

**HALIFAX REGIONAL WATER COMMISSION
MINUTES**

June 20, 2019

PRESENT: Commissioner Darlene Fenton, Chair
Commissioner Russell Walker, Vice Chair
Commissioner Brad Anguish
Commissioner Colleen Rollings
Commissioner Lisa Blackburn
Commissioner Craig MacMullin
Commissioner Lorelei Nicoll

REGRETS: Commissioner Richard Zurawski

STAFF: Carl Yates, General Manager, HRWC
Cathie O'Toole, Director, Corporate Services, HRWC
Heidi Schedler, Legal Counsel, HRWC
Jamie Hannam, Director, Engineering & IS
Lorna Skinner, Administrative Assistant, HRWC

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CALL TO ORDER

The Chair called the meeting to order at 9:58. She introduced herself, welcomed the attendees to the first public board meeting of the Halifax Water Board of Commissioners, and acknowledged that the meeting is being held on the ancestral and unceded territory of the Mi'kmaq people. She also stated that the meeting is being streamed live on-line via the Halifax Water YouTube page. She added that the Annual General Meeting will be held on July 18, 2019.

1.a) RATIFICATION OF IN CAMERA MOTIONS

MOVED BY Nicoll, seconded by Commissioner MacMullin that the Halifax Regional Water Commission Board ratify the In Camera motions.

MOTION PUT AND PASSED.

1.b) APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

MOVED BY Commissioner Blackburn, seconded by Commissioner Nicoll that the Halifax Regional Water Commission Board approve the order of business and approve additions and deletions.

MOTION PUT AND PASSED

2.a) APPROVAL OF MINUTES – March 28 , 2019

MOVED BY Commissioner Blackburn, seconded by Commissioner Rollings that the Halifax Regional Water Commission Board approve the minutes of the regular meeting of March 28, 2019.

2.b) APPROVAL OF MINUTES – Special Meeting – May 22, 2019

The Chair requested that the minutes be amended to reflect that Commissioner Brad Anguish attended the meeting as HRM's CAO's delegate.

MOVED BY Commissioner Rollings, seconded by Commissioner Walker that the Halifax Regional Water Commission Board approve the minutes of the special meeting of May 22, 2019 with the above noted amendment.

3. BUSINESS ARISING FROM MINUTES

a) 2019/20 CBS Organizational Indicator (OE) Target Revision

Carl Yates stated that there are two targets that should be revised. The first target is for Water Loss Control. The target was originally set at 180-190 litres per service connection; however, the final results from last year were 171 litres per service connection per day. As

a result, a new target range will be set as 160-170 litres per service connection per day. The second revision is for a correction to a typographical error in the Employee Satisfaction Survey outcomes; the target should be A- and not B+.

MOVED BY Commissioner Nicoll, seconded by Commissioner MacMullin that the two Organizational Indicators for the Corporate Balanced Scorecard should be amended as noted above.

MOTION PUT AND PASSED.

4.1 2018/19 AUDITED FINANCIAL STATEMENTS AND YEAR-END RESULTS

A report dated June 7, 2019, was submitted.

Cathie O'Toole gave a presentation on the audited financial statements. There was a clean audit opinion. The financial position of the utility continues to be strong and consumption, cost containment, and capital expenditures will continue to be areas of focus in the new fiscal year. The Audit & Finance Committee has approved the financial statements and recommended that they be brought to the Board of Commissioners.

MOVED BY Commissioner Walker, seconded by Commissioner Nicoll that the Halifax Regional Water Commission Board approve the March 31, 2019, Halifax Regional Water Commission's Audited Financial Statements prepared using International Financial Reporting Standards.

MOTION PUT AND PASSED.

4.2 HALIFAX REGIONAL WATER COMMISSION EMPLOYEES' PENSION PLAN AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018

A report dated June 7, 2019, was submitted.

Cathie O'Toole gave a brief presentation of the HRWC Employees' Pension Plan (the "Plan") financial statements. The financial position of the Plan has improved as a result of positive investment returns and the Plan re-design of 2016.

MOVED BY Commissioner Walker, seconded by Commissioner MacMullin that the Halifax Regional Water Commission Board approve the audited financial statements for the Halifax Regional Water Commission Employees' Pension Plan (the "Plan") for the year ended December 31, 2019.

MOTION PUT AND PASSED.

4.3 HALIFAX REGIONAL WATER COMMISSION EMPLOYEES' PENSION PLAN JANUARY 1, 2019, ACTUARIAL VALUATION

A report dated June 8, 2019, was submitted.

Cathie O'Toole gave a brief overview of the actuarial valuation. As a result of this valuation, the special payment of \$825,500 has been eliminated. The current service cost contributions for employees is reducing to 10.34%. The employer contribution is increasing slightly from 9.85% to 10.34%. The Plan is now back to a 50-50 cost share between employees and employer.

MOVED BY Commissioner Walker, seconded by Commissioner Blackburn that the Halifax Regional Water Commission Board approve the recommendations contained in the "Report of Actuarial Valuation (hereinafter called the "Valuation") as at January 1, 2019, including:

- 1. Approve changing the employer and employees' rate of pension current service contributions effective immediately upon updating the payroll software to accommodate, and retroactive to January 1, 2019, and**
- 2. Endorse the release of the Actuarial Report to the Pension and Benefits Committee, and to all employee groups.**

MOTION PUT AND PASSED.

Commissioner Walker noted that the Commissioners met In Camera with the Auditors and there are no concerns at this time with the audits.

5. GROUP EXTENDED HEALTH PLAN ENHANCEMENTS AND ANNUAL RENEWAL

A report dated June 13, 2019, was submitted.

Cathie O'Toole stated that the net cost of the enhancements is \$9,600.00. This is funded by a 1% increase in the rates for the medical and dental plans and 0.33% of that is being paid through a surplus in those plans.

MOVED BY Commissioner MacMullin, seconded by Commissioner Blackburn that the Halifax Regional Water Commissioner Board approve the recommendation that effective August 1, 2019, Halifax Water enhance the current Plan to include the following:

- 1. Add Glucose Monitoring Systems**
- 2. Increase the calendar year maximum from \$400 to \$600 for Speech Therapist, Psychologist, Occupational Therapist and Chiropracist/Podiatrist**

3. **Extended Health Benefit maximums do not change for retirees after the age of 65.**

MOTION PUT AND PASSED.

6. **QUARRY ROAD INTEGRATED PROJECT ADDITIONAL FUNDING COMPONENT - WATER**

A report dated June 18, 2019, was submitted.

MOVED BY Commissioner MacMullin, seconded by Commissioner Blackburn that the Halifax Regional Water Commission Board approve additional funding in the amount of \$193,000 for the water component of the Quarry Road Integrated Project for a total revised cost of \$464,000.00.

MOTION PUT AND PASSED.

1-I FINANCIAL AND OPERATIONS INFORMATION REPORT

The Chair asked why there are Total Suspended Solids (TSS) non-compliance issues for Dartmouth, Springfield and North Preston. Mr. Yates responded that they would have been affected by recent rain events. The Chair also inquired if there is a maintenance schedule for combined sewer overflows. Mr. Yates stated that yes there is a maintenance schedule.

At this time the Chair, on behalf of the Board, congratulated Carl Yates on his upcoming retirement and thanked him for his years of dedication and service to Halifax Water and to the residents of Halifax Regional Municipality. She also congratulated and extended best wishes to Cathie O'Toole upon her appointment as General Manager of Halifax Water.

7. DATE OF NEXT MEETING

The next meeting is scheduled for September 26, 2019.

The meeting was adjourned at 10:30 a.m.

Original Signed By: _____
Heidi Schedler
Secretary

Original Signed By: _____
Commissioner Russell Walker
Vice Chair

The following Information Items were submitted:

- 1-I Operations and Financial Monthly Update
- 2-I Capital Budget Approvals to Date – 2018/19 and 2019/20
- 3-I Bank Balance

- 4-I 2018/19 Lead Service Line Replacement Program
- 5-I Capital Cost Contribution Areas – Financial Status Report for the Fiscal Year ended March 31, 2019
- 6-I HRWC Employees' Pension Plan Financial Report – 1st Quarter (Q1) 2019
- 7-I Corporate Balanced Scorecard – 2018/19 Results
- 8-I 2018-19 Q4 Cost Containment
- 9-I HRM Pension Plan Investment Performance – 1st Quarter (Q1) 2019
- 10-I Use of Dry Ice in Rodent Management