

Aquatera M.O.A. Synopsis

June 12, 2015



PRESENTATION OVERVIEW

History

Scope

Findings

Summary

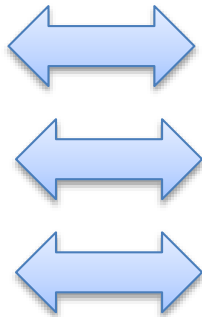
Questions



HISTORY

AQUATERA

- Municipally Controlled Corp.
- Three Municipal Shareholders
- Helping Grow Healthy and Sustainable Communities
- Proven Business Model
- Poised for Growth
- Looking for Partners and Opportunities



WATER NORTH COALITION

Vision:

".....ensure, through collaboration, that sustainable water systems are available to every northern community"

Principles:

- Share information
- Work collaboratively
- Identify emergent needs
- Advocate solutions



HISTORY

SCOPE

FINDINGS

SUMMARY

QUESTIONS

SCOPE



NADC Boundaries



MOA Boundaries



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

SCOPE

Northwestern Alberta

Population: >223,000

Four Segments:

- ❖ Municipalities
- ❖ First Nations
- ❖ Metis Settlements
- ❖ Rural Water Co-ops
- ❖ 73 Facility Owners



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

FINDINGS

Key Findings:

❖ Economy

- Slowing economy has negative affect on budgets and spending
- Economic trends – increasing construction and operating costs
- Economic pressures – decreasing tolerance for rate increases
- Cost of water continues to rise as systems need to be replaced and municipalities pass on costs to users



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

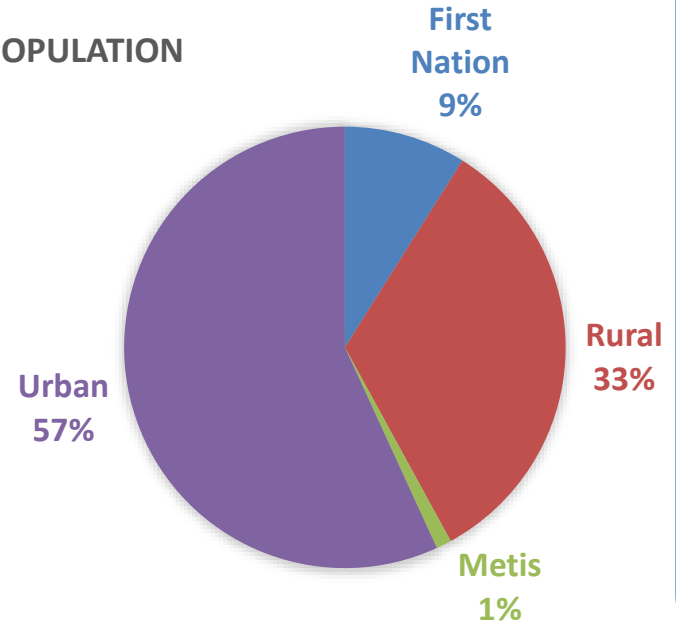
FINDINGS

Key Findings:

❖ Population Key Driver for Investment Needs

- >223,000 in study area
- Urban pop 127,000 (City of GP largest >55,000) – fastest growing pop
- 74,000 Rural (including Hamlets)
- <20,000 First Nation (20) – growing pop
- 2,500 Metis (4 settlements)

POPULATION



OBJECTIVES

SCOPE

FINDINGS

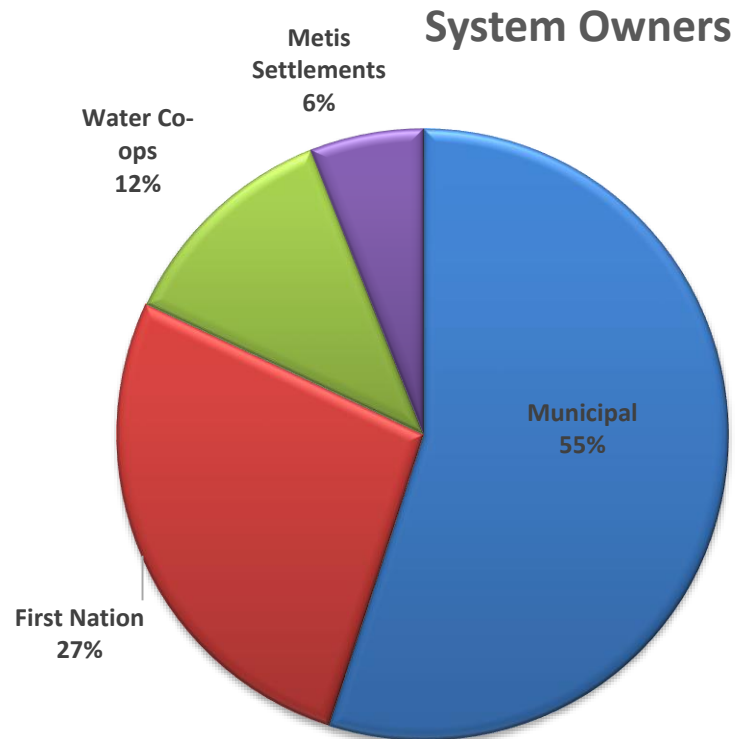
SUMMARY

QUESTIONS

FINDINGS

Market Segments

Municipalities own 55% of all facilities



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

FINDINGS

Municipalities:

- ❖ Largest challenge - Attracting Operators
- ❖ Second largest challenge - Retaining Operators
- ❖ Neighbours helping neighbours with Operators where there is only one Operator
- ❖ Small communities have greatest need to improve water facilities within 5 years
- ❖ Medium communities have greatest need for wastewater capacity expansions within 5 years
- ❖ Federal Wastewater Systems Effluent Regulations (WSERs) spur capital const. projects
- ❖ Some have secured partial funding



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

FINDINGS

First Nations:

- ❖ Interest in training, dampened by affordability
- ❖ Unlikely to contract out - Seek sustainability within the community
- ❖ 36% report that their staff complement does NOT meet their needs (compared to 12% of municipal market)
- ❖ Majority do not charge for water services

Rural Water Co-ops:

- ❖ Often operated by semi-retired, some certified
- ❖ Some would prefer to hand ownership to municipality
- ❖ Demand is increasing in some areas increasing need for certification



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

FINDINGS

General Findings:

- ❖ Aging workforce, impending retirements
- ❖ Issues of succession planning
- ❖ Shortage of Level II Operators
- ❖ Municipal and First Nation experience higher retention with Operators with community ties



OBJECTIVES

SCOPE

FINDINGS

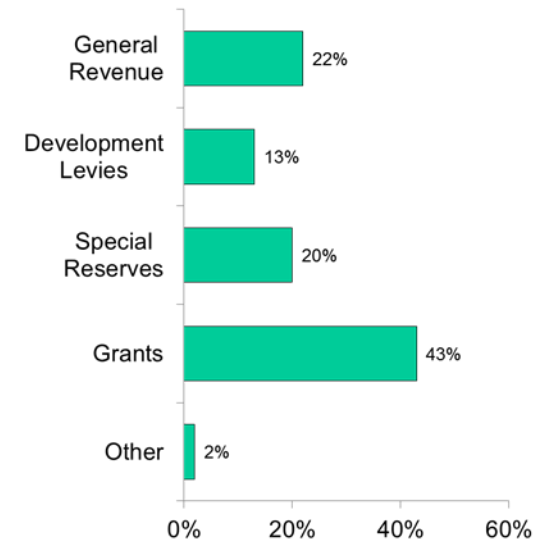
SUMMARY

QUESTIONS

SUMMARY

- Economic trends affecting budgets and spending while costs continue to escalate, increasing intolerance for rate increases
- Although heavily relied upon, funding sources remain uncertain

Funding of future expansions



OBJECTIVES

SCOPE

FINDINGS

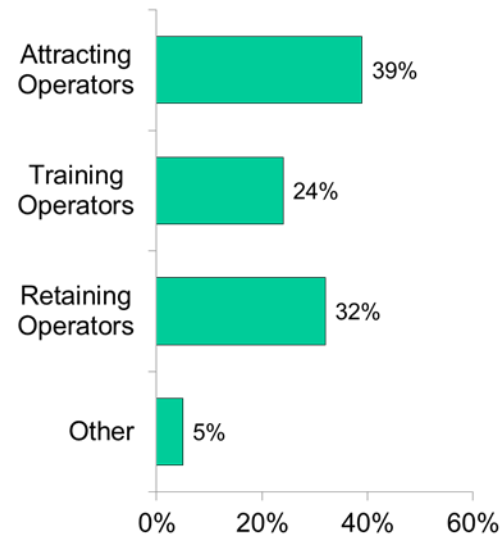
SUMMARY

QUESTIONS

SUMMARY

- Attraction, training and retention of Operators are **key issues**

Key Issues



OBJECTIVES

SCOPE

FINDINGS

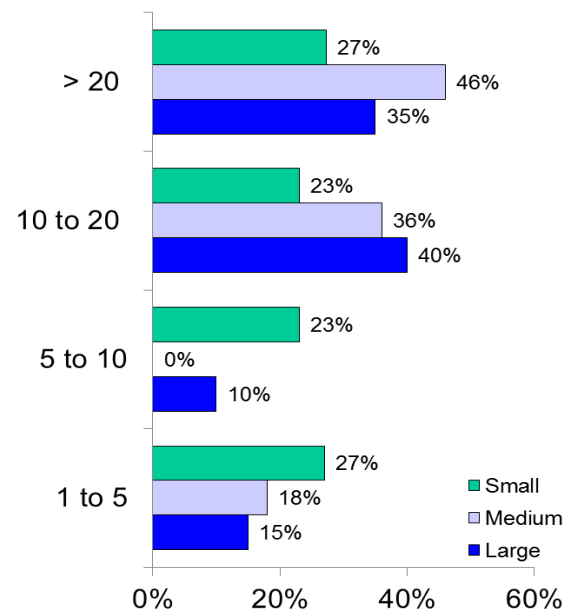
SUMMARY

QUESTIONS

SUMMARY

- Small communities have the greatest need to improve water facilities in next 5 years

**Municipal – Water Facilities
Years Before Reach Capacity**



OBJECTIVES

SCOPE

FINDINGS

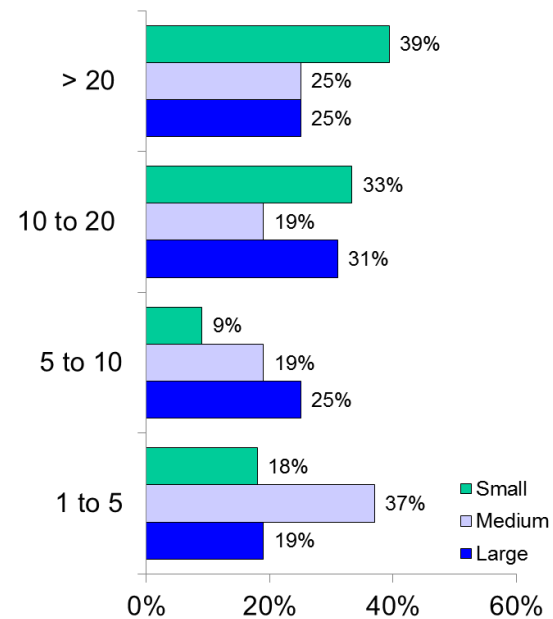
SUMMARY

QUESTIONS

SUMMARY

- medium sized communities have the greatest need for wastewater capacity expansions in next 5 years

Municipal - Wastewater Facilities
Years Before Reach Capacity



OBJECTIVES

SCOPE

FINDINGS

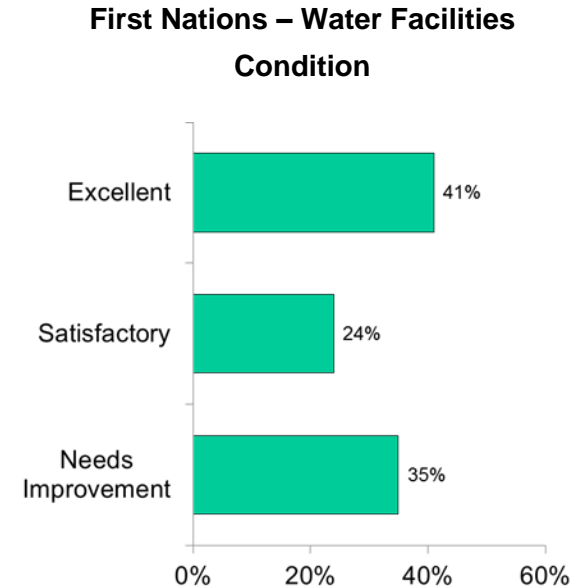
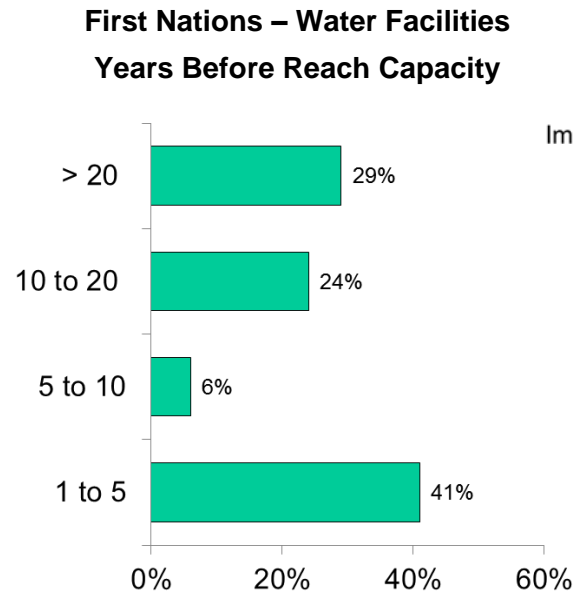
SUMMARY

QUESTIONS

SUMMARY

Compared to municipal facilities (41% vs. 20%). , more First Nations' water facilities are expected to reach capacity or require a significant upgrade / replacement between 1-5 years

Also, more First Nations' facilities are in need of improvement - for some the need is "immediate."



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

SUMMARY – What would help?

Municipalities:

1. Funding (additional, consistent, equitable)
2. Ability to attain full cost recovery / sustainability
3. Ability to attract and retain Operators
4. On-site Operator training and back-fill coverage
5. More Operator training to help advance toward higher certification
6. Assistance with rules, regulations, bylaws, rate-setting
7. Long term staff and management plan
8. More source water
9. New sewage treatment facility, repair/replacement of DC systems
10. Water regionalization with neighboring community

Approx. 30% of communities did not have any major needs or concerns and that they – “have reached their goals’ or are “doing okay.”



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

SUMMARY – What would help?

First Nations:

1. Funding
2. Training
3. Having the Federal government staff monitor drinking water (i.e., through the Health Centre)
4. Having oil and gas companies quit drilling around a community
5. Having a program that would see a community become part of a regional system

Métis Settlements:

1. New or upgraded water and wastewater facilities
2. Being able to put in complete distribution systems
3. Ability to hire certified operators



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS

SUMMARY – What would help?

Rural Water Co-ops:

1. Provincial and local funding to expand water distribution systems and to be able to connect more customers
2. More water pressure is needed
3. Having a water reservoir
4. Being able to comply with Alberta Environment's flushing points regulation was also mentioned.



OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS



Questions

Tracey Anderson, B.Mgt
tanderson@Aquatera.ca

OBJECTIVES

SCOPE

FINDINGS

SUMMARY

QUESTIONS