

# REGIONAL WATER – CREATING THE NEWELL REGIONAL SERVICES CORPORATION

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## **NEWELL REGIONAL SERVICES CORPORATION**

### ***Overview***

Newell Regional Services Corporation (NRSC) is a municipal corporation that was formed between the City of Brooks, County of Newell, Town of Bassano, and Villages of Duchess, Tilley and Rosemary. The Corporation was created as a body that would coordinate and pool resources with member communities to provide safe, effective and efficient water treatment and distribution. Previously, each community owned, operated and serviced individual water treatment plants, all incurring individual maintenance costs, repair costs and ascending budgets. Under the new NRSC, one single body ensures water is safely delivered and all services meet the rigid safety, quality and reporting parameters of Federal, Provincial, Local and Water Industry Standards.

### ***Our Jurisdiction***

The City of Brooks is home to 13,581 residents and there are an additional 8,916 (including small urbans) in the surrounding County of Newell. Located in South-Eastern Alberta, the County of Newell covers 5,900 km<sup>2</sup>, most of which is rural farmland and grazing pastures. Bordered on the North by the Red Deer River and the West by the Bow River, the County is home to an expansive network of irrigation canals and reservoirs which has been in operation for almost 100 years. Without the Eastern Irrigation District and their irrigation network, life would be difficult to sustain in the region as the semi-arid climate in the expansive prairie is very dry.

For decades, water has been recognized as an extremely vital resource in our region; whether it be municipal water delivery, irrigation for farming, or water for the oil and gas industry, the availability of water has been a deciding factor for life in our region. The communities located within the County of Newell realized that they were faced with a challenge of outdated water treatment facilities and service model and decided to approach the challenge collectively. The result was pure innovation – the formation of an external municipal corporation to upgrade the vital infrastructure and maintain a central Water Treatment Facility, all of which would be funded through government grants and the pooling of municipal resources. With that, the Newell Regional Services Corporation (NRSC), comprised of the City of Brooks, County of Newell, Town of Bassano and Villages of Duchess, Tilley and Rosemary, was born.

The total cost of the project, which included major upgrades to water treatments facilities as well as a network of transmission lines, is estimated at \$45 million. Under the Water for Life Program, the Province of Alberta provided a grant totalling \$37 million with the City of Brooks and County of Newell providing the balance of funds.

### ***Importance, Impact and Benefits***

This project is not only important to life in our region, but *vital*. Without a reliable source of safe drinking water, the rural communities in our region would cease to exist. By cooperating and partnering on the costs of this project, the NRSC is capitalizing upon economics of scale and making water delivery more manageable and sustainable for the smaller communities in our region. The project is beginning to have a major impact on our

residents and communities as water is consistently available and our smaller communities no longer have to fear the upgrade to infrastructure that come with growth.



The existing water treatment plants did not have the capability to be efficient as far as water use was concerned. With the upgrade of the central Water treatment Plant and the incorporation of micro-filtration in the design, the Water Treatment Plant is achieving over 95% efficiency. That means that raw use is not being wasted and the first step in water conservation is being achieved.

*Photo: The micro-filtration system in the Water Treatment Plant is top of the line.*

Our success with this project is very important as it indicates that not only large urban centres in North America are able to provide efficient, sustainable service delivery coupled with innovative infrastructure.

### ***Creativity***

The NRSC represents a quantum leap of creativity for one main reason – rather than solve an infrastructure problem the “same old way” through building new, the communities in our region looked to the future and decided to work together as one. It may have also been an option to seek out a private utility provider, but our local governments acted on the interest of residents in mind and decided to create a municipally governed corporation that does not operate for profit. In addition, the equipment and infrastructure installed within the central Water Treatment Plant is state of the art and unrivalled in quality. The design of the central Water Treatment Plant also included the installation of solar panels to heat water and augment domestic water in the plant, as well as the water used to clean the filtering membranes.

### ***Benefits***

The potential benefits for residents and partner municipalities lie in the reliability and efficiency of safe drinking water. Municipalities will also benefit from a centrally located treatment plant, the most modern and up-to-date water treatment plant in the province, state of the art distribution networks, and a full staff of provincially certified technicians which eliminates the need for recruiting professionals to smaller centres.

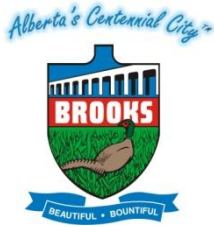
One huge success of this project was the delivery of safe drinking water to the Village of Tilley, approximately 25 kilometres east of Brooks. The village of Tilley, home to 400 people, was under a boil water advisory for three years and the lack of safe drinking water was acting as an obstacle to residential and commercial growth. Newell Regional Services Corporation was able to effectively lift the boil water advisory and bring this basic amenity back into the village.

*Photo: Mayor of Tilley, John Timko, raises a glass of water with Ike Schroeder, Chairman of the Board and Tilley CAO, Jeannette Zahn after 3 years of boiling water.*



## Initiation and Implementation

Initial discussions for a regional water service delivery method began between the City of Brooks and County of Newell as early as 2002. It was not until 2008 that the Corporation was officially formed, a general manager hired, and project design work was started. Ground was broken on the project in November 2008 and tenders went out in the following months for the various pipelines and water treatment plant expansion. The project was coordinated by a General Manager who reported to a Board of Directors, made up of Council representatives from the partner communities.



## Risks

When initiated, there were many sceptics who thought that regionalizing services would mean a loss of autonomy and political power; it was also thought that one partner would gain more than the other. There was also a concern from the standpoint of residents that “their” tax dollars would go towards another municipality’s benefits. However, after community education, many of these concerns have subsided and the clear benefits of cooperation have been brought to the forefront.

From the standpoint of the corporation, there were many financial risks. The sheer cost of the project was very intimidating and without the massive contribution from the Province of Alberta, it is likely that this project never would have gotten off the ground.



*Photos: A network of pipes are dug and installed across the prairie landscape.*

## Environment

At the time of creation, the political and economic environment in Alberta was very strong and experiencing rapid growth. Provincial and Federal governments always valued inter-municipal partnerships, but there was rarely pressure applied on municipalities. Within the past two to three years, the environment has changed significantly, and at other levels of government, there is strong direction towards increased municipal cooperation, partnerships and regionalization. It was due to the regional nature of the project that the NRSC

received a \$37 million grant from the Province of Alberta under the Water for Life Program. For the City of Brooks and County of Newell, we have become leaders and a successful model in the Province of Alberta as to what can be achieved through cooperation and shared visions.

### ***Costs and Saving***

Overall cost of the project was \$45 million and the cost to each individual partner varied. Under the Water for Life Program, the Province of Alberta provided a grant totalling \$37 million with the City of Brooks and County of Newell providing the balance of funds. The total project will in the future include the transfer of capital



assets (individual water treatment plant, raw water pumping stations, transmission lines, etc.) from municipalities (mainly the City of Brooks) to the Newell Regional Services Corporation. The City of Brooks also supported the NRSC during their start up by providing office space, equipment and administrative support.

Savings for each of the partners also varies. For those that operated their own water treatment plants, NRSC has eliminated their staffing costs, as well as maintenance, supplies, repairs and annual water treatment budgets.

*Photo: The extension on the Brooks Water Treatment Plant is framed. The City of Brooks transferred their Water Treatment Plant over to the NRSC and the new Water Treatment Plant was built onto and around the original structure.*

### ***Lessons***

Working together and cooperating can yield some pretty amazing results and innovations that you may have never imagined. Providing safe drinking water to residents is one of the primary, basic services a local government offers and in order to be a sustainable community, it must be done efficiently. As water is becoming a scarce resource in our world, it is vitally important for local governments to maintain this service and to keep costs down.

For other governments that may be looking towards a regional water distribution system, our region can offer extensive information about water treatment infrastructure, distribution pipelines, formation of municipal corporations, shareholder agreements, asset transfers, and community education.

### ***Champions***

The champions driving the Newell Regional Services Corporation have definitely been our elected officials who have consistently demonstrated forward thinking and innovation. It obviously does not stop there, however, as the logistics, facilitation and implementation must be performed by municipal administration. The Senior Administration in each municipality, as well as the NRSC General Manager, have shown great leadership and foresight in this initiative and their hard work and dedication drive the developments forward.