

From the Council Chambers
by Mayor Blair Skinner

In October, the residents of Pinawa elected a new Council for the Local Government District of Pinawa. We are now 2 full months into this term and we are settling in to continue accelerating the path forward for our community. On behalf of the Council of the Local Government District of Pinawa, we wish all of the residents of Pinawa all the best for 2019. The Christmas Committee continues to find ways to make December a memorable time for Pinawa families. During 2019, Council will be working with the Christmas Committee on additional ideas they have for next Christmas. On behalf of the Council, staff, and residents of the LGD of Pinawa, thanks to the Christmas Committee for your part in making Pinawa an even better place to live!

Economic Development highlights are in the Pinawa Community Development Corporation insert of the Quarterly Newsletter so be sure to check that out. Here are the highlights of the last 3 months of Council activities.

Water and Sewer rates

In July, 2015, a well-attended public meeting was held in Pinawa to discuss the need to increase the Water and Sewer rates as the original rates set in 2013 were insufficient to cover the operating costs and costs of replacing our aging infrastructure. This has resulted in annual deficits for Pinawa's Water and Sewer Utility. The main reasons for the deficits are:

- Reduction in consumption with the installation of water meters was way more than anticipated. The original 2012 rate study assumed a reduction of one third but actual reduction was one half. Result was considerably lower revenue than forecast
- The Utility began with virtually no capital reserve
- The original 2012 rate study assumed a depreciation amount of existing assets that was lower than actual (\$109K over 3 years).
- The original 2012 rate study did not include new capital investment that would be in excess of the depreciation amounts that would be incurred for major projects

In 2015, we proposed, to the Public Utilities Board (PUB), a rate rider to recover 2013 and 2014 deficits and new rates to provide financial stability to the Utility that would correct the issues identified above.

It is now 2.5 years later and we finally have a decision by the PUB on the Rate Rider. By now, you will have received your December, 2018 water bill that also contains the PUB Notice to Utility Rate Payers. The order covers deficits for 2013, 2014, and 2015 which total \$570,713. The order is for a rate rider of \$0.83 per cubic metre for 5 years or when the deficit is recovered, whichever comes first. The rate rider will be applied effective January 1, 2019. This is a 28%

increase over the rates we had been paying for 6 years. This additional charge will be shown as a separate line on the water and sewer bills. It is important to remember that this is a temporary deficit recovery measure and it will end!

In reviewing the utility financial statements, if you take out the depreciation amounts for 2013, 2014, and 2015, the Utility would have a cash-basis operating surplus of \$33,684. However, that is not very much money for the major infrastructure renewal projects we have been required to undertake including the sewage lagoon expansion (\$1.6 MM), the 2017 waterline renewal project on Massey and Willingdon (\$350K), and the 2018 waterline renewal project on Burrows and the Hunter Loop (estimated \$590K). These projects have been cost shared with the Provincial Government (also Federal Government for 2018) but the LGD must also contribute to the projects and this has been completed by borrowing. However, the small operating cash surplus does mean that all of the money collected from the Rate Rider (estimated to be ~\$100K annually) will be used to make loan payments and to contribute directly to future capital projects to minimize future borrowing.

The PUB has also made progress on the LGD's request for increased rates. The PUB has issued a Notice of Application for increased rates for 2019, 2020, and 2021. The Notice can be found as an insert to this quarterly newsletter, at www.pinawa.com, posted in various locations around town, and published in the Lac du Bonnet Clipper. Please note that this is completely separate from the Rate Rider described above and is a more permanent adjustment to the rates to ensure long-term financial stability of the utility, provide financing for current loan payments, to minimize future borrowing by direct capital spending on projects, and eventually to build an appropriate Capital Reserve. If approved, the request is for an increase of 73% for water and sewer rates 2019. In 2020, the rates would drop by 4.5% compared to 2019 due to the completion of some loan payments. In 2021, the rates would increase by 2% compared to 2020 due to inflation.

If approved, the combined increase of the rates plus the rate rider will be about double what we have been paying for the past 6 years. This is somewhat due to the length of time that it has taken us to get through the process with the PUB. Our staff are researching the rates of our neighbours on an ongoing basis. All of the local utilities are going through the same process for more or less the same reasons and are requesting similar, if not more, increases.

You still have time to have input into the new rates but the timeline is short. You can comment directly to the PUB at www.pubmanitoba.ca by January 15, 2019. Your comments will be forwarded by the PUB to the LGD.

The foregoing is the outcome of over 3 years of work by the LGD to try and establish financial stability for the utility. If you have any questions about the foregoing description of the utility issues, please do not hesitate to contact the

Mayor or LGD staff. We will be pleased to sit down and discuss the issue with any of the Utility rate payers.

Safety on Public Works Construction Sites

In the last quarterly newsletter, Council and staff requested that people respect the barricades around the construction site during the watermain renewal project. The reports are that residents complied with this request.

However, on the December day when we had 3 watermain breaks in Pinawa at the same time, some residents seem to feel that they had the right to pass the barricades and have a discussion with either the Public Works Manager or the crew. Simply put, THIS IS NOT ALLOWED! For the safety of the LGD employees and our residents, please respect the barricades at all times. As a resident, you have the need and right to know what is happening. The correct procedure is to contact the Administration Office at (205)753-5100. Staff are committed to answering your questions including contacting Public Works, if necessary, to get the information you are seeking. Please stay out of all construction areas.

Deer Feeding By-Law

By-Law 635-02 is a By-Law passed in September, 2002 that states that it is not allowed to "Feed deer in the Townsite of Pinawa or approach by holding out or setting out foodstuffs or baits of any kind". It is never safe to feed wild animals. Furthermore, feeding of the deer tends to attract more deer into the area and that makes it more challenging for residents who want to grow fruit, vegetables, flowers, etc. So for your own safety and in consideration of your neighbours, please do not feed the deer.

Orville Acres Arena Update

The Pinawa Arena Board has completed a major project in the Arena in the fall. The boards and glass in the indoor have been completely replaced. The assistance of the School District of Whiteshell on the project is greatly appreciated. The project was also supported by the Community Places program. Thanks to all of the volunteers who contributed countless hours to make this project happen and to reduce the overall cost of the project. The project improves the appearance of the arena but more importantly, the safety of the arena has also been greatly improved.

Congratulations to the School District of Whiteshell for establishing the Pinawa Panthers High School Hockey Team. The team is off to a great start in their inaugural season and it is very exciting to see the fantastic community support.

The crowds have been phenomenal and the fantastic atmosphere has made the home games a very entertaining experience.

On behalf of the Council of the LGD of Pinawa, Pinawa Arena Board, School District of Whiteshell, and Pinawa Minor Hockey Association, the support of the residents of Pinawa for the Orville Acres Arena and all of the Pinawa Panthers teams from Initiators to the High School Hockey team is greatly appreciated.

Whiteshell Laboratories Community Regeneration Partnership

As reported in the last quarterly newsletter, StarCore Nuclear received approval of their Stage 1 application on September 28. Their application is to construct a demonstration Small Modular Reactor (SMR) at the Whiteshell Laboratories site. StarCore Nuclear along with the LGD of Pinawa are working on the Stage 2 “Due Diligence” phase to provide more detailed information and secure financial supports for the project.

In November, 2018, the Canadian Nuclear Society and the Canadian Nuclear Laboratories hosted the first international Generation IV – Small Reactors conference in Ottawa. During the conference, the Minister of Natural Resources, the Honourable Amerjeet Sohi, announced the SMR Roadmap for Canada. The full document is available at smrroadmap.ca. The Roadmap describes the Federal Government’s commitment to the development of Small Modular Reactor technology. There are many actions listed in the document. The items of immediate importance are that the Federal Government is prepared to discuss financial support and the sharing of risks for demonstration SMR projects. Also at the conference, Mayor Skinner presented his paper entitled “Development of Social License for Very Small Modular Reactors via the Demonstration Remote Community”. The presentation was very well received by a full breakout room that included a member of the SMR Roadmap Steering Committee who later in the conference, commented to the full conference audience that Pinawa has a plan that will show that an SMR can bring much more to a remote community than just affordable and clean energy.

In November and December, StarCore Nuclear and the LGD of Pinawa continued the discussions to build support with the Province of Manitoba. In particular, Council met with the Minister of Crown Services, the Honourable Colleen Mayer, and her staff during the Association of Manitoba Municipalities conference. The meeting was very positive and included actions to continue to move the project forward.

Public Safety Concern

There is a growing concern around theft in the region, due in part, to the growing meth crisis. Sadly, that means that locking your houses and vehicles in Pinawa

should become a higher priority. Residents are also reminded of the importance of reporting crimes and suspicious activities to the RCMP.

Your input into these or any other issues is always welcome. Please feel free to call me at (204)753-2199 or contact any of the Councillors, or Resident Administrator, Gisele Smith at (204)753-5105.