



## Utility Committee Minutes

February 5, 2021

9:30 a.m.

Council Chamber, 2nd floor, City Hall

Present: B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton,  
A. Paquette

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### 1. Call to Order and Related Business

#### 1.1 Call to Order

Councillor B. Henderson called the meeting to order at 9:31 a.m., Friday, February 5, 2021.

#### 1.2 Roll Call

Councillor B. Henderson conducted roll call and confirmed the attendance of members of Utility Committee.

Councillors M. Banga, S. Hamilton, A. Knack, S. McKeen and A. Paquette participated electronically.

Councillors T. Cartmell and J. Dziadyk; D. Beaudry, Deputy City Clerk; and C. Schlamp and R. Zheng, Office of the City Clerk, were also in attendance.

#### 1.3 Adoption of Agenda

**Moved by:** M. Banga

That the February 5, 2021, Utility Committee meeting agenda be adopted with the following change:

Additions:

- 6.2 EPCOR Water Services Inc. - 2022-2026 Rates Application - Fire Hydrant Service Costs
- 6.5 EPCOR Water Services Inc. - Performance Based Rates Applications and Regulatory Process
- 6.6 Bylaw 19367 - To Amend Bylaw 12294, EPCOR Edmonton Regulated Utilities Procedure Bylaw

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

**Moved by:** A. Paquette

That the following items be dealt with together:

- 6.5 EPCOR Water Services Inc. - Performance Based Rates Applications and Regulatory Process and 6.6 Bylaw 19367 - To Amend Bylaw 12294, EPCOR Edmonton Regulated Utilities Procedure Bylaw
- 9.1 Contract Update and 9.2 Single Source Request

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

#### **1.4 Approval of Minutes**

**Moved by:** M. Walters

That the December 4, 2020, Utility Committee meeting minutes be approved.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

## **1.5 Protocol Items**

### **1. Climate Change Adaptation Study (M. Walters)**

Councillor M. Walters on behalf of Utility Committee, acknowledged the Climate Change Adaptation study from the University of Waterloo. Edmonton is the most improved city of Canada moving from a C- to a B+ and is now the most flood-resistant city in Canada.

## **2. Items for Discussion and Related Business**

### **2.1 Select Items for Debate**

The following items were selected for debate: 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 9.1, 9.2 and 9.3.

### **2.2 Vote on Reports not Selected for Debate**

**Moved by:** S. Hamilton

That the recommendation in the following report be approved:

- 5.1 2018 Performance Based report - Cost of Service Study Update

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

### **2.3 Requests to Speak**

**Moved by:** M. Walters

That Utility Committee hear from the following speakers, in panels when appropriate:

**6.4 Industrial, Commercial and Institutional Sector Waste Management Update**

- R. Moreau, Lewis Estates Grande Condominium Corporation
- D. Monkhouse, Alberta Residential Landlord Association
- C. Hantiuk, Waste Management of Canada Corporation

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

**2.4 Requests for Specific Time on Agenda**

There were no requests for any items to be dealt with at a specific time.

**3. Councillor Inquiries**

There were no Councillor Inquiries.

**4. Reports to be Dealt with at a Different Meeting**

There were no Reports to be Dealt with at a Different Meeting.

**5. Requests to Reschedule Reports**

**5.1 2018 Performance Based report - Cost of Service Study Update**

This item was not selected for debate and was dealt with as part of item 2.2. The following motion carried:

That the revised due date of April 30, 2021, be approved.

**Revised Due Date: April 30, 2021**

**6. Reports**

**6.1 EPCOR Water Services Inc. - Water and Drainage Services 2021 Operating Plan**

D. Manning and C. Shepel, EPCOR, made a presentation and answered questions.

**Moved by:** M. Walters

That the February 5, 2021, Financial and Corporate Services report FCS00283, be received for information.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

## **6.2 EPCOR Water Services Inc. - 2022-2026 Rates Application - Fire Hydrant Service Costs**

M. Persson, Deputy City Manager and Chief Financial Officer, Financial and Corporate Services, made a presentation.

M. Persson, Deputy City Manager and Chief Financial Officer, and B. McNabb, Financial and Corporate Services; D. Manning, EPCOR; and J. Beckett, Utilities Advisor, answered questions.

**Moved by:** B. Henderson

That Utility Committee recommend to the February 22, 2021, City Council meeting:

1. That Administration work with EPCOR in the development of its performance based rates application effective April 1, 2022, to amend the rates application to include the recovery of costs for public fire protection services in the water utility rates, then remove the recovery of these costs from the current fire hydrant service agreement approach, resulting in a reduction in the operating budget requirement for Fire Rescue Services as of April 1, 2022;

2. That Administration, conditional on Council's approval of this change to the water performance based rates application, return with a budget adjustment, in the 2021 fall Supplementary Operating Budget Adjustment report, to reduce the operating budget for the Fire Rescue Services branch on an ongoing basis starting in 2022 for the recovery of cost of providing public fire protection services.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

### **6.3 Water Services Franchise Fee Agreements**

B. McNabb, Financial and Corporate Services; and J. Beckett, Utilities Advisor, answered questions.

**Moved by:** B. Henderson

That Administration continue to look at franchise fees as part of the larger conversation of the fiscal framework.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

### **6.4 Industrial, Commercial and Institutional Sector Waste Management Update**

G. Cebryk, Deputy City Manager, City Operations; and J. Goebel, Financial and Corporate Services, made a presentation.

R. Moreau, Lewis Estates Grande Condominium Corporation, made a presentation. D. Monkhouse, Alberta Residential Landlord Association; and C. Hantiuk, Waste Management of Canada Corporate, made presentations and answered questions.

M. Labreque, City Operations; J. Goebel, Financial and Corporate Services; and J. Beckett, Utilities Advisor, answered questions.

**Moved by:** M. Banga

That the February 5, 2021, City Operations report CO00231, be received for information.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

**6.5 EPCOR Water Services Inc. - Performance Based Rates Applications and Regulatory Process**

Items 6.5 and 6.6 were dealt with together.

J. Beckett, Utilities Advisor; I. Johnson, Office of the City Manager (Legal Services); B. McNabb, Financial and Corporate Services; and A. Giesbrecht, City Clerk, answered questions.

**Moved by:** M. Walters

That Utility Committee recommend to the February 22, 2021, City Council meeting:

That the regulatory schedule and guiding objectives, set out in Attachment 1 of the February 5, 2021, Financial and Corporate Services report FCS00306, to assess the EPCOR Water Services Inc. performance based rates applications to establish new rates for water, wastewater treatment and drainage services, effective April 1, 2022, be approved.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

**6.6 Bylaw 19367 - To Amend Bylaw 12294, EPCOR Edmonton Regulated Utilities Procedure Bylaw**

Items 6.5 and 6.6 were dealt with together.

**Moved by:** S. McKeen

That Utility Committee recommend to the February 22, 2021, City Council meeting:

That Bylaw 19367 be given the appropriate readings.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

**Moved by:** B. Henderson

### **Performance Based Rates Applications Process Options**

That Administration work with the Utilities Advisor on process options to allow greater flexibility for the discussion of the Performance Based Rates Applications at Utility Committee, and return to Committee.

**Due Date: April 30, 2021**

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

## **7. Responses to Councillor Inquiries**

There were no Responses to Councillor Inquiries on the agenda.

## **8. Motions Pending**

There were no Motions Pending on the agenda.

## **9. Private Reports**

**Moved by:** M. Walters

That Utility Committee meet in private pursuant to sections 16 (disclosure harmful to business interests of a third party), 25 (disclosure harmful to economic and other interests of a public body) and 27 (privileged information) of the *Freedom of Information and Privacy Act* for the discussion of items 9.1, 9.2 and 9.3.



In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

Utility Committee met in private at 2:35 p.m., Friday, February 5, 2021.

**Moved by:** M. Walters

That Utility Committee meet in public.

With the unanimous consent of Utility Committee, the motion carried.

Utility Committee met in public at 4:00 p.m.

#### **9.1 Contract Update**

Items 9.1 and 9.2 were dealt with together.

Utility Committee met in private at 2:35 p.m., Friday, February 5, 2021.

##### In Attendance:

- M. Banga
- T. Cartmell
- S. Hamilton
- B. Henderson
- A. Knack
- S. McKeen
- A. Paquette
- M. Walters
- D. Beaudry, Deputy City Clerk
- C. Schlamp, Office of the City Clerk (Meeting Clerk)
- R. Zheng, Office of the City Clerk (Meeting Clerk)
- J. Beckett, Utilities Advisor

- M. Persson, Deputy City Manager and Chief Financial Officer, Financial and Corporate Services
- G. Cebryk, Deputy City Manager, City Operations
- M. Labrecque, Financial and Corporate Services (Subject matter expert)
- S. Appukuttan, Financial and Corporate Services (Subject matter expert)
- N. Kjelland, Financial and Corporate Services (Subject matter expert)
- M. Bohn, Office of the City Manager (Legal Services)

Utility Committee met in public at 4:00 p.m., Friday, February 5, 2021.

**Moved by:** M. Walters

That Utility Committee recommend to the February 8, 2021, City Council meeting:

1. That Administration proceed with Option 2, as set out in the February 5, 2021, City Operations report CO00261.
2. That the February 5, 2021, City Operations report CO00261, remain private pursuant to sections 16 (disclosure harmful to business interests of a third party), 25 (disclosure harmful to economic and other interests of a public body) and 27 (privileged information) of the Freedom of Information and Protection of Privacy Act.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

## **9.2 Single Source Request**

Items 9.1 and 9.2 were dealt with together.

Utility Committee met in private at 2:35 p.m., Friday, February 5, 2021.

In Attendance:

- M. Banga

- T. Cartmell
- S. Hamilton
- B. Henderson
- A. Knack
- S. McKeen
- A. Paquette
- M. Walters
- D. Beaudry, Deputy City Clerk
- C. Schlamp, Office of the City Clerk (Meeting Clerk)
- R. Zheng, Office of the City Clerk (Meeting Clerk)
- J. Beckett, Utilities Advisor
- M. Persson, Deputy City Manager and Chief Financial Officer,  
Financial and Corporate Services
- G. Cebryk, Deputy City Manager, City Operations
- M. Labrecque, Financial and Corporate Services (Subject matter  
expert)
- S. Appukuttan, Financial and Corporate Services (Subject matter  
expert)
- N. Kjelland, Financial and Corporate Services (Subject matter expert)
- M. Bohn, Office of the City Manager (Legal Services)

Utility Committee met in public at 4:00 p.m., Friday, February 5, 2021.

**Moved by:** M. Walters

That Utility Committee recommend to the February 8, 2021, City Council meeting:

1. That a single source agreement between the City of Edmonton and Lehigh

Cement, a division of Lehigh Hanson Materials Limited, for an amount not to

exceed \$8.0 million CAD, as outlined in Attachment 1 of the February 5, 2021, City Operations report CO00262, be approved, and that the agreement be in

form and content acceptable to the City Manager.

2. That the February 5, 2021, City Operations report CO00262, remain private

pursuant to sections 16 (disclosure harmful to business interests of a third party), 25 (disclosure harmful to economic and other interests of a public body) and 27 (privileged information) of the *Freedom of Information and Protection of Privacy Act*.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

### **9.3 Landfill Gas to Renewable Natural Gas Conversion Project**

Utility Committee met in private at 2:35 p.m., Friday, February 5, 2021.

#### In Attendance:

- M. Banga
- T. Cartmell
- S. Hamilton
- B. Henderson
- A. Knack
- S. McKeen
- A. Paquette
- M. Walters

- D. Beaudry, Deputy City Clerk
- C. Schlamp, Office of the City Clerk (Meeting Clerk)
- R. Zheng, Office of the City Clerk (Meeting Clerk)
- B. Andriachuk, City Solicitor
- J. Beckett, Utilities Advisor
- M. Persson, Deputy City Manager and Chief Financial Officer, Financial and Corporate Services
- G. Cebryk, Deputy City Manager, City Operations
- M. Labrecque, Financial and Corporate Services (Subject matter expert)
- S. Appukuttan, Financial and Corporate Services (Subject matter expert)
- N. Kjelland, Financial and Corporate Services (Subject matter expert)
- M. Bohn, Office of the City Manager (Legal Services)
- W. Johnston, Office of the City Manager (Legal Services)
- M. Brostrom, Urban Form and Corporate Strategic Development (Subject matter expert)

Utility Committee met in public at 4:00 p.m., Friday, February 5, 2021.

**Moved by:** M. Banga

That Utility Committee recommend to the February 22, 2021, City Council meeting:

1. That Alternative 2 of the business case, as outlined in Attachment 1 of the February 5, 2021, City Operations report CO00171, be approved.
2. That the terms, as outlined in Attachment 2 of the February 5, 2021, City Operations report CO00171 be approved, and that the agreement be in form and content acceptable to the City Manager.
3. That the Capital Profile, as outlined in Attachment 4 of the February 5, 2021, City Operations report CO00171, be approved.

4. That the February 5, 2021, City Operations report CO00171, remain private pursuant to section 25 (disclosure harmful to economic and other interests of a public body) of the Freedom of Information and Protection of Privacy Act until the contract agreement is finalized.

In Favour (6): B. Henderson, M. Walters, M. Banga, S. McKeen, S. Hamilton, and A. Paquette

**Carried (6 to 0)**

**10. Notices of Motion and Motions without Customary Notice**

Councillor B. Henderson asked if there were any Notices of Motion. There were none.

**11. Adjournment**

The meeting adjourned at 4:03 p.m., Friday, February 5, 2021.

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Chair

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City Clerk