

**Minutes**  
**Chatham-Kent Public Utilities Commission**  
**Regular Meeting**

**Chatham-Kent PUC**  
**PUC Boardroom**

**October 18, 2018**  
**3:15 PM**

Present: Chairperson Randy Hope, Commissioners Bryon Fluker, David VanDamme, Jeff Wesley, Leon Leclair, CAO Don Shropshire, General Manager Tim Sunderland, Area Manager (South/Central) Robin Dudley, Manager Compliance & Monitoring Lilly Snobelen, Facility and Systems Manager Rob Bernardi, Steve Brown, Joey Vandermeer, Municipal Finance Dept.

Absent: Commissioners Brock McGregor, Trevor Thompson, Area Manager (North/Central) Darren Galbraith

**1. Call to Order**

Chairperson Randy Hope called the meeting to order at 3:15 pm.

**2. Disclosure of Pecuniary Interest (Direct or Indirect) for Open Session Items and the General Nature There Of**

- Commissioner Leclair declared a Conflict of Interest regarding Report 4 a) “2018 International Plowing Match – CK PUC Water & Wastewater Costs”

**3. Approval of Minutes**

- a) September 20, 2018 - Regular Meeting

**Moved by Commissioner Fluker and seconded by Commissioner Wesley**  
**“That the minutes of September 20, 2018 Regular Meeting be approved.”**

**4. Reports**

- a) 2018 International Plowing Match – CK PUC Water & Wastewater Costs

Municipality of Chatham-Kent  
Chatham-Kent Public Utilities Commission

To: PUC Chairperson and Commission Members  
From: Tim Sunderland  
General Manager CK PUC  
Date: October 4, 2018  
Subject: 2018 International Plowing Match – CK PUC Water & Wastewater Costs

Recommendations

It is recommended that:

1. CK PUC costs of \$29,022.88 associated with providing potable Municipal water to the 2018 International Plowing Match (IPM), be invoiced to the Ontario Plowmen’s Association (OPA).
2. CK PUC costs of \$1,062.50 associated with receiving septage from the 2018 International Plowing Match (IPM), be invoiced to the Ontario Plowmen’s Association (OPA).

Background

The 2018 International Plowing Match (IPM), was hosted by the Municipality of Chatham-Kent and located in Dover Township. This event usually attracts over 150,000 visitors along with the 500 associated exhibitors. During this event, the Ontario Plowmen’s Association (OPA) requested that a municipal water supply be installed and tested for two sites, which included a Tented City and an RV City. The water system consisted of approximately 11,370 meters of piping for 1,040 trailer sites at RV City and 48 sites at Tented City with the total site area of approximately 41.87 Hectares (103.5 Acres).

At the January 18, 2018 Commission meeting, a report was brought forward providing an estimated cost for the water system installation and operation during the September 2018 IPM event. The estimated cost was calculated at \$53,470.

In July 2018, the OPA requested that CK PUC receive septage taken from the IPM site campers and port-a-johns to the Chatham Sewage Plant for treatment. This cost was not originally estimated but the rate and fee charges for septage dumping was conveyed to the OPA.

#### Comments

Planning for the IPM started June 2017 with Area Manager Darren Galbraith taking the lead for CK PUC. Approximately 40% of CK PUC staff were involved during the IPM, which included the onsite operational staff, as well as the compliance, engineering, administrative and management staff.

The following was the PUC workload timeline for the IPM water system:

- August 20 – installation of waterlines
- September 6 – disinfection and commissioning of water system
- September 14 - water system commissioned to a regulated system
- September 14 to 23 – water system managed 24 hours a day by two (2) onsite PUC staff
- September 23 - water system shut down

Water System Activity	Estimated Cost	Actual Cost
Labour (Union) <i>*Note; estimated costs may be reduced from estimate depending how many IPM volunteers help during the setup and take down. Actual labour costs are staff overtime hours</i>	\$46,655	\$24,086.28
Water usage – <i>Note; estimated approx. 780 m3, actual usage 1310.7 m3</i>	\$975	\$1,638.38
Water sampling and testing - <i>Note; 194 water samples were collected and analyzed 2018</i>	\$3,840	\$2,818.22
Miscellaneous expenses	\$2,000	\$ 480.00
Total	\$53,470	\$29,022.88

In July, the OPA asked CK PUC for a site to haul and dispose of the septage from campers and port-a-johns during the IPM event. The Chatham Sewage Treatment Plant received a total of 21,250 gals of septage. The normal cost for septage receiving is \$0.05/gal (as per 2018 CK PUC rates). The total cost of septage treatment for the IPM event was \$1,062.50.

It is recommended that CK PUC invoice the OPA for the water and septage costs. The total water cost was \$29,022.88; the total wastewater cost was \$1,062.50.

#### Consultations

Area Manager North Central (IPM Lead), CK PUC  
Manager Compliance and Quality Standards, CK PUC

#### Financial Implications

Upon approval of the recommendations, CK PUC will invoice the OPA to recover costs for the 2018 IPM event.

Prepared by:

\_\_\_\_\_  
Tim Sunderland.  
General Manager, CK PUC

### **Moved by Commissioner Fluker and seconded by Commissioner Wesley “That the Chatham-Kent Public Utilities Commission (CK PUC);**

- 1. Approve the CK PUC costs of \$29,022.88 associated with providing potable Municipal water to the 2018 International Plowing Match (IPM), and that CK PUC invoice the Ontario Plowmen’s Association (OPA).**
- 2. CK PUC costs of \$1,062.50 associated with receiving septage from the 2018 International Plowing Match (IPM), be invoiced to the Ontario Plowmen’s Association (OPA).**

**Motion carried**

#### **b) CK PUC 2017 Water and Wastewater Financial Statements**

Municipality of Chatham-Kent  
Infrastructure and Engineering Services  
Public Utilities Commission

To: PUC Chairperson and Commissioners  
From: Tim Sunderland.  
General Manager, CKPUC

Date: September 27, 2018  
 Subject: CK PUC 2017 Water and Wastewater Financial Statements

#### Recommendations

It is recommended that:

1. The 2017 Water and Wastewater Financial Statements be received for information;
2. The 2017 Chatham-Kent Public Utilities Commission (CK PUC) Reserves Account Summary be received as information;
3. Administration be authorized to transfer \$2,676,000 from the general water reserve account and deposit \$1,676,000 in the water facility lifecycle reserve account and \$1,000,000 in the water linear lifecycle reserve account;

#### Background

The attached 2017 Water and Wastewater Financial Statements and Reserve Account Summary are prepared annually by the Municipality of Chatham-Kent, Financial Services Department for Commission's information and review.

#### Comments

The following information is supplied in order to provide greater insight into the information that is provided in the Financial Statements.

#### Billed Water Volumes:

As illustrated below, total billed water volumes are showing a decrease of 0.05% from 2016 to 2017 and total wastewater volumes are also showing a decrease of 1.82% for the same time period. Flows are in cubic metres (m3).

<b>Water</b>	<b>2016</b>	<b>2017</b>	<b>% Increase (decrease)</b>
Step 1	9,733,084	9,571,471	<b>(1.66)</b>
Step 2	3,084,384	3,238,501	<b>4.99</b>
<b>Total</b>	<b>12,817,468</b>	<b>12,809,972</b>	<b>(0.05)</b>

<b>Wastewater</b>	<b>2016</b>	<b>2017</b>	<b>% increase (decrease)</b>
Step 1	7,105,468	6,897,119	<b>(2.93)</b>
Step 2	1,975,771	2,019,080	<b>2.19</b>
<b>Total</b>	<b>9,081,239</b>	<b>8,916,199</b>	<b>(1.82)</b>

#### Development Charges:

Estimated Development Charges (DC's) for 2017 budgeting purposes were based on DC's that have been collected in previous years. It was anticipated that CK PUC would collect \$383,095 for water and \$174,010 for wastewater DC's in 2017. A total of \$357,293 was collected for water DC's and \$286,510 for wastewater. A summary of Development Charges is attached as an appendix to this report.

#### Reserve Accounts:

General Water or Wastewater Reserves is the money that is set aside for future work. Committed Water or Wastewater Reserves is the money that has been already committed for future projects. Total General PUC Reserves at the end of 2017 were \$1,078,282.36 as well as the totals in the water and wastewater reserves indicated in the table below.

<b>Water</b>	<b>2017</b>
General Water Reserve Total	<b>\$5,676,802</b>
Water Committed Reserve Funds	<b>\$4,080,000</b>
Unallocated Water Reserve Funds	<b>\$1,596,802</b>

<b>Wastewater</b>	<b>2017</b>
General Wastewater Reserve Total	<b>\$2,869,663</b>
Wastewater Committed Reserve Funds	<b>\$2,720,000</b>
Unallocated Wastewater Reserve Funds	<b>\$149,663</b>

PUC Fleet reserves are \$329,477.73. A summary of the CK PUC Reserve Accounts has been attached as an appendix to this report. Administration is recommending that \$2,676,000 be transferred from the General Water Reserve Account and deposit \$1,676,000 in the Water Facility Lifecycle Reserve account and \$1,000,000 in the Water Linear Lifecycle Reserve account, due to the fact that these expenditures were attributed to facility and linear lifecycle projects rather than the operations and maintenance area of the budget.

#### Consultation

Financial Analyst, Municipality of Chatham-Kent

#### Financial Implications

There are no financial implications associated with the approval of the recommendations contained in this report.

Prepared by:

Tim Sunderland, General Manager, CK PUC

**Moved by Commissioner VanDamme and seconded by Commissioner Leclair.**

**“That the Chatham-Kent Public Utilities Commission (CK PUC) approve**

- 1. The 2017 Water and Wastewater Financial Statements be received for information;**
- 2. The 2017 Chatham-Kent Public Utilities Commission (CK PUC) Reserves Account Summary be received as information;**
- 3. Administration be authorized to transfer \$2,676,000 from the general water reserve account and deposit \$1,676,000 in the water facility lifecycle reserve account and \$1,000,000 in the water linear lifecycle reserve account;”**

**Motion carried**

**c) Property Sale – 8.21 Acres of 6750 Base Line, Community of Wallaceburg**

Municipality of Chatham-Kent  
Infrastructure and Engineering Services  
Public Utilities Commission

To: PUC Chairperson and Commissioners  
From: Tim Sunderland  
General Manager, CK PUC  
Date: October 9, 2018  
Subject: Property Sale – 8.21 Acres of 6750 Base Line, Community of Wallaceburg

**Recommendations**

It is recommended that:

1. 8.21 acres of the lands known as 6750 Base Line, Community of Wallaceburg, be sold to Whyte’s Foods Inc. for \$100,000 on an as-is, where-is basis, with the final agreement to be approved by the Chairperson and General Manager, CK PUC.

**Background**

Chatham-Kent Public Utilities Commission (CK PUC) purchased the property located at 6750 Base Line, Wallaceburg in 1997. CK has maintained the property since the purchase and the lagoons that are located at this site have been leased periodically since the purchase. The property totals approximately 21.88 acres in size, and in 2010 CK PUC placed a solar farm on approximately 8.60 acres of the property.

Agracity located at 6800 Base Line, owned the industrial property in front of the PUC lagoon and had leased this lagoon site for many years. The lagoon site was then leased to Twin Dolphin, which utilized this lagoon for its operation.

Agracity has recently sold its property at 6800 Base Line to Whyte’s Foods Inc. for their food production operation. Whyte’s Foods has approached CK PUC with a request to purchase an additional 8.21 acres of land from CK PUC, which would have a positive impact on Whyte’s Foods long term operation.

A verbal report was brought forward to Commission in Closed Session on July 16, 2018. In the verbal report, information was presented outlining the 8.21 acres of land and that CK PUC has no need for this land for its operation. Administration also asked that the PUC General Manager and the PUC Chairperson be granted the authority to negotiate a sale price of \$12,000 to \$20,000 per acre. Commission approved the negotiating authority to obtain the best possible deal for the property.

**Comments**

CK PUC Administration took into consideration market values, benefit to the community and benefit to Whyte’s Foods. Discussions followed with Vice President Procurement, Whyte’s Foods Inc. and the parties negotiated a sale price of \$100,000 for the 8.21 acres with a closing date of April 30, 2019. CK Legal has prepared the property sale agreement and this has been forwarded to Whyte’s Foods for signing

**Consultations**

Manager, CK Legal Services  
Manager, Revenue Financial Services  
CK PUC, Area Manager North/Central

**Financial Implications**

The revenue of the property sale will be placed in CK PUC general reserves.

The recommendation in this report has an associated financial implication of \$257,452.80 in consulting fees. This fee covers all aspects of the project from the completion of the tender ready engineering design.

Prepared by: \_\_\_\_\_

Reviewed by: \_\_\_\_\_

Tim Sunderland  
General Manager, CK PUC

Dave Taylor  
Manager, CK Legal Services

**Moved by Commissioner Wesley and seconded by Commissioner Fluker;**

**“That the Chatham-Kent Public Utilities Commission (CK PUC) approve**

**The sale of 8.21 acres of the lands known as 6750 Base Line, Community of Wallaceburg, to Whyte’s Foods Inc. for \$100,000 on an as-is, where-is basis, with the final agreement to be approved by the Chairperson and General Manager, CK PUC.”**

**Motion carried**

**d) Sole Source – Chatham Water Treatment Plant Filter Underdrain Replacements**

Municipality of Chatham-Kent  
Chatham-Kent Public Utilities Commission

To: PUC Chairperson and Commission Members  
From: Darren Galbraith  
Area Manager, North Area and Chatham Water  
Date: October 5, 2018  
Subject: Sole Source – Chatham Water Treatment Plant Filter Underdrain Replacements

Recommendations

It is recommended that:

1. The Chatham Water Treatment Plant (WTP) four (4) filter underdrains be sole sourced to Antratech Western Inc (AWI) at a total value of \$900,000.00 excluding HST.
2. The total project cost of \$900,000.00 be funded from 2018, 2019 and 2020 Lifecycle Budgets.

Background

The filter media and underdrains in all four (4) water filters at the Chatham Water Treatment Plant (WTP), are original from 1971.

In a 2017 CH2M report, the filter condition was assessed, and it was identified that, due to poor backwashes, the filters have become partially clogged with mud balls. As a result, the individual filter and overall plant operating capacity has decreased to approximately 59 MLD (mega liters/day), from the design capacity of 68 MLD, based on capacity tests conducted in 2016.

Upgrades to the filters were recommended to allow for the inclusion of air scouring as part of the backwash process so that filter capacity can be recovered through more effective release and removal of captured solids. To be able to carry out air scour enhanced backwashes, new underdrain systems, capable of distributing both air and/or water are required.

Comments

Although most jurisdictions in Ontario are experiencing declining water demand, the Chatham Water Supply System has experienced an increase in demand due to development of greenhouses in the agricultural lands in this area. In 2017, the maximum day demand was reported to be 50 MLD, which is approximately 85% of the reduced production capacity of the plant of 59 MLD. This demand pressure has created an urgent need to expedite the upgrade of the filters.

For upgrading the Chatham WTP filters, Jacobs/CH2M recommends the Antratech Western Inc. (AWI) “Phoenix” stainless steel underdrain system. This supplier has a reputation for providing high-quality retrofit underdrains and excellent service, and has proven its technology at many water treatment plants across Ontario, including facilities in the City of Toronto, Region of Peel, City of Ottawa, Region of Waterloo, Region of Durham, District of Muskoka, etc. Jacobs/CH2M has experience with AWI underdrain installations, as well as underdrains from other manufacturers; however, has found that AWI’s system and service to be superior to other manufacturers, especially for retrofits of conventional filters as found at the Chatham WTP.

AWI provides experienced field staff to supervise the installation of the underdrains. Their field staff, have been properly trained and arrive appropriately equipped for installation and performance testing of their underdrain systems, as they recognize the importance of properly installed equipment. From beginning to end, they have a proven record in providing the support, knowledge and experience necessary for ensuring successful projects.

The filters will be upgraded one at a time during low demand periods (typically from October to May) so as not to limit plant capacity to meet the high demand during the warmer months.

CK PUC Administration recommends sole sourcing four (4) replacement filter underdrain systems for the Chatham WTP to Antratech Western Inc.

Consultations

Jacobs/CH2M  
CK Purchasing Officer

Financial Implications

All costs associated with the project will be included in the 2018, 2019 and 2020 Lifecycle Budgets.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Darren Galbraith  
Area Manager North/Central, CK PUC

\_\_\_\_\_  
Tim Sunderland.  
General Manager, CK PUC

**Moved by Commissioner Fluker and seconded by Commissioner VanDamme;**

**“That the Chatham-Kent Public Utilities Commission (CK PUC) approve**

- 1. The Chatham Water Treatment Plant (WTP) four (4) filter underdrains be sole sourced to Antratech Western Inc (AWI) at a total value of \$900,000.00 excluding HST.**
- 2. The total project cost of \$900,000.00 be funded from 2018, 2019 and 2020 Lifecycle Budgets.”**

**Motion carried**

**5. Information Reports**

- none

**6. Verbal Reports**

- none

**7. New Business**

- none

**8. Resolution Regular Meeting and Adjournment**

That Chatham-Kent Public Utilities Commission adjourn, its next Regular Meeting to be held on **Thursday, November 15, 2018** in the PUC Boardroom and that the PUC Commission authorize itself to meet in closed session on that day to discuss any matters permitted by the Municipal Act.

**Moved by Commissioner Wesley and seconded by Commissioner Fluker**

**“That the Regular Meeting be adjourned at 3:40 pm”**

**Motion carried**