



CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION

BOARD MEETING

9:00 am, April 27, 2026

Sturgeon County Office, Morinville

AGENDA

- 1) Call to Order
- 2) Adoption of Agenda
- 3) Adoption of Minutes – March 30, 2026
- 4) Delegation
- 5) Engineer Report (NONE)
- 6) Board or Sub-Committee Reports
 - a) Strathcona/Ft Saskatchewan Withdrawals Sub-Committee Report
 - b) Remuneration Sub-Committee update
- 7) New Business
 - a) EPCOR Request to open valves
 - b) Closed Pipe – Water Quality Issue
 - c) Disposal of Assets Bylaw Amendments – Deferral for further input
 - d) Administrative Bylaw – per Sub-Committee
- 8) Commission Manager Report
- 9) Givens LLP Report - March 2026
- 10) Correspondence / Information
- 11) Next Meeting Dates:
 - i) Monday, May 25, 2026 at the Strathcona County Office
 - ii) Monday, June 29, 2026 at the Town of Redwater Office
 - iii) Monday, July 27, 2026 at _____
- 12) Move to Closed Session: **ATIA s19, s 20, s26, s28, & s32**
 - i) JSBRWSC Update/Issues/AUC reconciliation
 - a. High Demands
- 13) Adjournment



**CAPITAL REGION NORTHEAST WATER SERVICES
REGULAR BOARD MEETING
MINUTES**

Monday, March 30, 2026, at 9:00am
Gibbons Community Cultural Centre, Gibbons, Alberta

IN ATTENDANCE

Mayor Dave McRae, Town of Redwater - Chair
Councillor Timothy Larson, Town of Bon Accord - Deputy Chair
Councillor Patrick Noyen, City of Fort Saskatchewan
Councillor Robert Simonowits, Town of Gibbons
Councillor Katie Berghofer, Strathcona County
Councillor Kristen Toms, Sturgeon County Alternate
Mr. Eugene Sobolewski, CEO CRNWSC
Mrs. Tara Sobolewski, Executive Clerk CRNWSC
Tim Duhamel, Town of Gibbons CAO
Jeff Hutton, City of Fort Saskatchewan
Stephan Webber – Metrix – Virtual
Brendan Pollman, Sturgeon County
Micad Asdaghi, Sturgeon County
Anthony Norris, Town of Gibbons
Chris Pullen, Sturgeon County

Regrets: Mayor Alanna Hnatiw, Sturgeon County

*Tour of Gibbons Water plant

1. CALL TO ORDER

The meeting was called to order at 9:34am

2. ACCEPTANCE OF AGENDA

26-03-001

MOVED by Director Simonowits that the agenda be adopted with the following addition:
10.b to be moved to next meeting

CARRIED

3. APPROVAL OF MINUTES

26-03-002

MOVED by Director Berghofer that the minutes of the regular board meeting on February 23,2026 be adopted as presented.

CARRIED



4. DELEGATION

- a. Sturgeon County – Water Needs and Project Update
- b. Metrix – Audited Financial Statement
 - i. Open Session
 - ii. Executive Session, if required

26-03-003

MOVED by Director Noyen that the board 2025 Audited Financial Statement be accepted as presented.

CARRIED

5. Engineer Report (NONE)

6. Board or Sub-Committee Reports

- a) Strathcona/Ft Saskatchewan Withdrawals Sub-Committee Report

26-03-004

MOVED by Director Noyen that the board send the administration bylaw and Rate model back to the sub-committee.

CARRIED

26-03-005

MOVED by Director Larson that the board accepts the reports for information.

CARRIED

10:45am - meeting recessed

10:51am - meeting resumed

7. New Business

- a) PCCP Repair/Leak Update – Engineer Estimate

26-03-006

MOVED by Director Larson that the Board approve Option #2 as the preferred method to monitor the leak and direct the Commission Manager to plan for the installation of an inspection tube at the location of the leak site with the project funded from the Operating Reserve.

CARRIED

26-03-007

MOVED by Director Toms that the Board approve the repair cost of \$324,483.48 (plus GST) for the work undertaken to investigate and purchase the parts for Leak #2 and that the couplers and restrainers be placed into inventory for future use.

CARRIED



- b) Southside Pipe HGL/900 mm obstruction
- 26-03-008 MOVED by Director Berghofer that the board accept the report for information. CARRIED
- c) Strathcona County – Preferred Rate
- 26-03-009 MOVED by Director Larson that the Board direct the Commission Manager and Chair to begin discussions with Strathcona County to negotiate a preferred rate in advance of the expiry of the VCB balance. CARRIED
- d) Strathcona County – Letter
- 26-03-010 MOVED by Director Larson that the board provide financial authority to the sub-committee for the purpose of legal opinion. CARRIED
- 26-03-011 MOVED by Director that the board rescind motion 26-01-004. CARRIED
- 26-03-012 MOVED by Director Berghofer that the Board authorize the formation of a subcommittee for the specific purpose of reviewing the requests by Strathcona County, as separate undertakings within the subcommittee, for withdrawal and provide recommendations to the Board for consideration as required. Subcommittee will be made up of Mayor McRae, Counsellor Berghofer, and Counsellor Noyen. CARRIED
- 26-03-013 MOVED by Director Noyen that the Board authorize the formation of a subcommittee for the specific purpose of reviewing the requests the City of Fort Saskatchewan, as separate undertakings within the subcommittee, for withdrawal and provide recommendations to the Board for consideration as required. Subcommittee will be made up of Mayor McRae, Counsellor Berghofer, and Counsellor Noyen. CARRIED
- e) Disposal of Assets Bylaw Amendments
- 26-03-014 MOVED by Director Noyen that the Board bring back to the board after review and discussion with their municipalities. CARRIED
- f) Procedural Bylaw – per Sub-Committee



8. Commission Manager Report

26-03-015 MOVED by Director Berghofer that the board accept the Commission Manager's report for information.

CARRIED

9. Givens LLP Report - February 2026

26-03-016 MOVED by Director Larson that the board accept Given's LLP report for information.

CARRIED

10. Correspondence / Information

- a. Regional Forum – Regional Water & Wastewater Assessment Initiative
- b. Town of Bon Accord Sponsorship Opportunities (moved to next meeting)

11. Next Meeting Dates:

- i) Monday, April 27, 2026 at the Sturgeon County Office
- ii) Monday, May 25, 2026 at the Strathcona County Office
- iii) Monday, June 29, 2026 at the Town of Redwater Office

12. Move to Closed Session: ATIA s19, s 20, s26, s28, & s32

- i) JSBRWSC Update/Issues/AUC reconciliation
- ii) Operations Contract – Renewal

26-03-017 MOVED by Director Larson that the Board move into closed session at 12:35pm.

CARRIED

26-03-018 MOVED by Director Noyen that the Board return to open meeting at 12:42pm.

CARRIED

26-03-019 MOVED by Director Larson that the Board accept the renewal of the Operating contract.

CARRIED

13. Adjournment- 12:43pm

Request for Decision (RFD)

Meeting Date: Monday, April 27, 2026
Topic: EPCOR Request to Open Pipes
Presented By: Commission Manager

Agenda Item: 7a

Recommendation:

That the Board direct the Commission Manager to request EPCOR to provide additional flow to the CRN as required by opening the other 250 mm pipe in the Old Meter Chamber.

Background:

As reported at the last meeting, there are 3 250 mm (10”) pipes, in the old meter vault, owned by EPCOR. Presently there is only one pipe in service, as shown in Figure 1.0 below, which has caused a flow restriction during periods of high flow.

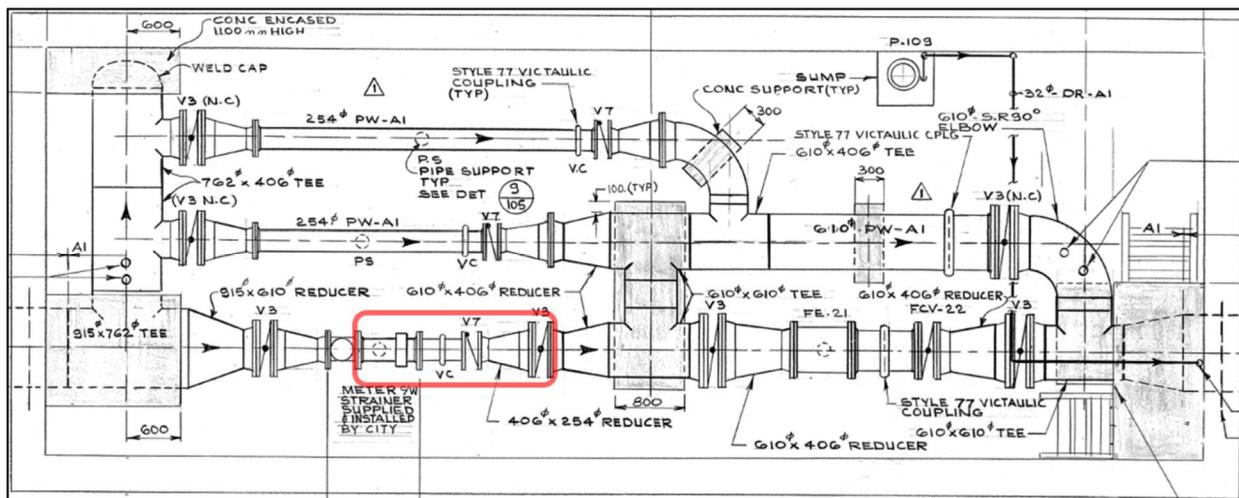


Figure 1.0 – Old NSMV Pipe Layout

The single pipe being open acts as an orifice against the 900 mm pipe. CRN calculates that the flow velocity through the old meter was 6 m/s at a maximum flow of 1,050 m³/hr. The recommended maximum velocity through a meter is 3 m/s and pipe is 1.5 m/s. To achieve a flow of 1,050 m³/hr, additional pipes will be required to be opened to maintain the suggested velocities.

Discussion (benefits/disadvantages):

By opening the other 250 mm diameter pipes in the vault, the CRN should be able to receive the additional flows required as the region grows. Depending on EPCOR tolerance for maximum velocities in those pipes, at some point in the future, EPCOR will need to increase the diameter of the pipe spools to accommodate the required flow from CRN.

The opening of the 250 mm pipes will eliminate the historical flow restriction in the 900 mm pipe.



Request for Decision (RFD)

Alternatives:

None

Financial Implications:

None.

Legislation:

Municipal Government Act (MGA) s. 602.09

Intergovernmental:

N/A

Strategic Alignment:

N/A

Enclosure(s):

Attachments 1.

Signature of the Commission Manager:

A handwritten signature in blue ink, consisting of a large loop followed by several peaks and valleys, ending with a period. The signature is written over a horizontal line.



Request for Decision (RFD)

Meeting Date: Monday, April 27, 2026

Agenda Item: 7a

Topic: Closed Pipe

Presented By: Commission Manager

Recommendation:

That the Board direct the Commission Manager prepare an estimate to complete the work as presented to the next Board meeting.

Background:

The 300 mm AC pipe was constructed in 1970 and was constructed within the NW within the old Hwy 825 road allowance. When the highway was upgraded in 2013, the Province provided funding to re-align the pipe. A 400 mm PVC waterline was constructed from the AC pipe to the Online station. This pipe was considered to be a distribution pipe serving the Bunge area and also to provide redundant water supply in the event the 750 mm pipe supply was interrupted.

At that time the Board entered into an agreement with Sturgeon County to operate this pipe system. Over time it was necessary to isolate the 400 mm pipe from the 300 mm AC pipe due to a recirculation issue, which caused a duplication in metering. During the analysis of the South Pipe, it was discovered that a small 30 m section of pipe was not in operation and was considered to be a dead-end pipe. A blow-off exists 1,515 m from this connection, with multiple services in between.

Associated Engineering reviewed the matter and provided the following:

The dead-end portion of the line will experience limited to no water turnover, resulting in stagnant water. Under these conditions, chlorine residuals are expected to decay to negligible levels over time, and biofilm growth may develop on the interior pipe walls. This is typical of dead-end infrastructure but do present localized water quality issues.

The volume of stagnant water contained within this dead-end segment is relatively small (approximately 4.5 m³). As a result, the impact to the overall water quality in the 750mm main transmission line is minimal. However, there is a short-term risk associated with introducing this stagnant water into the downstream system when switching the SIP distribution section into a Commission transmission line, if no mitigation measures are implemented.

To reduce these risks, we recommend the following mitigation steps:

- *Flushing the dead-end: Prior to switching the water main to a transmission main, the dead-end section should be flushed until the total chlorine residual and turbidity are consistent with those observed in the main line.*
- *Operational monitoring: Chlorine residuals and turbidity should be verified during flushing to confirm that the stagnant water has been adequately removed.*

To help with the above, we recommend the installation of a permanent flush point or blow-off at the end of the dead-end section. Providing a dedicated flushing point would allow the Commission to purge stagnant



Request for Decision (RFD)

water, restore chlorine residuals, and manage biofilm accumulation. This measure represents best practice for dead end waterlines and would help with long term operational and water quality risks.

Discussion (benefits/disadvantages):

This small section of pipe is not used by the CRN, however, if at any time the 750 mm pipe service is interrupted, the flushing, chlorination and testing of this small section may take considerable time. The secondary issue with biofilm, particularly if there is growth with the joints of a pipe, can quickly regrow once the chlorine levels drop.

Construction of a flush point, as suggested by the Engineer will allow for quicker time to be able to test and put this section of pipe back into service for use as a redundant pipe. The Commission Manager will work with the Sturgeon County representatives to ensure that any solution will not impede their customers.

Alternatives:

None

Financial Implications:

A budget amendment may be necessary to ensure sufficient funds are available for the project.

Legislation:

Municipal Government Act (MGA) s. 602.09

Intergovernmental:

N/A

Strategic Alignment:

N/A

Enclosure(s):

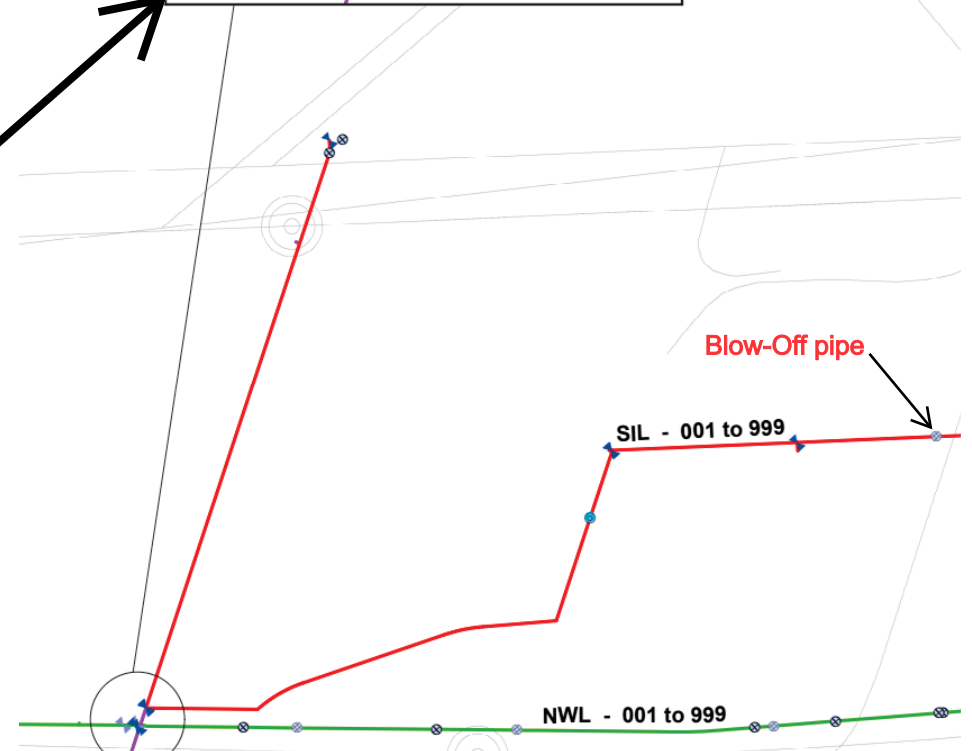
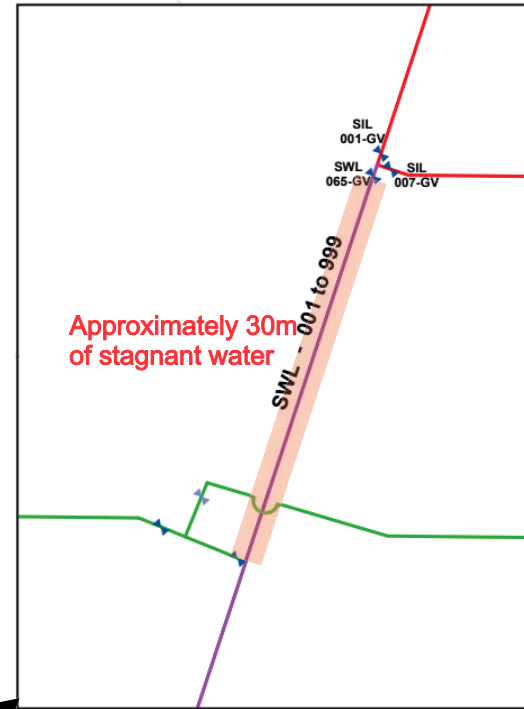
Attachments 1.

Signature of the Commission Manager:

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Blow-Off Pipe





Request for Decision (RFD)

Meeting Date: Monday, April 27, 2026

Agenda Item: 7d

Topic: 3rd Revision – Administrative Bylaw 2026-001

Presented By: Commission Manager

Recommendation:

1. That the Board give Administrative Bylaw 2026-001 reading and adoption.
 2. That the Board rescind Bylaw 2022-001, the previous Administrative Bylaw.
-

Background:

The draft Administrative Bylaw 2025-003, had been previously reviewed by the Board in September 2025 March 30, 2026. At the March meeting, the bylaw was referred to the Sub-Committee and reviewed.

At the sub-committee meeting, a few minor changes to the bylaw were raised and recommendations for changes the suggestion that revised bylaw be brought back to the Board for discussion.

Discussion (benefits/disadvantages):

The Commission requires an updated Administrative Bylaw which meets the current needs of the CRN.

Alternatives:

None

Financial Implications:

There is sufficient budget available to undertake this project.

Legislation:

Municipal Government Act (MGA) s. 602.09

Intergovernmental:

N/A

Strategic Alignment:

N/A

Enclosure(s):

Attachments 1.

Signature of the Commission Manager:

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C•R•N•W•S•C

CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION ADMINISTRATIVE BYLAW

BYLAW NO. 2026-001

WHEREAS:

- A. The Commission is a regional services commission pursuant to the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- B. Pursuant to section 602.09(1)(b) of the *Municipal Government Act*, the Commission must pass a bylaw respecting the administration of the Commission;
- C. Pursuant to section 602.09(1)(c) of the *Municipal Government Act*, the Commission must pass a bylaw respecting the process for changing the Directors of the Board and the Chair of the Commission, and for setting the terms of office for the Directors of the Board and the Chair;
- D. Pursuant to section 602.09(1)(g) of the *Municipal Government Act*, the Commission must also pass a bylaw respecting the process for disestablishment and the treatment of liabilities and assets upon disestablishment;
- E. The Commission wishes to consolidate and modernize its administrative and operational provisions, repeal outdated bylaws, and set out comprehensive governance, financial, and operational standards for its ongoing conduct;

NOW THEREFORE, the Capital Region Northeast Water Services Commission, in the Province of Alberta, in an open meeting of the Commission duly assembled, enacts as follows:

REPEAL OF BYLAWS

Bylaw No. 2022-001, 2022-002, 2022-003, and 2023-001 are hereby repealed and replaced by this Bylaw upon its effective date.

1. CITATION

This Bylaw is cited as the Capital Region Northeast Water Services Commission Administrative Bylaw.

2. DEFINITIONS

In this Bylaw:

1. "**Act**" means the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended or replaced.
2. "**Annual Meeting**" means the annual meeting of the Board described in Section 6.1 of this Bylaw.
3. "**Arbitration Notice**" means written notice initiating arbitration under the dispute resolution process.
4. "**Board**" means the Board of Directors of the Commission.
5. "**CEO**" means the Chief Executive Officer appointed by the Board to oversee the management of the Commission.
6. "**Chair**" means the Chair of the Board.
7. "**Commission**" means the Capital Region Northeast Water Services Commission.

8. **“Cost of Service”** means the method of calculating water services rates utilizing the principles set out in the American Water Works Association manuals of practice dealing with utility rates and charges, as revised and updated from time to time, and in accordance with the findings and directives of the Alberta Utilities Commission, such approach being commonly referred to as the “utility rate model”.
9. **“Council”** means the Council of a Member Municipality.
10. **“Crossing Agreement”** means a written agreement between the Commission and an applicant for a physical crossing (above, on, or below ground) of the Commission’s Supply Lines or Right-of-Way.
11. **“Customer”** means a regional services commission, cooperative, or other entity that receives potable water services from the Commission but is not a Member Municipality.
12. **“Director”** means a person appointed to the Board of Directors of the Commission in accordance with this Bylaw.
13. **“Dispute Notice”** refers to written notice initiating the dispute resolution process under Section 15.
14. **“Emergency”** means a sudden or urgent situation requiring immediate response to protect people, property, or operations.
15. **“Engineering Standards”** means the technical and safety standards established by the Commission for water supply infrastructure, as updated from time to time.
16. **“Member Municipality”** or **“Member Municipalities”** means a municipal authority or authorities that are members of the Commission, including:
 - City of Fort Saskatchewan;
 - Strathcona County;
 - Sturgeon County;
 - Town of Bon Accord;
 - Town of Gibbons; and
 - Town of Redwater.
17. **“Meter”** means a device meeting the Commission's standards for measuring water flow and volume to Members or Customers.
18. **“Organizational Meeting”** means the meeting of the Board described in Section 6.2 of this Bylaw.
19. **“Representative”** means a person appointed by a Member Municipality to act on its behalf in dispute resolution proceedings.
20. **“Right-of-Way”** means land designated for construction or maintenance of Commission water infrastructure.
21. **“Robert's Rules of Order”** means the most current edition of Robert's Rules of Order.
22. **“Simple Majority Vote”** means more members of the Board of Directors numerically, in attendance, when the vote is called, vote either for or against a motion.
23. **“Supply Line”** means the pipeline infrastructure owned and operated by the Commission to deliver potable water.
24. **“System”** means the water supply pipelines, pump stations, control systems and other facilities operated by the Commission for the purpose of providing water services to the Members and Customers of the Commission.
25. **“Tied Vote”** means an equal number of members, numerically, of the Board of Directors, in attendance when the vote is called, vote for and against a motion A tied vote defeats the motion.
26. **“Transfer Point”** means the physical and jurisdictional boundary between the Commission's supply infrastructure and a Customer or Member Municipality.
27. **“Unanimous Vote”** means all voting members of the Board of Directors in attendance, when the vote is called, vote for or against the motion.
28. **“Vice-Chair”** means the Vice-Chair of the Board.

3. VOTING FRAMEWORK AND DECISION-MAKING

1. Decisions of the Board shall be either by Unanimous Vote or Simple Majority as identified in Schedule “A” attached.
 - a. In the event a decision vote of the Board is not identified in Schedule “A”, the Board shall decide, by resolution by a Simple Majority vote, of whether the decision vote shall be undertaken as a Unanimous Vote or Simple Majority.
2. Ties –A tie vote (e.g., 4-4) shall be deemed defeated.
3. Recording of Votes - All votes of the Board shall be recorded in the minutes.
4. Reintroduction of Defeated Votes - A defeated vote may be re-introduced in accordance with Robert’s Rules of Order.
5. Abstentions- Where a Director abstains from voting on a matter, the abstention shall be recorded but shall not be counted as a vote cast for the purposes of calculating the outcome of the vote, unless otherwise required by law.
6. Conflict Management – No Director shall use a vote in a manner intended to punish, retaliate against, or otherwise disadvantage another Member Municipality outside the best interests of the Commission. Allegations of such conduct shall be addressed under Section 15 of this Bylaw (Dispute Resolution).
7. Robert’s Rules of Order shall apply to all Board meetings and decisions to the extent they are not inconsistent with this Bylaw.

4. BOARD COMPOSITION, APPOINTMENTS, AND REMOVALS

1. **Appointment of Directors:** Each Member Municipality is entitled to appoint one (1) elected official to serve as a Director of the Commission. The appointment shall follow the internal processes of the Member Municipality.
2. **Alternate Directors:** Each Member Municipality may designate an Alternate Director to act in place of the Director at meetings of the Board when the Director is unavailable. When an Alternate Director is acting in place of a Director, the Alternate Director shall be considered a member of the Board for all purposes, including voting.
3. **Term of Office for Directors:** The Board shall consist of six (6) Directors appointed as follows:
 - One (1) Director from City of Fort Saskatchewan
 - One (1) Director from Strathcona County
 - One (1) Director from Sturgeon County
 - One (1) Director from Town of Bon Accord
 - One (1) Director from Town of Gibbons
 - One (1) Director from Town of Redwater

All Members shall advise in writing to the CEO of their respective recommended appointments following their annual organizational meeting of Council.

The term of office of a Director is four (4) years commencing from the fall Board meeting and continuing until:

- the Director resigns;
- the Director ceases to be an elected official;
- the Director is replaced by their appointing Member Municipality; or

- a resolution of the Directors, approved by a vote result of six (6) in favour and two (2) opposed, removes the Director for unethical conduct or conduct detrimental to the Commission.
4. **Appointment of Chair and Vice-Chair:** Appointment of Chair and Vice-Chair: The Board shall elect a Chair and a Vice-Chair from among the Directors at its Organizational Meeting each fall. In the event of a tie vote in the appointment of either the Chair or the Vice-Chair, the CEO shall write the names of those candidates separately on blank sheets of equal size and colour, fold them uniformly, and place them in a receptacle. A Director will draw one sheet. The CEO shall read the name aloud and declare that candidate to have received one additional vote. If the meeting is electronic, the CEO shall sign and display the chosen sheet on camera.
 5. **Term of Office for Chair and Vice-Chair:** The term of office for the Chair and Vice-Chair shall be for one (1) year, subject to reappointment annually by the Board.
 6. **Interim Appointments:** In the event that the Chair or Vice Chair cannot fulfill their responsibilities, the Board may appoint an interim Chair or Vice-Chair until the next Board meeting.
 7. **Removal of Directors:**
 - a) A Director may be removed from the Board under the following circumstances:
 - i) **Unethical Conduct:** If the Director engages in conduct contrary to the Commission's Code of Ethics.
 - ii) **Detrimental Conduct:** If the Director's actions harm the reputation or governance of the Commission.
 - iii) **Ineligibility:** If the Director ceases to be eligible under the terms of their Member Municipality's appointment.
 - b) The process for removal shall be:
 - i) A resolution for removal must be proposed by at least two (2) Directors or the Chair.
 - ii) The Director in question must be given ten (10) business days' notice of the meeting at which the resolution will be discussed and have the opportunity to respond.
 - iii) A Simple Majority Vote of the Directors present is required for removal.
 - c) Upon removal, the Member Municipality will be notified and must appoint a replacement, Director.
 8. **Removal of the Chair:**
 - a) The Chair may be removed for:
 - i) **Failure to Perform Duties:** Non-compliance with the responsibilities outlined in this Bylaw.
 - ii) **Misconduct:** Breach of the Code of Ethics.
 - iii) **Loss of Confidence:** If a majority of the Board no longer has confidence in the Chair's leadership.
 - b) The process for removal shall be:
 - i) A resolution for removal must be introduced by any Director.
 - ii) The Chair must receive notice and have an opportunity to respond at the meeting where the resolution will be discussed.
 - iii) A Simple Majority Vote of the Directors present is required for removal.
 - c) The Vice-Chair will assume the role of interim Chair until a new Chair is elected by the Board.

9. Filling Vacancies:

- a) If a Director or Chair is removed, resigns, or becomes ineligible, the vacancy shall be filled as follows:
 - i) **Director:** The Member Municipality shall appoint a new Director.
 - ii) **Chair:** The Vice-Chair will act as interim Chair until a new election is held.

5. BOARD RESPONSIBILITIES

1. The Board is responsible for directing and supervising the affairs of the Commission and ensuring alignment with its strategic goals and legal obligations.
2. The Board shall:
 - a. Approve the Commission's operating and capital budgets, which shall require a Unanimous Vote as defined in Section 2.
 - b. Conduct annual reviews of the CEO;
 - c. Set and adopt policies governing the operations and administration of the Commission;
 - d. Approve all financial decisions exceeding \$50,000 unless delegated to the CEO under Emergency conditions, which shall require a Simple Majority Vote as defined in Section 2.
 - e. Appoint auditors to oversee the Commission's financial statements at the Annual Meeting.
 - f. Establish bylaws/policies for Customer rates, HR matters, contracting, employee expenses, and safeguarding records."
3. The Board shall ensure all meetings adhere to this Bylaw and Robert's Rules of Order.
4. The Board may delegate any of its powers, duties, or functions under this or any other enactment or bylaw to a committee or any person unless an enactment or bylaw provides otherwise. The CEO may delegate any duty or responsibility authorized by the Commission to an employee, contractor, or agency.

6. MEETINGS OF THE BOARD

1. Meeting Types and Frequency

The Board shall convene the following meetings:

- a. **Annual Meeting** — held on or before April 30 each year to receive and adopt the audited financial statements for the preceding fiscal year and address other required annual business of the Commission.
- b. **Organizational Meeting** — held each fall (and no later than November 30) to elect the Chair and Vice-Chair, appoint signing authorities, auditors, and professional advisors, set the regular meeting schedule, and provide Board orientation on legal responsibilities and best practices.
- c. **Regular Meetings** — held at least quarterly on dates and times determined by the Board.
- d. **Special Meetings** — which may be called by:
 - i) the Chair;
 - ii) a majority of the Member Municipalities; or
 - iii) the CEO in consultation with the Chair.

2. Notice Requirements

- a. Notice of the Annual and Organizational Meetings must be provided at least fourteen (14) days in advance.
- b. Notice of Regular Meetings must be provided at least seven (7) days in advance.
- c. Notice of Special Meetings must be provided at least forty-eight (48) hours in advance.
- d. Notwithstanding the above, notice of time and place may be given at least seventy-two (72) hours in advance unless waived in writing by all Directors.

3. **Format and Participation**

- a. Meetings may be conducted in person or by electronic means (audio or video) that allow all participants to communicate adequately with each other.
- b. Any Director participating electronically shall be deemed present and entitled to vote.

4. **Quorum**

- a. A quorum shall be a majority of all Directors, and in any case not fewer than four (4) Directors.
- b. If quorum is not met, the meeting may proceed for informational purposes only and no decisions shall be made.

5. **Open and Closed Sessions**

- a. Meetings of the Board shall be open to the public except where permitted to be closed under the *Access to Information Act* (Alberta) (“*ATIA*”) and the *Protection of Privacy Act* (Alberta) (“*POPA*”).
- b. No decisions or votes may occur during a closed session.

6. **Meeting Procedures**

- a. The order of business at Board meetings shall include, but not be limited to:
 - i) Call to Order
 - ii) Adoption of Agenda
 - iii) Approval of Minutes
 - iv) Reports and Presentations
 - v) Financial Updates
 - vi) New Business
 - vii) Adjournment
- b. The Chair shall preside over meetings and ensure adherence to meeting protocols. In the absence of the Chair, the Vice-Chair shall preside.

7. **CHIEF EXECUTIVE OFFICER (CEO)**

1. **Duties and Responsibilities**

The CEO is the managerial and administrative head of the Commission and principal advisor to the Board and shall:

- a. Manage the day-to-day operations of the Commission;
- b. Implement the policies, bylaws, and directives of the Board;
- c. Provide regular reports to the Board on financial and operational matters;
- d. Approve expenditures within the Board-approved budget up to \$50,000, with any expenditure exceeding \$50,000 requiring prior Board approval by Simple Majority Vote as defined in Section 2;
- e. Act as the primary liaison between the Commission and its Member Municipalities; and
- f. Ensure compliance with all applicable legislation, regulations, and bylaws.

2. **Delegation and Performance Review**

3.

- a. The CEO shall not delegate material responsibilities or statutory duties without prior Board approval.
- b. The Board shall conduct an annual performance review of the CEO.

4. **General Administration**

- a. The Board may appoint an external entity to manage the financial affairs of the Commission, or may direct the CEO to perform those responsibilities.
- b. Any cheques, contracts, agreements, or other binding instruments of the Commission shall be executed jointly by:
 - a. the Chair or Vice-Chair, and
 - b. the CEO.

- c. The CEO shall have custody of the Corporate Seal, which shall be affixed only when authenticated by the signatures of the Chair or Vice-Chair and the CEO.
- d. Subject to the **ATIA** and the **POPA**, Directors or Member Municipalities may inspect all books and records of the Commission and obtain copies or extracts, acting reasonably in the exercise of this right.

8. FINANCIAL MANAGEMENT

1. Fiscal Year

The financial year of the Commission shall be the calendar year.

2. Budgets

- a. The Board shall adopt, before the end of each financial year, an operating budget and a capital budget for the following year.
- b. Each budget shall include:
 - i. projected water volumes,
 - ii. estimated expenditures and revenues for at least three (3) years,
 - iii. planned capital projects over a 25-year horizon,
 - iv. proposed fees and rates to be charged, and
 - v. remuneration and expense rates for Directors.

c. Adoption of the operating and capital Budgets shall require approval by Unanimous Vote as defined in Section 2.

d. If the operating and capital Budgets are not approved by December 31, the previous year's budgets shall continue in effect as interim budgets until replaced.

3. Amendments and Oversight

- a. The CEO may approve budget amendments up to \$50,000.
- b. Any amendment exceeding \$50,000 requires Board approval by Simple Majority Vote.
- c. The Board shall review financial statements on at least a quarterly basis and shall ensure an external audit is conducted annually.

4. Mileage

- a. Mileage rates for Board members shall align with the annual guidelines established by the Canada Revenue Agency.

9. WATER VOLUMES

- 1. Members and Customers shall submit annual and 3-year volume forecasts. If system or EPCOR/Strathcona capacity is constrained, available water shall be proportionally allocated based on prior-year consumption. Maximum peak flow shall not exceed Average Day Demand × 1.8.

10. SERVICE FEES AND RATES

- 1. The Commission shall set rates annually in the budget by bylaw using a Cost of Service. Rates shall cover all Commission costs (Board, operations, water supply, reserves, debt). Members pay based on actual volume consumed. The Commission shall not terminate water to a Member Municipality/Customer that operates a distribution system without first pursuing arbitration/litigation/AUC complaint.

11. CROSSING APPLICATIONS

1. Anyone seeking to cross the Supply Line/ROW must apply in writing per Engineering Standards and Fees & Charges Bylaw. CEO may revoke or suspend for non-compliance.

12. CONSTRUCTION/EXCAVATION

1. Written approval is required for any work on/near the System or ROW. Unauthorized work may be stopped immediately and costs charged to the person. CEO may revoke approval and require restoration.

13. WATER SUPPLY APPLICATIONS AND OPERATIONS

1. Applications must be made in writing. The Commission determines the Transfer Point. The Commission invoices Members (for their customers) or Customers directly. The CEO may refuse or revoke approvals if incomplete, false, or unsafe. All water must be metered. The Commission does not provide fire protection.

14. PROCESS FOR DISESTABLISHMENT

1. The Commission may be disestablished upon agreement by special resolutions passed by the councils of all Member Municipalities.
2. Upon such agreement, the Commission shall liquidate all capital assets, and:
 - a. Proceeds from the sale of capital assets, after repayment of provincial grants and discharge of all debts and liabilities, shall be distributed to Member Municipalities based on their proportional contributions to those assets.
 - b. Any accumulated surplus in operating funds or reserves, after settling all liabilities, shall be distributed based on the proportional water consumption of each Member Municipality over the prior ten years.
 - c. Outstanding liabilities resulting from disestablishment shall be resolved as part of a disestablishment agreement.

15. DISPUTE RESOLUTION PROCEDURE

1. If the Member Municipalities cannot agree on the distribution of assets or liabilities on disestablishment, the following Dispute Resolution Procedure applies:
 - a) First, by negotiation between the Parties;
 - b) Second, by Mediation; and
 - c) Third, by Arbitration if mutually agreed upon by the Parties.
2. A party initiating a dispute must give written notice (a "Dispute Notice") to the other Party, providing details of the dispute. Within seven (7) days of receipt, each Party shall appoint a Representative to negotiate in good faith. If the dispute is not resolved within thirty (30) days, negotiation shall be deemed to have failed.
3. If negotiation fails, either Party may issue a Mediation Notice, nominating a Mediator and specifying the remaining dispute. Within thirty (30) days of the Mediation Notice, the Parties must jointly agree upon a Mediator.
4. If the Parties fail to agree on a Mediator within thirty (30) days or if Mediation fails within sixty (60) days, the dispute may proceed to Arbitration if both Parties agree.

5. Arbitration: If the Parties choose to proceed to Arbitration, one party may provide an Arbitration Notice nominating an Arbitrator. Within fourteen (14) days of receiving the Arbitration Notice, the other Party must respond with their agreement or counter-nomination of another Arbitrator.
6. If the Parties cannot agree on a single Arbitrator within fourteen (14) days, either Party may apply to the Court of King's Bench of Alberta to have an Arbitrator appointed.
7. The terms of reference for Arbitration shall be based on the Arbitration Notice and the receiving Party's response.
8. Arbitration shall proceed according to the rules set out by the Alternative Dispute Resolution Institute of Canada, as amended from time to time, and governed by the Arbitration Act, RSA 2000, c. A-43, as amended or replaced, unless the Parties agree to modify the rules.
9. The Arbitrator shall issue a binding decision within:
 - a. Forty-five (45) days if the disputed amount is less than \$250,000, or
 - b. Ninety (90) days if the disputed amount exceeds \$250,000.
7. The Arbitrator has the authority to award solicitor-client costs and interest but may not award punitive, consequential, or exemplary damages.
8. Arbitration decisions are final and binding, subject only to review by a court in cases of fraud.
9. The costs of the Mediator or Arbitrator shall be shared equally between the Parties unless otherwise awarded by the Arbitrator. Each Party shall bear its own costs for participation in the dispute resolution process.

11. CONDUCT EXPECTATIONS

1. Board members and the CEO shall:
 - a. Act with integrity and accountability;
 - b. Avoid conflicts of interest;
 - c. Refrain from using their position for personal gain;
 - d. Comply with all policies, bylaws, and directives of the Commission.
2. Alleged breaches of these conduct expectations may be addressed by the Board, which may include investigation and, where warranted, the removal of a Director or Chair in accordance with Section 4 of this Bylaw.

12. Water Supply and Connections

1. No person shall connect to or disconnect from the Commission's water system without prior written approval from the Commission.
2. No person shall perform any excavation, installation, maintenance, or related construction work on Commission-owned infrastructure without written authorization from the Commission or its authorized delegate.
3. The Commission may prescribe the terms, standards, and fees applicable to any such approvals or connections.

13. Engineering Standards

1. All work performed on or in connection with the Commission's infrastructure must comply with engineering standards approved by the Board, including any manuals, specifications, or standard drawings adopted or amended by resolution of the Board.

14. GENERAL PROVISIONS

1. Each section of this Bylaw is separate and severable. If any section is found invalid, the remainder shall remain in force.
2. This Bylaw may be amended by a Unanimous Vote of the Board at a duly called meeting.
3. This Bylaw repeals and replaces all previous administrative and disestablishment bylaws.
4. The cost of providing services to a Member Municipality may include a share of common operating and capital costs of the Commission, as determined by the Board from time to time, in accordance with any budget bylaw or applicable Board policies.
5. The Board may, by resolution, establish further conditions, procedures, and standards to support the implementation of this Bylaw

15. ENACTMENT

This Bylaw shall come into force upon approval by the Board.

**ADOPTED BY THE CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION
THIS ____ DAY OF _____, 2026.**

Commission Chair

CEO

DRAFT

C•R•N•W•S•C**CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION
ADMINISTRATIVE BYLAW****BYLAW NO. 2026-001****WHEREAS:**

- A. The Commission is a regional services commission pursuant to the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- B. Pursuant to section 602.09(1)(b) of the *Municipal Government Act*, the Commission must pass a bylaw respecting the administration of the Commission;
- C. Pursuant to section 602.09(1)(c) of the *Municipal Government Act*, the Commission must pass a bylaw respecting the process for changing the Directors of the Board and the Chair of the Commission, and for setting the terms of office for the Directors of the Board and the Chair;
- D. Pursuant to section 602.09(1)(g) of the *Municipal Government Act*, the Commission must also pass a bylaw respecting the process for disestablishment and the treatment of liabilities and assets upon disestablishment;
- E. The Commission wishes to consolidate and modernize its administrative and operational provisions, repeal outdated bylaws, and set out comprehensive governance, financial, and operational standards for its ongoing conduct;

NOW THEREFORE, the Capital Region Northeast Water Services Commission, in the Province of Alberta, in an open meeting of the Commission duly assembled, enacts as follows:

REPEAL OF BYLAWS

Bylaw No. 2022-001, 2022-002, 2022-003, and 2023-001 are hereby repealed and replaced by this Bylaw upon its effective date.

1. CITATION

This Bylaw is cited as the Capital Region Northeast Water Services Commission Administrative Bylaw.

2. DEFINITIONS

In this Bylaw:

1. **"Act"** means the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended or replaced.
2. **"Annual Meeting"** means the annual meeting of the Board described in Section 6.1 of this Bylaw.
3. **"Arbitration Notice"** means written notice initiating arbitration under the dispute resolution process.
4. **"Board"** means the Board of Directors of the Commission.
5. **"CEO"** means the Chief Executive Officer appointed by the Board to oversee the management of the Commission.
6. **"Chair"** means the Chair of the Board.
7. **"Commission"** means the Capital Region Northeast Water Services Commission.

8. **“Cost of Service”** means the method of calculating water services rates utilizing the principles set out in the American Water Works Association manuals of practice dealing with utility rates and charges, as revised and updated from time to time, and in accordance with the findings and directives of the Alberta Utilities Commission, such approach being commonly referred to as the “utility rate model”.
9. **“Council”** means the Council of a Member Municipality.
10. **“Crossing Agreement”** means a written agreement between the Commission and an applicant for a physical crossing (above, on, or below ground) of the Commission’s Supply Lines or Right-of-Way.
11. **“Customer”** means a regional services commission, cooperative, or other entity that receives potable water services from the Commission but is not a Member Municipality.
12. **“Director”** means a person appointed to the Board of Directors of the Commission in accordance with this Bylaw.
13. **“Dispute Notice”** refers to written notice initiating the dispute resolution process under Section 15.
14. **“Emergency”** means a sudden or urgent situation requiring immediate response to protect people, property, or operations.
15. **“Engineering Standards”** means the technical and safety standards established by the Commission for water supply infrastructure, as updated from time to time.
16. **“Member Municipality”** or **“Member Municipalities”** means a municipal authority or authorities that are members of the Commission, including:
 - City of Fort Saskatchewan;
 - Strathcona County;
 - Sturgeon County;
 - Town of Bon Accord;
 - Town of Gibbons; and
 - Town of Redwater.
17. **“Meter”** means a device meeting the Commission's standards for measuring water flow and volume to Members or Customers.
18. **“Organizational Meeting”** means the meeting of the Board described in Section 6.2 of this Bylaw.
19. **“Representative”** means a person appointed by a Member Municipality to act on its behalf in dispute resolution proceedings.
20. **“Right-of-Way”** means land designated for construction or maintenance of Commission water infrastructure.
21. **“Robert's Rules of Order”** means the most current edition of Robert's Rules of Order.
22. **“Simple Majority Vote”** means more members of the Board of Directors numerically, in attendance, when the vote is called, vote either for or against a motion.
23. **“Supply Line”** means the pipeline infrastructure owned and operated by the Commission to deliver potable water.
24. **“System”** means the water supply pipelines, pump stations, control systems and other facilities operated by the Commission for the purpose of providing water services to the Members and Customers of the Commission.
25. **“Tied Vote”** means an equal number of members, numerically, of the Board of Directors, in attendance when the vote is called, vote for and against a motion. A tied vote defeats the motion.
26. **“Transfer Point”** means the physical and jurisdictional boundary between the Commission's supply infrastructure and a Customer or Member Municipality.
27. **“Unanimous Vote”** means all voting members of the Board of Directors in attendance, when the vote is called, vote for or against the motion.
12. ~~**“Weighted Vote”** means a vote allocated to each Director based upon the formula established by the Board from time to time, which may consider factors including, without limitation,~~

~~population served, water consumption, or other agreed criteria, such that the total of all Weighted Votes equals eight (8) votes.~~

28. "Vice-Chair" means the Vice-Chair of the Board.

DRAFT

3. VOTING FRAMEWORK AND DECISION-MAKING

- ~~1. All Decisions by Weighted Vote—All decisions of the Board shall be made by Weighted Vote.~~
- ~~2. Allocation of Weighted Votes—~~
 - ~~a. There shall be a total allocation of eight (8) votes.~~
 - ~~b. Each Director, except the Director representing the City of Fort Saskatchewan, shall hold the equivalent weight of one (1) vote.~~
 - ~~c. The Director representing the City of Fort Saskatchewan shall hold the equivalent weight of three (3) votes, based on relative consumption.~~
 - ~~d. The allocation of Weighted Votes shall be reviewed by the Board not less than once every three (3) years.~~
- ~~3. Thresholds—Unless otherwise required by law or expressly stated in this Bylaw, a resolution is passed if it receives more than half of the total available Weighted Votes (i.e., 5 or more of 8). Where this Bylaw requires unanimous approval, the motion shall require all 8 Weighted Votes in favour.~~
- ~~4. Outcome Requirements and Special Rule—~~
 - ~~a. In any vote resulting in five (5) votes in favour of a motion and three (3) votes opposed, and where the three (3) opposing votes are exclusively the three (3) Weighted Votes of the Director representing the City of Fort Saskatchewan, the motion shall not be deemed carried.~~
 - ~~b. In such a circumstance:—~~
 - ~~i. The Director representing the City of Fort Saskatchewan may immediately request the motion be reconsidered at the next Board meeting, and the vote result will be recorded in the minutes as “not defeated—motion tabled to next meeting”;~~
 - ~~ii. If the Director representing the City of Fort Saskatchewan declines to defer the motion for reconsideration, the vote shall be recorded as “defeated—decline to table”;~~ and
 - ~~iii. The outcome of the second (reconsidered) vote of the motion shall be final.~~
1. Decisions of the Board shall be either by Unanimous Vote or Simple Majority as identified in Schedule “A” attached.
 - a. In the event a decision vote of the Board is not identified in Schedule “A”, the Board shall decide, by resolution by a Simple Majority vote, of whether the decision vote shall be undertaken as a Unanimous Vote or Simple Majority.
2. Ties—A tie vote (e.g., 4-4) shall be deemed defeated.
3. Recording of Votes - All votes of the Board shall be recorded in the minutes.
4. Reintroduction of Defeated Votes - A defeated vote, other than as described in subsection 3.4, may be re-introduced in accordance with Robert’s Rules of Order.
5. Abstentions- Where a Director abstains from voting on a matter, the abstention shall be recorded but shall not be counted as a vote cast for the purposes of calculating the outcome of the vote, unless otherwise required by law.
6. Conflict Management – No Director shall use a Weighted V-vote in a manner intended to punish, retaliate against, or otherwise disadvantage another Member Municipality outside the best interests of the Commission. Allegations of such conduct shall be addressed under Section 15 of this Bylaw (Dispute Resolution).
7. Robert’s Rules of Order shall apply to all Board meetings and decisions to the extent they are not inconsistent with this Bylaw.

4. BOARD COMPOSITION, APPOINTMENTS, AND REMOVALS

1. **Appointment of Directors:** Each Member Municipality is entitled to appoint one (1) elected official to serve as a Director of the Commission. The appointment shall follow the internal processes of the Member Municipality.
2. **Alternate Directors:** Each Member Municipality may designate an Alternate Director to act in place of the Director at meetings of the Board when the Director is unavailable. When an Alternate Director is acting in place of a Director, the Alternate Director shall be considered a member of the Board for all purposes, including voting.
3. **Term of Office for Directors:** The Board shall consist of six (6) Directors appointed as follows:
 - One (1) Director from City of Fort Saskatchewan
 - One (1) Director from Strathcona County
 - One (1) Director from Sturgeon County
 - One (1) Director from Town of Bon Accord
 - One (1) Director from Town of Gibbons
 - One (1) Director from Town of Redwater

All Members shall advise in writing to the CEO of their respective recommended appointments following their annual organizational meeting of Council.

The term of office of a Director is four (4) years commencing from the fall Board meeting and continuing until:

- the Director resigns;
- the Director ceases to be an elected official;
- the Director is replaced by their appointing Member Municipality; or
- a resolution of the Directors, approved by a vote result of six (6) in favour and two (2) opposed, removes the Director for unethical conduct or conduct detrimental to the Commission.

4. **Appointment of Chair and Vice-Chair:** Appointment of Chair and Vice-Chair: The Board shall elect a Chair and a Vice-Chair from among the Directors at its Organizational Meeting each fall. In the event of a tie vote in the appointment of either the Chair or the Vice-Chair, the CEO shall write the names of those candidates separately on blank sheets of equal size and colour, fold them uniformly, and place them in a receptacle. A Director will draw one sheet. The CEO shall read the name aloud and declare that candidate to have received one additional vote. If the meeting is electronic, the CEO shall sign and display the chosen sheet on camera.
5. **Term of Office for Chair and Vice-Chair:** The term of office for the Chair and Vice-Chair shall be for one (1) year, subject to reappointment annually by the Board.
6. **Interim Appointments:** In the event that the Chair or Vice Chair cannot fulfill their responsibilities, the Board may appoint an interim Chair or Vice-Chair until the next Board meeting.
7. **Removal of Directors:**
 - a) A Director may be removed from the Board under the following circumstances:
 - i) **Unethical Conduct:** If the Director engages in conduct contrary to the Commission's Code of Ethics.

- ii) **Detrimental Conduct:** If the Director's actions harm the reputation or governance of the Commission.
 - iii) **Ineligibility:** If the Director ceases to be eligible under the terms of their Member Municipality's appointment.
- b) The process for removal shall be:
 - i) A resolution for removal must be proposed by at least two (2) Directors or the Chair.
 - ii) The Director in question must be given ten (10) business days' notice of the meeting at which the resolution will be discussed and have the opportunity to respond.
 - iii) A **Simple Majority** ~~vote~~ **Vote** of ~~two-thirds (2/3)~~ of the Directors present is required for removal.
 - c) Upon removal, the Member Municipality will be notified and must appoint a replacement Director.
 - ~~d) For clarity, any resolution requiring a two-thirds (2/3) vote under this Bylaw shall be calculated based on the number of Directors present and entitled to vote at the meeting.~~
8. **Removal of the Chair:**
- a) The Chair may be removed for:
 - i) **Failure to Perform Duties:** Non-compliance with the responsibilities outlined in this Bylaw.
 - ii) **Misconduct:** Breach of the Code of Ethics.
 - iii) **Loss of Confidence:** If a majority of the Board no longer has confidence in the Chair's leadership.
 - b) The process for removal shall be:
 - i) A resolution for removal must be introduced by any Director.
 - ii) The Chair must receive notice and have an opportunity to respond at the meeting where the resolution will be discussed.
 - iii) A **Simple Majority** ~~vote~~ **Vote** of ~~two-thirds (2/3)~~ of the Directors present is required for removal.
 - c) The Vice-Chair will assume the role of interim Chair until a new Chair is elected by the Board.
9. **Filling Vacancies:**
- a) If a Director or Chair is removed, resigns, or becomes ineligible, the vacancy shall be filled as follows:
 - i) **Director:** The Member Municipality shall appoint a new Director.
 - ii) **Chair:** The Vice-Chair will act as interim Chair until a new election is held.

5. BOARD RESPONSIBILITIES

1. The Board is responsible for directing and supervising the affairs of the Commission and ensuring alignment with its strategic goals and legal obligations.
2. The Board shall:
 - a. Approve the Commission's operating and capital budgets, which shall require a ~~Qualified~~ **Unanimous** Vote as defined in Section 2.
 - b. Conduct annual reviews of the CEO;
 - c. Set and adopt policies governing the operations and administration of the Commission;
 - d. Approve all financial decisions exceeding \$50,000 unless delegated to the CEO under Emergency conditions, which shall require a ~~Qualified~~ **Majority** Vote as defined in Section 2.

- e. Appoint auditors to oversee the Commission’s financial statements at the Annual Meeting.
 - f. Establish bylaws/policies for Customer rates, HR matters, contracting, employee expenses, and safeguarding records.”
3. The Board shall ensure all meetings adhere to this Bylaw and Robert’s Rules of Order.
 4. The Board may delegate any of its powers, duties, or functions under this or any other enactment or bylaw to a committee or any person unless an enactment or bylaw provides otherwise. The CEO may delegate any duty or responsibility authorized by the Commission to an employee, contractor, or agency.

6. MEETINGS OF THE BOARD

1. Meeting Types and Frequency

The Board shall convene the following meetings:

- a. **Annual Meeting** — held on or before April 30 each year to receive and adopt the audited financial statements for the preceding fiscal year and address other required annual business of the Commission.
- b. **Organizational Meeting** — held each fall (and no later than November 30) to elect the Chair and Vice-Chair, appoint signing authorities, auditors, and professional advisors, set the regular meeting schedule, and provide Board orientation on legal responsibilities and best practices.
- c. **Regular Meetings** — held at least quarterly on dates and times determined by the Board.
- d. **Special Meetings** — which may be called by:
 - i) the Chair;
 - ii) a majority of the Member Municipalities; or
 - iii) the CEO in consultation with the Chair.

2. Notice Requirements

- a. Notice of the Annual and Organizational Meetings must be provided at least fourteen (14) days in advance.
- b. Notice of Regular Meetings must be provided at least seven (7) days in advance.
- c. Notice of Special Meetings must be provided at least forty-eight (48) hours in advance.
- d. Notwithstanding the above, notice of time and place may be given at least seventy-two (72) hours in advance unless waived in writing by all Directors.

3. Format and Participation

- a. Meetings may be conducted in person or by electronic means (audio or video) that allow all participants to communicate adequately with each other.
- b. Any Director participating electronically shall be deemed present and entitled to vote.

4. Quorum

- a. A quorum shall be a majority of all Directors, and in any case not fewer than four (4) Directors.
- b. If quorum is not met, the meeting may proceed for informational purposes only and no decisions shall be made.

5. Open and Closed Sessions

- a. Meetings of the Board shall be open to the public except where permitted to be closed under the *Access to Information Act* (Alberta) (“**ATIA**”) and the *Protection of Privacy Act* (Alberta) (“**POPA**”).
- b. No decisions or votes may occur during a closed session.

6. Meeting Procedures

- a. The order of business at Board meetings shall include, but not be limited to:
 - i) Call to Order
 - ii) Adoption of Agenda

- iii) Approval of Minutes
 - iv) Reports and Presentations
 - v) Financial Updates
 - vi) New Business
 - vii) Adjournment
- b. The Chair shall preside over meetings and ensure adherence to meeting protocols. In the absence of the Chair, the Vice-Chair shall preside.

7. CHIEF EXECUTIVE OFFICER (CEO)

1. Duties and Responsibilities

The CEO is the managerial and administrative head of the Commission and principal advisor to the Board and shall:

- a. Manage the day-to-day operations of the Commission;
- b. Implement the policies, bylaws, and directives of the Board;
- c. Provide regular reports to the Board on financial and operational matters;
- d. Approve expenditures within the Board-approved budget up to \$50,000, with any expenditure exceeding \$50,000 requiring prior Board approval by ~~Qualified~~ **Simple Majority Vote** as defined in Section 2;
- e. Act as the primary liaison between the Commission and its Member Municipalities; and
- f. Ensure compliance with all applicable legislation, regulations, and bylaws.

2. Delegation and Performance Review

3.

- a. The CEO shall not delegate material responsibilities or statutory duties without prior Board approval.
- b. The Board shall conduct an annual performance review of the CEO.

4. General Administration

- a. The Board may appoint an external entity to manage the financial affairs of the Commission, or may direct the CEO to perform those responsibilities.
- b. Any cheques, contracts, agreements, or other binding instruments of the Commission shall be executed jointly by:
 - a. the Chair or Vice-Chair, and
 - b. the CEO.
- c. The CEO shall have custody of the Corporate Seal, which shall be affixed only when authenticated by the signatures of the Chair or Vice-Chair and the CEO.
- d. Subject to the **ATIA** and the **POPA**, Directors or Member Municipalities may inspect all books and records of the Commission and obtain copies or extracts, acting reasonably in the exercise of this right.

8. FINANCIAL MANAGEMENT

1. Fiscal Year

The financial year of the Commission shall be the calendar year.

2. Budgets

- a. The Board shall adopt, before the end of each financial year, an operating budget and a capital budget for the following year.
- b. Each budget shall include:
 - i. projected water volumes,
 - ii. estimated expenditures and revenues for at least three (3) years,
 - iii. planned capital projects over a 25-year horizon,
 - iv. proposed fees and rates to be charged, and

v. remuneration and expense rates for Directors.

- c. Adoption of the operating and capital Budgets shall require approval by ~~Qualified~~ **Unanimous** Vote as defined in Section 2.
- d. If the operating and capital Budgets are not approved by December 31, the previous year's budgets shall continue in effect as interim budgets until replaced.

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- a. The CEO may approve budget amendments up to \$50,000.
- b. Any amendment exceeding \$50,000 requires Board approval by **Simple Majority** ~~Qualified Vote~~.
- c. The Board shall review financial statements on at least a quarterly basis and shall ensure an external audit is conducted annually.

4. Mileage

- a. Mileage rates for Board members shall align with the annual guidelines established by the Canada Revenue Agency.

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- 1. Members and Customers shall submit annual and 3-year volume forecasts. If system or EPCOR/Strathcona capacity is constrained, available water shall be proportionally allocated based on prior-year consumption. Maximum peak flow shall not exceed Average Day Demand × 1.8.

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- 1. Anyone seeking to cross the Supply Line/ROW must apply in writing per Engineering Standards and Fees & Charges Bylaw. CEO may revoke or suspend for non-compliance.

12. CONSTRUCTION/EXCAVATION

- 1. Written approval is required for any work on/near the System or ROW. Unauthorized work may be stopped immediately and costs charged to the person. CEO may revoke approval and require restoration.

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14. PROCESS FOR DISESTABLISHMENT

1. The Commission may be disestablished upon agreement by special resolutions passed by the councils of all Member Municipalities.
2. Upon such agreement, the Commission shall liquidate all capital assets, and:
 - a. Proceeds from the sale of capital assets, after repayment of provincial grants and discharge of all debts and liabilities, shall be distributed to Member Municipalities based on their proportional contributions to those assets.
 - b. Any accumulated surplus in operating funds or reserves, after settling all liabilities, shall be distributed based on the proportional water consumption of each Member Municipality over the prior ten years.
 - c. Outstanding liabilities resulting from disestablishment shall be resolved as part of a disestablishment agreement.

15. DISPUTE RESOLUTION PROCEDURE

1. If the Member Municipalities cannot agree on the distribution of assets or liabilities on disestablishment, the following Dispute Resolution Procedure applies:
 - a) First, by negotiation between the Parties;
 - b) Second, by Mediation; and
 - c) Third, by Arbitration if mutually agreed upon by the Parties.
2. A party initiating a dispute must give written notice (a "Dispute Notice") to the other Party, providing details of the dispute. Within seven (7) days of receipt, each Party shall appoint a Representative to negotiate in good faith. If the dispute is not resolved within thirty (30) days, negotiation shall be deemed to have failed.
3. If negotiation fails, either Party may issue a Mediation Notice, nominating a Mediator and specifying the remaining dispute. Within thirty (30) days of the Mediation Notice, the Parties must jointly agree upon a Mediator.
4. If the Parties fail to agree on a Mediator within thirty (30) days or if Mediation fails within sixty (60) days, the dispute may proceed to Arbitration if both Parties agree.
5. Arbitration: If the Parties choose to proceed to Arbitration, one party may provide an Arbitration Notice nominating an Arbitrator. Within fourteen (14) days of receiving the Arbitration Notice, the other Party must respond with their agreement or counter-nomination of another Arbitrator.
6. If the Parties cannot agree on a single Arbitrator within fourteen (14) days, either Party may apply to the Court of King's Bench of Alberta to have an Arbitrator appointed.
7. The terms of reference for Arbitration shall be based on the Arbitration Notice and the receiving Party's response.
8. Arbitration shall proceed according to the rules set out by the Alternative Dispute Resolution Institute of Canada, as amended from time to time, and governed by the Arbitration Act, RSA 2000, c. A-43, as amended or replaced, unless the Parties agree to modify the rules.
9. The Arbitrator shall issue a binding decision within:
 - a. Forty-five (45) days if the disputed amount is less than \$250,000, or
 - b. Ninety (90) days if the disputed amount exceeds \$250,000.
7. The Arbitrator has the authority to award solicitor-client costs and interest but may not award punitive, consequential, or exemplary damages.

8. Arbitration decisions are final and binding, subject only to review by a court in cases of fraud.
9. The costs of the Mediator or Arbitrator shall be shared equally between the Parties unless otherwise awarded by the Arbitrator. Each Party shall bear its own costs for participation in the dispute resolution process.

11. CONDUCT EXPECTATIONS

1. Board members and the CEO shall:
 - a. Act with integrity and accountability;
 - b. Avoid conflicts of interest;
 - c. Refrain from using their position for personal gain;
 - d. Comply with all policies, bylaws, and directives of the Commission.
2. Alleged breaches of these conduct expectations may be addressed by the Board, which may include investigation and, where warranted, the removal of a Director or Chair in accordance with Section 4 of this Bylaw.

12. Water Supply and Connections

1. No person shall connect to or disconnect from the Commission's water system without prior written approval from the Commission.
2. No person shall perform any excavation, installation, maintenance, or related construction work on Commission-owned infrastructure without written authorization from the Commission or its authorized delegate.
3. The Commission may prescribe the terms, standards, and fees applicable to any such approvals or connections.

13. Engineering Standards

1. All work performed on or in connection with the Commission's infrastructure must comply with engineering standards approved by the Board, including any manuals, specifications, or standard drawings adopted or amended by resolution of the Board.

14. GENERAL PROVISIONS

1. Each section of this Bylaw is separate and severable. If any section is found invalid, the remainder shall remain in force.
2. This Bylaw may be amended by a ~~Qualified~~ **Unanimous** Vote of the Board at a duly called meeting.
3. This Bylaw repeals and replaces all previous administrative and disestablishment bylaws.
4. The cost of providing services to a Member Municipality may include a share of common operating and capital costs of the Commission, as determined by the Board from time to time, in accordance with any budget bylaw or applicable Board policies.
5. The Board may, by resolution, establish further conditions, procedures, and standards to support the implementation of this Bylaw

15. ENACTMENT

This Bylaw shall come into force upon approval by the Board.

**ADOPTED BY THE CAPITAL REGION NORTHEAST WATER SERVICES COMMISSION
THIS ____ DAY OF _____, 2026.**

Commission Chair

CEO

DRAFT

Commission Manager

Report Period: **Mar 28, 2026 to Apr 21, 2026**

LEGISLATIVE / GOVERNANCE

Projects	Date In Progress	Date Outstanding	Date Completed															
<p>Bylaw/Policy Review: I have been reviewing and reading several of our policies and bylaws. During the retreat, I commented that I have found many deficiencies/gaps, overly reactionary clauses and outdated terms. The Board will need to set up a process to undertake a comprehensive review and updating of these important documents.</p> <p>Key bylaws and policies:</p> <ul style="list-style-type: none"> • CEO Bylaw • Procedural (Administrative) Bylaw (possible aggregation of multiple bylaws) • Electronic meetings (required under the MGA) • Emergency/Water Restrictions bylaw/policy • Membership Addition/Withdrawal Bylaw (revisions) • Procurement Bylaw • Code of Conduct Bylaw (currently a policy) • Reserves/Amortization policies <p>Project progress:</p> <ul style="list-style-type: none"> • Disposition of Assets – Deferred for review • Administrative Bylaw v3 – April Meeting 	Ongoing																	
<p>Ft Sask. Issue: Attended an administrative meeting with Ft. Sask, AECOM and AE. The focus of discussion was to determine a reasonable methodology for determination of capacity and timing for the construction of an additional river crossing utilizing the existing 400 mm Strathcona/CRNWSC pipeline. The calculated construction timing is approximately 10 years into the future and will be reviewed based on actual data. AE will be further reviewing the model and will report back to the Committee mid-august, wherein the meeting will also include representatives from Strathcona County to discuss the principles to establishing the rate to be charged for water flowing through this pipe (to be charged by Strathcona County).</p> <p>Project progress:</p> <ul style="list-style-type: none"> • Sub-Committee created and meeting held Apr 20. • CEO met with CoFS to finalize rate methodology 	Ongoing																	
<p>JSB Update: (In Camera).</p> <p>Project progress:</p> <table border="1" data-bbox="149 1604 1000 1764"> <thead> <tr> <th>Process step</th> <th>Deadline*</th> <th>Limits (if any)</th> </tr> </thead> <tbody> <tr> <td>Information requests (IRs) to applicant</td> <td>April 24, 2026</td> <td>20 IRs (including subparts)</td> </tr> <tr> <td>IR responses from applicant</td> <td>May 8, 2026</td> <td></td> </tr> <tr> <td>Motion for further and better IR responses (if required)⁷</td> <td>May 19, 2026</td> <td></td> </tr> <tr> <td>Further process</td> <td>To be determined</td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> • The Compliance Ruling Response was filed March 26, 2026 • Very Busy! 	Process step	Deadline*	Limits (if any)	Information requests (IRs) to applicant	April 24, 2026	20 IRs (including subparts)	IR responses from applicant	May 8, 2026		Motion for further and better IR responses (if required) ⁷	May 19, 2026		Further process	To be determined		Ongoing		
Process step	Deadline*	Limits (if any)																
Information requests (IRs) to applicant	April 24, 2026	20 IRs (including subparts)																
IR responses from applicant	May 8, 2026																	
Motion for further and better IR responses (if required) ⁷	May 19, 2026																	
Further process	To be determined																	

ADMINISTRATIVE			
Projects	Date In Progress	Date Outstanding	Date Completed
<p>Commission Opportunities: As the Board is aware, at the retreat it was explained that there are some possible opportunities for the CRNWSC to possibly expand their customer base. There have been enquiries received relating to capacity and the ability to provide water for industrial customers.</p> <p>Project progress:</p> <ul style="list-style-type: none"> The Commission Manager has reviewed design drawings and concept site servicing drawings and had several discussions with Sturgeon County, AE and the project pertaining to system capacity and design of Hwy 643 loop. 	Ongoing		
<p>Bear Land Services: Seeking input from Bear Land Services to take over the applications for crossing agreements due to time constraints.</p> <p>Project progress:</p> <ul style="list-style-type: none"> Bear to get a cost. 	Ongoing		
<p>Water Demand Measures: At the EPCOR and RWCG meeting, one item discussed was the concerns regarding an impending drought. The February EPCOR incident had also provided valuable insights as to what measures are in place for a drastic reduction or cessation of water supply from EPCOR. The RWCG group is jointly developing protocols which will be intended to be adopted by the Commission, members and customers such that all will be working from the same protocols.</p> <p>Project progress:</p> <ul style="list-style-type: none"> No further progress. 			
FINANCIAL			
Projects	Date In Progress	Date Outstanding	Date Completed
TRAINING			
COMMISSION STRATEGIC PLAN			
<p>Strategic Plan: A Strategic Plan is the Board's Vision and Priorities for next 3 years and beyond. It is a critical document for the Commission Manager to prepare plans and budgets.</p> <p>Project progress:</p> <ul style="list-style-type: none"> Upon adoption of Strategic Plan, the work on the priorities plan matrix is completed. Nothing new to report. No substantial progress due to AUC focus. The Board may wish to consider reviewing the Strategic Plan and undertaking a tour of CRN facilities. 	Ongoing		
<p>Signature: <i>Gene Sobolewski</i></p>		<p>Commission Board Meeting: <u>April 30, 2026</u></p>	

MANAGEMENT REPORT

To the Board of Capital Region Northeast Water Services Commission

On the basis of information provided by management, we have compiled the balance sheet of Capital Region Northeast Water Services Commission as at March 31, 2026, and the statement of income for the period then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information (the "financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Edmonton, Alberta

Givens LLP
Chartered Professional Accountants

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Balance Sheet

As of March 31, 2026

	Total
ASSETS	
Current Assets	
Cash and Cash Equivalent	
1060 Royal Bank- Chequing	1,830,780.52
1080 ATB Public Sector Savings **0900	402,505.46
Total Cash and Cash Equivalent	2,233,285.98
Accounts Receivable (A/R)	
1200 Accounts Receivable	2,200,086.60
Total Accounts Receivable (A/R)	2,200,086.60
1202 Accounts Receivable - Southside SL	1,048,402.00
1205 Allowance for Doubtful Accounts	-1,000.00
1320 Prepaid Expenses	14,066.03
1355 Accrued Interest on Investments	571,080.86
1515 Inventory	
1520 Hypresscon Enclosure Kit Contents	48,481.83
1525 Repair Transition Kit Contents	24,166.00
Total 1515 Inventory	72,647.83
Total Current Assets	6,138,569.30
Non-current Assets	
Property, plant and equipment	
1806 Online Station Communication Tower	300,783.51
1820 Pre 96 & Engineering Structures	53,533,517.71
1825 Accum. Amort -Pre 96 & Eng Struct	-18,527,078.83
1830 Waterline upgrade	1,272,767.36
1840 Machinery & Equipment	1,533,159.11
1845 Accum. Amort.-Machinery & Equipment	-1,072,010.15
1860 Land	2,625,816.88
Total Property, plant and equipment	39,666,955.59
1352 ATB Term/GIC Investment- Long term	17,262,101.63
Total Non Current Assets	56,929,057.22
Total Assets	\$63,067,626.52
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable (A/P)	
2100 Accounts Payable	472,508.16
Total Accounts Payable (A/P)	472,508.16
Credit Card	
2350 RBC Visa Busines***6433	1,065.90
Total Credit Card	1,065.90
2101 Accrued Accounts Payable	121,094.11
2105 Accrued Debenture interest	37,146.79
2230 Payroll liabilities	0.00
2232 Federal Taxes	2,512.00

	Total
2235 Vacation Pay	12,365.28
Total 2230 Payroll liabilities	14,877.28
2315 GST/HST Payable (unfiled)	-34,022.19
2320 GST/HST Suspense (filed)	-100,309.71
2325 GST Adjustments	113,375.38
2650 Direct Deposit Payable	-5,656.13
Total Current Liabilities	620,079.59
Non-current Liabilities	
2630 Debenture Debt	0.00
2635 Debenture 4001647	2,772,372.78
2645 Debenture 4001564	3,611,221.32
Total 2630 Debenture Debt	6,383,594.10
Total Non-current Liabilities	6,383,594.10
Total Liabilities	7,003,673.69
Equity	
3010 Equity - Fixed Assets	34,851,137.05
Restricted Surplus	
3020 Capital Reserve	18,228,298.11
3025 Operating Reserve	399,501.76
Total Restricted Surplus	18,627,799.87
Retained Earnings	2,744,231.61
Profit for the year	-159,215.70
Total Equity	56,063,952.83
Total Liabilities and Equity	\$63,067,626.52

Profit and Loss by Month

January - March, 2026

	Jan. 2026	Feb. 2026	Mar. 2026	Total
INCOME				
4010 City of Fort Sask. Water Sales	284,772.70	260,153.10	276,402.21	821,328.01
4020 Sturgeon County Water Sales	86,832.40	76,632.91	93,578.72	257,044.03
4025 Town of Bon Accord Water Sales	13,359.48	12,656.95	13,268.84	39,285.27
4030 Town of Gibbons Water Sales	28,067.38	27,041.91	26,267.14	81,376.43
4035 Town of Redwater Water Sales	21,716.42	20,400.53	21,173.76	63,290.71
4040 Hwy 28/63 Regional Water Serv	46,872.93	43,000.49	44,323.41	134,196.83
4050 John S. Batiuk Regional Water Comm	173,790.72	170,121.06	174,465.60	518,377.38
4060 Crossing Agreements		1,500.00	1,500.00	3,000.00
Total Income	655,412.03	611,506.95	650,979.68	1,917,898.66
COST OF GOODS SOLD				
5510 Water Purchase - Strathcona	137,996.02	107,656.82	102,508.12	348,160.96
5520 Water Purchase - EPCOR	368,117.00	352,313.00	360,215.00	1,080,645.00
Total Cost of Goods Sold	506,113.02	459,969.82	462,723.12	1,428,805.96
GROSS PROFIT	149,299.01	151,537.13	188,256.56	489,092.70
EXPENSES				
5605 Contracted Services	607.50		540.00	1,147.50
5607 Website Contract/Maintenance		165.00		165.00
5610 Bookkeeping services/ Audits	2,289.00	2,289.00	2,289.00	6,867.00
5615 Legal Fees	16,379.50	11,098.20	17,238.10	44,715.80
5625 Business Fees & Licenses	1,057.03	1,235.03	68.03	2,360.09
5635 Operating Contract	34,234.66	30,793.00	31,660.98	96,688.64
5640 Courier & Postage		15.00		15.00
5641 Office Expenses	309.72	544.96	779.83	1,634.51
5645 Honorarium / Per Diem	3,365.96	3,054.80	4,495.00	10,915.76
5646 Catering & Venue Rentals	212.82	459.89	110.98	783.69
5665 Engineering		1,104.30	5,401.08	6,505.38
5666 Engineering - Smartball Inspection		15,681.62	300,350.36	316,031.98

	Jan. 2026	Feb. 2026	Mar. 2026	Total
5685 Insurance	1,944.13	1,944.13	1,962.67	5,850.93
5690 Bank Charges and processing fees	39.02	51.00	39.00	129.02
5692 QuickBooks Payments Fees		43.75		43.75
Total 5690 Bank Charges and processing fees	39.02	94.75	39.00	172.77
5695 Debenture Interest	21,546.00	21,546.00	21,174.50	64,266.50
5699 TELUS				0.00
5700 Telus 472-6266	98.75	98.75	98.75	296.25
5705 Telus 998-0171	180.54	180.54	180.54	541.62
5710 Telus 998-3738	116.25	116.25	116.25	348.75
5715 Telus 998-2026	113.25	113.25	227.85	454.35
Total 5699 TELUS	508.79	508.79	623.39	1,640.97
5729 ENMAX				0.00
5730 ENMAX - Power NW26-54-23-W4	265.64	255.26	151.23	672.13
5735 ENMAX - Power SE18-56-21-W4	76.10	100.24	93.49	269.83
5740 ENMAX - Power NW 09-55-22-4	5,804.81	6,197.15	5,616.12	17,618.08
Total 5729 ENMAX	6,146.55	6,552.65	5,860.84	18,560.04
5769 DIRECT ENERGY				0.00
5771 Direct Energy NW 26-54-23-W4	168.86	166.09	162.48	497.43
Total 5769 DIRECT ENERGY	168.86	166.09	162.48	497.43
5774 Bell Mobility 587-341-3673	237.40	237.40	237.40	712.20
5776 Records Mgmt Supplies & Storage Fee	118.72	118.72	118.72	356.16
5784 Travel & Subsistance	731.90	1,248.88	1,412.80	3,393.58
5815 WCB			1,211.72	1,211.72
Payroll Expenses				0.00
5820 Wages and Salaries	15,261.14	15,916.34	8,076.89	39,254.37
5824 Taxes (CPP & EI- employer portion)	1,203.90	1,228.78	623.61	3,056.29
5830 Employee benefits	187.95	187.95	290.98	666.88
Total Payroll Expenses	16,652.99	17,333.07	8,991.48	42,977.54
5660 Amortization Expense	63,262.75	63,262.75	63,262.75	189,788.25
Total Expenses	169,813.30	179,454.03	467,991.11	817,258.44

	Jan. 2026	Feb. 2026	Mar. 2026	Total
OTHER INCOME				
4439 Interest Income				0.00
4440 Interest on bank acct- Chequing	4,767.96	4,659.64	4,365.99	13,793.59
4445 Interest on bank acct- Savings	1,300.04	814.77	903.89	3,018.70
4450 Interest on Investments	48,822.93	49,030.77	54,284.05	152,137.75
Total 4439 Interest Income	54,890.93	54,505.18	59,553.93	168,950.04
Total Other Income	54,890.93	54,505.18	59,553.93	168,950.04
PROFIT	\$34,376.64	\$26,588.28	\$ -220,180.62	\$ -159,215.70

Profit and Loss Comparison

January - March, 2026

	Jan - Mar., 2026	Jan - Mar., 2025 (PY)	Total
INCOME			
4010 City of Fort Sask. Water Sales	821,328.01	782,786.19	
4020 Sturgeon County Water Sales	257,044.03	258,056.84	
4025 Town of Bon Accord Water Sales	39,285.27	38,443.81	
4030 Town of Gibbons Water Sales	81,376.43	81,748.90	
4035 Town of Redwater Water Sales	63,290.71	64,973.76	
4040 Hwy 28/63 Regional Water Serv	134,196.83	132,356.26	
4050 John S. Batiuk Regional Water Comm	518,377.38	627,475.20	
4060 Crossing Agreements	3,000.00	1,500.00	
Total Income	1,917,898.66	1,987,340.96	
COST OF GOODS SOLD			
5510 Water Purchase - Strathcona	348,160.96	14,093.06	
5520 Water Purchase - EPCOR	1,080,645.00	1,360,209.10	
Total Cost of Goods Sold	1,428,805.96	1,374,302.16	
GROSS PROFIT	489,092.70	613,038.80	
EXPENSES			
5605 Contracted Services	1,147.50	26,506.26	
5607 Website Contract/Maintenance	165.00		
5610 Bookkeeping services/ Audits	6,867.00	11,740.00	
5615 Legal Fees	44,715.80	27,584.50	
5625 Business Fees & Licenses	2,360.09	3,321.20	
5635 Operating Contract	96,688.64	91,996.00	
5640 Courier & Postage	15.00	124.00	
5641 Office Expenses	1,634.51	2,129.52	
5645 Honorarium / Per Diem	10,915.76	8,640.00	
5646 Catering & Venue Rentals	783.69	527.95	
5647 Training & Conferences		2,500.00	
5665 Engineering	6,505.38	8,266.33	
5666 Engineering - Smartball Inspection	316,031.98	7,286.10	
5685 Insurance	5,850.93	5,519.01	
5690 Bank Charges and processing fees	129.02	128.93	
5692 QuickBooks Payments Fees	43.75		
Total 5690 Bank Charges and processing fees	172.77	128.93	
5695 Debenture Interest	64,266.50	68,712.72	
5699 TELUS			
5700 Telus 472-6266	296.25	296.25	
5705 Telus 998-0171	541.62	541.62	
5710 Telus 998-3738	348.75	348.75	
5715 Telus 998-2026	454.35	339.75	
Total 5699 TELUS	1,640.97	1,526.37	
5729 ENMAX			
5730 ENMAX - Power NW26-54-23-W4	672.13	454.03	
5735 ENMAX - Power SE18-56-21-W4	269.83	305.47	
5740 ENMAX - Power NW 09-55-22-4	17,618.08	17,163.31	

		Total
	Jan - Mar., 2026	Jan - Mar., 2025 (PY)
Total 5729 ENMAX	18,560.04	17,922.81
5769 DIRECT ENERGY		
5771 Direct Energy NW 26-54-23-W4	497.43	1,304.70
Total 5769 DIRECT ENERGY	497.43	1,304.70
5774 Bell Mobility 587-341-3673	712.20	707.77
5776 Records Mgmt Supplies & Storage Fee	356.16	271.01
5784 Travel & Subsistance	3,393.58	4,096.57
5815 WCB	1,211.72	763.14
Payroll Expenses		
5820 Wages and Salaries	39,254.37	43,385.82
5824 Taxes (CPP & EI- employer portion)	3,056.29	2,367.28
5830 Employee benefits	666.88	
Total Payroll Expenses	42,977.54	45,753.10
5660 Amortization Expense	189,788.25	189,788.25
Total Expenses	817,258.44	527,116.24
OTHER INCOME		
4439 Interest Income		
4440 Interest on bank acct- Chequing	13,793.59	17,318.96
4445 Interest on bank acct- Savings	3,018.70	7,368.38
4450 Interest on Investments	152,137.75	174,256.15
Total 4439 Interest Income	168,950.04	198,943.49
Total Other Income	168,950.04	198,943.49
PROFIT	\$ -159,215.70	\$284,866.05

Budget vs. Actuals

January - March, 2026

	Actual	Budget	Total over Budget
INCOME			
4010 City of Fort Sask. Water Sales	821,328.01	948,176.67	-126,848.66
4020 Sturgeon County Water Sales	257,044.03	273,917.70	-16,873.67
4025 Town of Bon Accord Water Sales	39,285.27	44,482.35	-5,197.08
4030 Town of Gibbons Water Sales	81,376.43	91,305.90	-9,929.47
4035 Town of Redwater Water Sales	63,290.71	72,576.48	-9,285.77
4040 Hwy 28/63 Regional Water Serv	134,196.83	156,858.87	-22,662.04
4050 John S. Batiuk Regional Water Comm	518,377.38	605,682.00	-87,304.62
4060 Crossing Agreements	3,000.00	4,500.00	-1,500.00
Total Income	1,917,898.66	2,197,499.97	-279,601.31
COST OF GOODS SOLD			
5510 Water Purchase - Strathcona	348,160.96	41,250.00	306,910.96
5520 Water Purchase - EPCOR	1,080,645.00	1,612,500.00	-531,855.00
Total Cost of Goods Sold	1,428,805.96	1,653,750.00	-224,944.04
GROSS PROFIT	489,092.70	543,749.97	-54,657.27
EXPENSES			
5605 Contracted Services	1,147.50	137,499.99	-136,352.49
5606 Cathodic Protection		2,499.99	-2,499.99
5607 Website Contract/Maintenance	165.00	375.00	-210.00
5610 Bookkeeping services/ Audits	6,867.00	10,749.99	-3,882.99
5615 Legal Fees	44,715.80	50,000.01	-5,284.21
5625 Business Fees & Licenses	2,360.09	1,250.01	1,110.08
5635 Operating Contract	96,688.64	96,000.00	688.64
5640 Courier & Postage	15.00	125.01	-110.01
5641 Office Expenses	1,634.51	875.01	759.50
5645 Honorarium / Per Diem	10,915.76	7,500.00	3,415.76
5646 Catering & Venue Rentals	783.69	500.01	283.68
5647 Training & Conferences		9,999.99	-9,999.99
5665 Engineering	6,505.38	65,000.01	-58,494.63
5666 Engineering - Smartball Inspection	316,031.98		316,031.98
5675 Utility Safety Partners AB 1 Call		1,250.01	-1,250.01
5685 Insurance	5,850.93	5,499.99	350.94
5690 Bank Charges and processing fees	129.02	137.49	-8.47
5692 QuickBooks Payments Fees	43.75	62.49	-18.74
Total 5690 Bank Charges and processing fees	172.77	199.98	-27.21
5695 Debenture Interest	64,266.50	63,677.01	589.49
5699 TELUS		0.00	0.00
5700 Telus 472-6266	296.25	300.00	-3.75
5705 Telus 998-0171	541.62	549.99	-8.37
5710 Telus 998-3738	348.75	350.01	-1.26
5715 Telus 998-2026	454.35	350.01	104.34
Total 5699 TELUS	1,640.97	1,550.01	90.96
5729 ENMAX		0.00	0.00
5730 ENMAX - Power NW26-54-23-W4	672.13	450.00	222.13

	Actual	Budget	Total over Budget
5735 ENMAX - Power SE18-56-21-W4	269.83	275.01	-5.18
5740 ENMAX - Power NW 09-55-22-4	17,618.08	18,024.99	-406.91
Total 5729 ENMAX	18,560.04	18,750.00	-189.96
5769 DIRECT ENERGY		0.00	0.00
5771 Direct Energy NW 26-54-23-W4	497.43	699.99	-202.56
Total 5769 DIRECT ENERGY	497.43	699.99	-202.56
5774 Bell Mobility 587-341-3673	712.20	750.00	-37.80
5776 Records Mgmt Supplies & Storage Fee	356.16	375.00	-18.84
5780 Misc Expenses		249.99	-249.99
5784 Travel & Subsistence	3,393.58	7,500.00	-4,106.42
5795 RWCG Plan & Consulting Fees		275.01	-275.01
5815 WCB	1,211.72	699.99	511.73
Payroll Expenses		0.00	0.00
5820 Wages and Salaries	39,254.37	50,000.01	-10,745.64
5824 Taxes (CPP & EI- employer portion)	3,056.29	2,499.99	556.30
5830 Employee benefits	666.88	375.00	291.88
Total Payroll Expenses	42,977.54	52,875.00	-9,897.46
Total Expenses	627,470.19	536,727.00	90,743.19
NET OPERATING INCOME	-138,377.49	7,022.97	-145,400.46
OTHER INCOME			
4075 WOLF Project - Eng and Commission		53,750.01	-53,750.01
4439 Interest Income		0.00	0.00
4440 Interest on bank acct- Chequing	13,793.59	17,499.99	-3,706.40
4445 Interest on bank acct- Savings	3,018.70	8,000.01	-4,981.31
4450 Interest on Investments	152,137.75	195,000.00	-42,862.25
Total 4439 Interest Income	168,950.04	220,500.00	-51,549.96
Total Other Income	168,950.04	274,250.01	-105,299.97
OTHER EXPENSES			
5660 Amortization Expense	189,788.25	0.00	189,788.25
Total Other Expenses	189,788.25	0.00	189,788.25
NET OTHER INCOME	-20,838.21	274,250.01	-295,088.22
NET INCOME	\$ -159,215.70	\$281,272.98	\$ -440,488.68

A/R Aging Summary

As of March 31, 2026

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
City of Fort Saskatchewan	276,402.21					276,402.21
Highway 28/63 Regional Water Services Commission	44,323.41					44,323.41
Ivy Baud		1,500.00				1,500.00
John S. Batiuk Regional Water Commission	174,465.60			23,269.45	1,435,047.61	1,632,782.66
McElhanney					1,500.00	1,500.00
Sturgeon County	93,578.72		76,632.91			170,211.63
Town of Bon Accord	13,268.84		12,656.95			25,925.79
Town of Gibbons	26,267.14					26,267.14
Town of Redwater	21,173.76					21,173.76
TOTAL	\$649,479.68	\$1,500.00	\$89,289.86	\$23,269.45	\$1,436,547.61	\$2,200,086.60

A/P Aging Summary

As of March 31, 2026

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
Bell Mobility	249.27					249.27
David McRae		1,345.00				1,345.00
Direct Energy Regulated Services	170.61					170.61
Enmax		6,153.88				6,153.88
EPCOR Water Services	360,215.00					360,215.00
Strathcona County.	102,508.12					102,508.12
TELUS	103.69	550.87				654.56
WSB Workers Compensation Board	1,211.72					1,211.72
TOTAL	\$464,458.41	\$8,049.75	\$0.00	\$0.00	\$0.00	\$472,508.16

Notes to Compiled Financial Information**Period Ended March 31, 2026**

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the Balance Sheet and the Income statement of Capital Region Northeast Water Services Commission is the historical cost basis and reflects cash transactions with the addition of:

- Investments recorded at cost;
 - Inventory valued at cost;
 - Property, plant and equipment is recorded at cost and amortized at established rates;
 - Accounts payable and accrued liabilities;
 - Revenues are recognized when services are complete and invoiced;
 - Purchases are recognized when services are received.
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2026 Est'd Consumption	City of Fort Saskatchewan	Sturgeon County	Town of Gibbons	Town of Bon Accord	Town of Redwater	Hwy 28/63 Thorhild	John S Batiuk Vegreville	Total System			
	41.19%	11.57%	3.86%	1.88%	3.06%	6.62%	31.83%	100.0%			
m3	2,750,000	772,200	257,400	125,400	204,600	442,200	2,125,200	6,677,000	2026 est'd RWCG EPCOR m3/hr	South Pipe Makeup ADD m3/hr	South Pipe Residual Capacity m3/hr
ADD (m3/hr)	313.9	88.2	29.4	14.3	23.4	50.5	242.6	762.2	676.50	85.71	94.29
Peak @ 1.2x	376.7	105.8	35.3	17.2	28.0	60.6	291.1	914.7	811.8	102.86	77.14
Peak @ 1.3x	408.1	114.6	38.2	18.6	30.4	65.6	315.4	990.9	879.5	111.43	68.57
Peak @ 1.4x	439.5	123.4	41.1	20.0	32.7	70.7	339.6	1,067.1	947.1	120.00	60.00
Peak @ 1.5x	470.9	132.2	44.1	21.5	35.0	75.7	363.9	1,143.3	1,014.8	128.57	51.43
Peak @ 1.8x	565.1	158.7	52.9	25.8	42.0	90.9	436.7	1,372.0	1,217.7	154.29	25.71