

TOWN OF LUMSDEN

GROUP II COMMITTEE MEETING MINUTES JUNE 5TH, 2007

The Town of Lumsden Group II Committee held a meeting in the Council Chambers of the Municipal Office, on the afternoon of Tuesday, June 5th, 2007 at 3:30 p.m. with Mayor Verne Barber presiding

Present:	Mayor:	Verne Barber
	Councillor:	Al Sulma, Sid Sikorski
	Administrator:	Wayne Zerff
	Asst. Administrator:	Darcie Cooper
	Public Works Supervisor:	Bob Schulz
	Water & Wastewater Operator:	Dave Cherney
Absent:	Chairman:	Dan Kirby

Delegation:

3:50 p.m. Shane Melanson with Deer Valley Developments appeared before the committee, at their request, to discuss the water rate concerns that Deer Valley has raised previously with council, including a reduction of the 40% surcharge being charged to Deer Valley.

The committee indicated that, although the Town of Lumsden is not providing potable water as per the Water Supply Agreement, there are significant aspects of the Water Supply Agreement that Deer Valley is not complying with.

The most significant is Schedule "C" of the Agreement regarding the construction of Well No. 5 which was to be constructed by Deer Valley in the Fall of 2000 and Spring of 2001 at an estimated cost of \$120,000. The Town has already undertaken this project and expects to complete it by the Fall of 2007. Council, to date, has not requested compensation for this project from Deer Valley, though they have every right to do so under the agreement plus a 20% administration fee for completing the work. The Town feels that this project will benefit the Town in the long term and is absolutely essential for Deer Valley. As it is now, if the Town of Lumsden's Well goes down, Deer Valley will be without water in about 1 ½ days.

The committee suggested that, if the utility ratepayers are concerned over their water rates, there needs to be some education from Deer Valley indicating what they are receiving for their money and the costs that have been borne by the Town of Lumsden on behalf of Deer Valley such as, the construction of Well No. 5 as well as other related costs that the Town has currently not charged back to Deer Valley. Shane agreed that that would be beneficial and requested the Town to provide some information, including costs, time and charges to other water user groups, to him to produce a Newsletter for their consumers.

Shane requested that council put a rate freeze at the current rate for the next few years. The committee indicated that they would take the request back to council for their decision and that there would need to be an escalator clause to cover operational increases, ie) power and energy.

The Administrator reiterated the fact that Deer Valley is currently getting a break with council not pursuing compensation for Well No. 5 though they could legally take Deer Valley to court under the agreement, to receive the funding for the project. The committee also reiterated that the 40% surcharge was a buy in to the existing infrastructure – not for the construction of the Town's Water Treatment Plant.

Wastewater – Lagoon Issues

The Water and Wastewater Operator, Dave Cherney discussed the following maintenance issues of the Lagoon with the committee:

- Desludging – get prices and information on sludge disposal, etc.
- Aeration System – estimated costs of \$100,000 - \$200,000
- 3C Water systems set up in the secondary cell should allow discharge into the river.
- The Committee agreed to meet with 3C before they meet with Sask Environment – Bob and Dave to outline our needs

Deer Valley – Water Arrears:

Sulma/Sikorski: “That we recommend requesting 6 post-dated cheques from Deer Valley in the amount of \$7,500.00 each to be distributed as follows:

- \$500 payment to be put towards the outstanding bill for the Hydrogeological Study
- \$7,000 for payment towards their Water Utility Account arrears.”

CARRIED

Water Break:

Dave Cherney indicated that there was a water leak discovered by 30 Second Avenue East that was likely caused after the lift station upgrade. Estimated water loss was enough to service about 800 people for approx. one year. Doug Sinclair found the leak by changing the shut off valve at the curb stop. He heard it leaking after he shut the curb stop off.

Adjourn

The meeting was adjourned at 5:24 p.m.

Chairman

Administrator