's contention that such a task should be undertaken as a collaboration exercise between the three municipalities and the Province.

The Chair concluded that with the enactment of the current Bill 56 that the governance model issue for GMSC has been resolved and that a study is no longer required.

6.3 Banking Services – R.F.P.

R. Richard will prepare a R.F.P. for Commission approval for the purpose to request from the major banking institutions the best possible investment opportunities they have to offer for the Reserve Funds currently estimated at \$12 M.

D. Baker suggested that the request should also include the current rates offered by the banks for borrowings for major capital expenditures as well.

R. Richard will follow-up and coordinate with D. Baker on this item.



6.4 Bill 56

At the request of the Chair, R. Richard prepared and presented an overview of the new Bill 56 recently enacted regarding the establishment of Water and Wastewater Commissions in New Brunswick.

A summary of Notes/Milestones prepared for discussion was circulated at the meeting and R. Richard presented his suggestions of the next steps.

The Chair advised that he would send a letter to the three Municipal Managers requesting a meeting at the earliest to discuss the new provisions of Bill 56 particularly regarding the new appointments/re-appointments that need to be made by the Municipalities.

6.5 Presentation by City of Dieppe – Jacques LeBlanc, Director of Public Works and Engineering

This item is reported at the front end of these minutes.

6.6 Report on 1st Meeting of GMSC/Municipal Technical Committee

The Chair reported on the recent meeting initiated by GMSC with representatives from each of the three Municipal Engineering Departments. The meeting was successful and the initial reports and feedback from those present is that the meeting was a good idea.

The "Meeting Notes" will be circulated to the Commission members when finalized.

6.7 Elected New Councillors - Orientation

D. Baker recommended that an orientation meeting be held with the 13 new elected Councillors as soon as possible. He suggested a 2 – 2 ½ hour program not including a tour. A tour could be offered following the meeting if so desired by the Councillors. The meeting to be held at the Riverview Board Room.

All agreed this was a good idea. D. Baker advised that he wanted to organize this initiative with the help of Senior Staff. D. Baker to follow-up on this item.

6.8 Revenue Analysis

D. Baker requested that a report be submitted to the Commission describing the background and method of how GMSC establishes the number of annual user units for each Municipality.

C. Allain to provide report at next meeting.

6.9 Feedback of Annual General Meeting

A very brief and general discussion on the meeting results.

No action item recorded.



6.10 Land Exchange

**RIFPP - ACT
Section 25 (1)**

7.0 Next Meeting

The next meeting: July 19, 2012 at 375 McAllister Road, Riverview, NB at 4:00 p.m.

Motion to Adjourn by D. Baker at 9:00 pm.

Prepared by:

Roland P. Richard, P. Eng., FEC
Manager of Special Projects

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