



AGENDA

LAWSS Board Meeting

Thursday, February 23rd, 2017
10 a.m.

Lambton Area Water Supply System – 1215 Fort Street, Sarnia, Ontario N7V 1M1

1. Declaration Of Pecuniary Or Conflict Of Interest

2. Presentation by Nick Emery of Stantec and Sonya Semanuik of OCWA related to East Lambton Booster Station and Township of Warwick Distribution System Upgrades

3. Approval of Regular Agenda Minutes

Portable document format (pdf) copy of the minutes for the January 26th, 2017 meeting is attached to this agenda.

“That the minutes of the January 26th, 2016 LAWSS board meeting be adopted.”

Moved by:

Seconded by:

Carried/Defeated

4. LAWSS Monthly Financial Statements

Pdfs of the Draft December 2016 LAWSS budget statement and cash balance sheet are attached for review and approval. Note that LAWSS is still awaiting on some final invoices prior to closing the books for 2016.

“That the Board accept the draft financial statements and cash balance sheets for December 2016.”

Moved by:
Seconded by:
Carried/Defeated

5. OCWA Operational Statements

The operational statements, fourth quarter financial statement, and other materials from OCWA for December 2016 are attached as pdfs.

“That the Board accepts the December 2016 operational statements, fourth quarter financial statement and other materials from OCWA.”

Moved by:
Seconded by:
Carried/Defeated

6. 2016 Capital Projects

The following present 2016 Budget projects for Capital Work. *Summary of the capital and major maintenance projects including purchase orders (POs) issued and money spent for December 2016 is attached as a pdf.*

Items for Consideration:

- a) 2016 Main Plant HVAC Replacement - \$628,000: Four bids were received for this project on February 9th at 2 pm. The Chair and the LAWSS General Manager were present to receive and open the bids. The bids received were Anderson-Webb - \$478,950, TSM - \$506,360, Culliton - \$499,100 and Landon Mechanical - \$432,000. *The analysis of the bids was completed by Efficiency Engineering and is attached as a pdf.*

“Motion to hire Landon Mechanical to complete the main plant HVAC replacement work for a fee of \$432,000 plus HST.”

Moved by:
Seconded by:
Carried/Defeated

Items for Information:

- a) 2016 SCADA Work - \$200,000 – Work ongoing related to prepare a request for proposal to get the new radios installed at LAWSS. The work will be schedule for this summer (June, July) to allow for Spectrum to get on site following the completion of this work.

- b) 2016 Abandoning 24" Water main and Installation of Valve on Monk St. - \$100,000: Tender document released on Thursday, February 15th. COPE, OMEGA, Sevcon and Vozza were sent the bid documents.
- c) 2016 Engineering Studies - \$100,000: Website training has been completed and LAWSS General Manager will be loading reports onto the site prior to going live. Expect site to be live by end of month.
- d) Emergency Repair Increased Cooling Capacity in Electrical Room - \$50,000: Request for quotation expected to be released by end of the month.

“Motion to move items (a) to (d) as information.”

Moved by:
 Seconded by:
 Carried/Defeated

7. Ongoing Issues

- a) Water Flows: *The water flow sheet for December 2016 is attached as a pdf.*
- b) Rebate for VFD at WTP Project: It has been confirmed that 85% of the energy savings predicted for this project has been achieved during the first quarter of operations. The savings were \$26,389 for the first quarter assuming a hydro rate of \$0.13 per kWh.
- c) Emergency Repair of Chamber along Zion Line at Bear Creek in Township of Warwick: Waiting for warm weather to schedule hydrant replacement work.
- d) LAWSS ArcGIS Update: Meeting with City of Sarnia staff to be now held February 28th.
- e) Permission to Install Antenna and Store Equipment at LAWSS Water Towers for Lambton County Fire: *Revised contract from County of Lambton Solicitor is attached as a pdf.* The contract now includes an upset limit of \$10,000 for any structural changes to the water towers or standpipes. The fee proposed is \$175 per site. It should be noted that the electricity costs are estimated to be \$50/month/site. It is also noted that currently no air conditioning is found in any of the buildings at our water towers. If the additional equipment creates the requirement for additional cooling LAWSS would have to pay for that.

From the County’s Solicitor: “The fire system is for the time being County property. Because it cost more than \$1 million, it will be listed as a tangible capital asset (TCA) and will be insured by the County. There is some language about indemnification in the contract. If the local fire services take over the contract then the property will become theirs and they will insure their own property as they will have to assume the contract. As for whose insurance will pay, the current language is drafted in favour of the host (in

this case LAWSS). It is designed to indemnify you if County staff or contractors cause damage to your property.”

It is of note that there were no responses to the RFP issued for a new structure to be placed on LAWSS water tower. This was partly given the tight timeline required for the structure design, as only one company does design bids, and one consultant is in the hospital. Given this and other issues with the complexity of the undertaking it is recommended that Spectrum be allowed to use their judgement in installing their antennas on LAWSS water tower. Conversations with Spectrum reveal they are confident they can find locations on our water towers to put their equipment. The Port Lambton Water Tower may be the most difficult to find a location and Spectrum recommends that LAWSS remove all unused equipment (including antennas) off this tower and suggested that LAWSS request that Eastlink provide LAWSS a report on all their assets on the Port Lambton tower and confirm which assets (including cables) are still being used. LAWSS plans on removing all unused cables during the installation of LAWSS radios which is a separate project and will be completed before the Fire Radios antennas are installed.

- f) Law Suit Related to A Trip and Fall on Federal Property Adjacent to LAWSS and in the area of the Repaired Shoreline Protection: St. Clair Region Conservation Authority Staff have confirmed that the contractor who did the shoreline repair work was responsible for placing the armour stone in the area of the trip and fall location. No update on lawsuit.
- g) Member Municipalities Confirmed and Predicted Water for Future Planning: *Memo is attached as a pdf.* It is of note that the 2015 replacement cost for the Water Treatment Plant is \$81,893,835.
- h) Inventory of LAWSS Assets and Report on Potential Inclusion of Wyoming Water Tower and Brigden Water Tower as part of LAWSS' Assets: Prior to considering this request the LAWSS Chair has requested that the LAWSS Board review the original transfer order to determine if LAWSS can accept assets from another municipality. *The LAWSS Transfer Order is attached as a pdf.*
- i) LAWSS Unused Properties in St. Clair Township: Complete with documents signed on February 16, 2017.
- j) HST Ruling for LAWSS: LAWSS General Manager contacted Revenue Canada and they said they do not provide letters related to HST rulings but directed LAWSS to a website page which provides information on getting GST/HST rulings. *This information is attached as a pdf.* LAWSS General Manager also contacted Fairtax to get an HST audit completed and their contract for doing a HST assessment at LAWSS is attached as a pdf. LAWSS is waiting on another quote from Collins Barrow to do the HST assessment and this will be emailed out prior to the LAWSS Board Meeting.

- k) Potential New Employee at LAWSS: LAWSS has contacting the City of Sarnia Human Resources department to assist with hiring. City of Sarnia will be charging LAWSS to recover their costs.

8. New Business

- a) Thank You to Mayor Weber: LAWSS thanks Mayor Bill Weber for his years of service on the LAWSS Board.
- b) LAWSS Annual and Summary Reports: *The 2016 LAWSS Annual and Summary Reports are attached as pdfs.*
- c) MOECC Inspection Report: *The Ministry of Environment and Climate Change inspection took place January 31, 2017 and the report is attached as a pdf.* Congratulations to OCWA for achieving a score of 100%. One recommendation regarding pH readings and the set points was made by the MOECC. Currently the existing hi alarm is 7.55 which the inspector thought might be too low. This hi alarm setting has now been increased to 7.8. The hi hi alarm has now been set to 7.95 from 7.75. *The action plan outlining the recommendation and resulting action is attached as a pdf.*
- d) Bluewater Power Fiber Optic Division Potential Request: The Village of Point Edward has notified LAWSS that Bluewater Power has expressed interest in running a fiber optic conduit through the 24" water main prior to the water main being grouted. This would have to be coordinated with the contractor selected to do the 24" decommissioning work.
- e) Schedule G Payment to OCWA for 2016: For 2016 LAWSS owes OCWA \$252,902.78 as part of the contract adjustment mainly due to a 16% increase in the hydro bill and a higher insurance rate. Note that the estimate for this in the 2017 Budget was \$50,000 so the remainder will have to be taken from reserve.

"Motion to pay for the remainder of Schedule G costs from the reserve account."

Moved by:

Seconded by:

Carried/Defeated

9. IN-CAMERA Meeting

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

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

The Chair will report as required.

11. Adjournment/Next Meeting

“That the LAWSS Board adjourn this meeting to its next board meeting to be held on Thursday, March 30th, 2017 at 10:00 am at the LAWSS water treatment plant.”

Moved by:

Seconded by:

Carried/Defeated

pdf Attachments:

1. Minutes of LAWSS Board Meeting January 26th, 2017
2. LAWSS Financial Statement – December 2016
3. LAWSS Cash Balance Sheet – December 2016
4. OCWA Monthly Operations Report – December 2016
5. OCWA Fourth Quarter Financial Statement for LAWSS ending December 2016
6. OCWA Data Report for LAWSS – December 2016
7. OCWA Health and Safety Work Order Status December 2016
8. OCWA Work Order Status December 2016
9. OCWA Health and Safety Work Order Status Jan – December 2016
10. OCWA Work Order Status Jan – December 2016
11. LAWSS Project List – December 2016
12. Efficiency Engineer Report on Main Plant HVAC Bids
13. LAWSS Flows December 2016
14. Revised – Sample Water Tower Agreement for Fire Services
15. Memo on 10-Year Water Estimates for LAWSS
16. LAWSS Transfer Order
17. Information on GST/HST Rulings from Revenue Canada Website
18. Contract for Fairtax to do HST Assessment for LAWSS
19. LAWSS 2016 Annual Report (Schedule 11)
20. LAWSS 2016 Annual Summary Report (Schedule 22)
21. MOECC Inspection Report, January 31, 2017
22. Action Plan for MOECC Recommendation

Handouts:

1. Presentation from Stantec regarding Township of Warwick Distribution System and ELBS
2. Memo from OCWA regarding Township of Warwick Distribution System and ELBS
3. Quote from Collins Barrow to conduct an HST assessment for LAWSS