

MINUTES

LAWSS Board Meeting



Thursday September 27, 2018

10 am

Lambton Area Water System WTP – 1215 Fort Street, Sarnia ON N7V 1M1

Attendees:

Members

Bev Hand, Chair, Village of Point Edward

Steve Arnold, Vice-Chair, St. Clair Township

Andy Bruziewicz, City of Sarnia

Bill Weber, Municipality of Lambton Shores

Todd Case, Township of Warwick

Lonny Napper, Town of Plympton-Wyoming

Staff

Brian Black, St. Clair Township

Adam Sobanski, Town of Plympton-Wyoming

Mike Berkvens, City of Sarnia

Jay Verstraeten, Village of Point Edward

Andrew Maver, Township of Warwick

Dave Hunt, OCWA Operations Manager

Susan Budden OCWA Business Manager

Suzanne Durling OCWA Admin

1. Declaration Of Pecuniary Or Conflict Of Interest

2. Approval of Regular Agenda Minutes

A copy of the minutes for the August 16, 2018 meeting is attached to this agenda.

“That the minutes of the August 16, 2018 LAWSS Board Meeting be adopted.”

Moved by: Steve Arnold

Seconded by: Lonny Napper

Carried

3. LAWSS Monthly Financial Statements

A copy of the July 2018 LAWSS budget statement and cash balance sheets are attached for review and approval.

"That the Board accept the financial statements and cash balance sheets for July 2018."

Moved by: Todd Case
Seconded by: Andy Bruziewicz
Carried

4. OCWA Operational Statements

The Monthly Operations Report, and other materials from OCWA for July and August 2018 are attached.

"That the Board accepts the July 2018 and August 2018 operational statement and other materials from OCWA."

Moved by: Steve Arnold
Seconded by: Lonny Napper
Carried

5. Operational/Capital Update

The following presents the Operational/Capital Update.

Summary of the capital and major maintenance projects including purchase orders (POs) issued and money spent for August are attached.

a) Generator Replacement Project (2018) - \$4,000,000+ \$250,000:

Development of the RFQ is ongoing. Attached is a memo detailing the potential benefits of peak shaving for the Board's consideration. Report generated by Clinton Harper to determine direction of project.

"Motion to approve quotation prepared by EXP Engineering for Peak Shaving Analysis in the amount of \$8,500 +tax."

Moved by: Steve Arnold
Seconded by: Todd Case
Carried

b) Radio/PLC Upgrade & Replacement - \$150,000 (2018) - \$83,000 (2017):

The RFQ for this project closed on September 17, 2018 with one (1) submission being received from Experteers Corporation in the amount of 352,356.60 +tax. The quote is \$208,558, or 139%, greater than the budgeted estimate for this work.

The radio system is used to remotely operate and monitor all unmanned LAWSS facilities. The network is critically important to successful operation of the System

under current staffing limits set out in the LAWSS-OCWA Management, Operations and Maintenance Agreement.

The existing equipment is no longer supported and is obsolete. In 2016, LAWSS began taking steps to upgrading the system by acquiring the services of a radio frequency expert and purchasing replacement equipment. In 2017, a consultant was hired to complete an engineering design and provide integration support.

It is recommended that Experteers Corporation is awarded this work at the quoted price.

“Motion to award LAWSS RFQ 18-03 PLC and Radio Upgrade project to Experteers Corporation for the quoted amount of \$352,356.60 +tax.”

Moved by: Todd Case
Seconded by: Steve Arnold
Carried

c) Forest Standpipe Repainting - \$1,400,000:
Parking Lot paving scheduled to take place September 20th. Top coat going on Sept 27, 2018 –

d) Major Maintenance & Schedule “Q” Updates:
(Work critical to Operation is included)

- MM18-05 Bisulphite Pump Replacement: Work ongoing by OCWA team.

e) Twenty-Year Conceptual Engineering Design Options and Cost Estimate:
Meeting between LAWSS technical group scheduled for the morning of October 9th to review AECOM’s Technical Memorandum #2. Work ongoing.

“Motion to accept items c) through e) as information”

Moved by: Todd Case
Seconded by: Bill Weber
Carried

6. Miscellaneous Reports

a) 2018 Drinking Water Quality Management Standard (DWQMS) Management Review Report.

Element 20 of Ontario’s DWQMS requires operators to complete an annual review of their Quality Management System (QMS). Attached is a report summarizing the

Management Review. This year, only minor procedural and operational changes were identified.

7. Ongoing Items:

Water Flows: The water flow sheets for August 2018 are attached.

a) Admin HVAC Ongoing Issues:

A finalized LAWSS Admin HVAC Report was submitted on August 27th, 2018. The report is attached. A PO was issued in the amount of \$34,200 to Building Innovation to complete the required ventilation assessment, engineering design, tender, construction administration and port construction services required to complete Scenario M3D as outlined. Work is ongoing.

“Motion to accept items 6a) and 7a) as information”

Moved by: Steve Arnold
Seconded by: Bill Weber
Carried

b) Non-member Water Rate Review

Non-member Water Rates Memo attached.

“Motion to increase Non-member Water Rate to \$1.16/m³” and increase annually by CPI

Moved by: Steve Arnold
Seconded by: Lonny Napper
Carried

8. Correspondence

a) RMO Services in Lambton County- Brian McDougall, General Manager

Municipality	base cost	staff training & upload property data	# properties with existing threats	cost/ property with existing threats	total cost for existing threat properties	TOTAL costs	costs per year (based on 2.5 yr. term)
St Clair	\$13,000	\$4,000	~ 5	\$400	\$1,600	\$18,600	\$7,440
Point Edward	\$13,000	\$4,000	0	\$400	\$0	\$17,000	\$6,800
Plympton Wyoming	\$13,000	\$4,000	~ 1	\$400	\$400	\$17,400	\$6,960
Lambton Shores	\$13,000	\$4,000	~ 1	\$400	\$400	\$17,400	\$6,960

*Existing threats may change based on any new information coming forward.

The proposal includes a 55% reduction in the base cost proposed roughly a year ago, as the administrative, reporting components are already in place (paid for by the 7 municipalities who purchased Risk Management Services from day 1).

"Motion for LAWSS to enter into an agreement with the St. Clair Region Conservation Authority for RMO services for 2.5year term at quoted rate."

Moved by: Steve Arnold
 Seconded by: Todd Case
 Carried

9. New Business

a) LAWSS 2019 Budget:

OCWA's 2019 Major Maintenance and Capital List is attached. The draft LAWSS Budget for 2019 is also attached.

Highlights of the Budget Include:

OCWA Operating:

- CPI increase of 2.55%
- Overall decrease in operating cost of \$15,054. Overall, the decrease in Hydro costs was the large factor bringing OCWA's costs down from 2018's Budget.

Additional Information:

Hydro decreased	\$83,800
Sludge Cost increased	\$22,891
P.E Sewage Fee increased	\$9105
Chemicals decreased	\$6,477
Insurance decreased	\$12,033
Diesel Increased	\$7,605

LAWSS Operating:

- General and Administration budget line includes LAWSS vehicle costs. Therefore, independent budget line for vehicle cost was removed.

LAWSS Capital:

- There will be one project carrying from 2018 into 2019, the Generator project costs will be carried over which are \$4,150,000. This project is being tendered and project will begin at the start of 2019.
- Studies will continue. New Leak Detection studies proposed to begin review of all the LAWSS pipelines. This is a new annual study that is suggested to help with reviewing LAWSS' most important asset. This will help with projecting for future capital projects as well as repairs/maintenance of pipelines. Direction to allow Municipalities to join with the leak detection, technical group to look at this issue.
- Capital Projects are from LAWSS Ten-year plan, with the addition of Flow Restriction projects which would be in conjunction of the Leak Detection study.
- Also, LAWSS would like to put away \$3,400,000 to Reserve for Future Capital Projects as per 10-year plan. January/February meeting to present the 10 year plan

"Motion to accept budget as presented minus adjustment of funds designated for reserve to allow for 0.0% increase"

Moved: Steve Arnold
 Seconded: Lonny Napper
 Carried

LAWSS Major Maintenance:

- All Major Maintenance projects have been requested by OCWA are included on Budget

LAWSS Revenue:

- LAWSS will continue with sale of water to Brooke Alvinston with possibilities of assisting Chatham –Kent more often and planned through future years.
- This had made for the \$100,000 increased of Revenue, up to \$225,000.
- There is no projected Bluewater Power Rebates for 2019.
- LAWSS is currently in two rental agreements:
 1. County of Lambton, Lambton Fire Services for renting tower and standpipe roof space.
 2. Canadian Coast Guard, for the rental space for Marine Traffic Tower.

10. IN-CAMERA Meeting

The Board will adjourn to an in-camera meeting if necessary.

Moved: Steve Arnold
 Seconded by: Bill Weber
 Carried

Nothing to rise and report from in camera.

11. Chair to Rise and Report on the Matters of Public Concern from the In-Camera Session

The Chair will report as required.

12. Adjournment/Next Meeting

“That the LAWSS Board adjourn this meeting to its next board meeting to be held on Thursday, October 25, 2018 at 10:00 am at the LAWSS water treatment plant.”

Moved by: Bill Weber
 Seconded by: Steve Arnold
 Carried

pdf Attachments:

Minutes of LAWSS Board Meeting August 16, 2018
LAWSS Financial Statement – July 2018
LAWSS Cash Balance Sheet – July 2018
OCWA Monthly Operations Report – July 2018
OCWA Data Report for LAWSS – July 2018
OCWA Health and Safety Work Order Status July 2018
OCWA Health and Safety Work Order Status Jan – July 2018
OCWA Work Order Status July 2018
OCWA Work Order Status Jan – July 2018
LAWSS Project List – July 2018
LAWSS Flows July 2018
Memo- 2018 Generator Project – Peak Shaving Analysis
EXP Engineering Fee Proposal for – Peak Shaving Analysis
Memo- Non-Member Municipality and Emergency Water User Rates
2018 DWQMS Management Review Report
Admin Office HVAC Assessment- Finalized
2019 LAWSS Capital and Major Maintenance Plan
2019 LAWSS DRAFT Budget