



September 23rd, 2022

Chief Wilbert Marshall, Chair

The regular meeting of the AFNWA Board will be held on Thursday September 29th, 2022 at 8:00 AM via the Zoom virtual platform :

<https://us06web.zoom.us/j/6852920354?pwd=K3ZOZnNzcFdDN05UWldMWFYxOVF4Zz09>

Meeting ID: 685 292 0354

Passcode: 01650

AGENDA

In Camera Reports

1C Approval of Minutes of the In-Camera Meeting held on September 7th, 2022

2C Business Arising from Minutes

- (a) Funding Agreement Update – verbal
- (b) Community Agreement Update (verbal)
- (c) Infrastructure Access Permits update
- (d) Board Appointment

Motion: That the AFNWA Board approve the recommendation of Board Appointment as outlined in the confidential report dated September 23rd, 2022

(e) On-Boarding Strategy

3C Access Permit- Land Code Communities

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated September 23rd, 2022

4C Contracts Awards- HQ Building

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated September 23rd, 2022

5C Contract Award- Emergency Response Plan

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated September 23rd, 2022

Regular Reports

1. a) Ratification of In-Camera Motions
b) Approval of the Order of Business and Approval of Additions and Deletions
2. Approval of Minutes of the Regular Meeting held on September 7th,2022
3. Business Arising from Minutes
a) TIP Update

4. Annual Report Presentation

Motion: That the AFNWA Board approve the Annual Report in its substantive form, attached.

5. AFNWA 10-Year Business Plan Amendment

Motion: That the AFNWA Board approve the amended AFNWA 10-Year Business Plan in its substantive form, attached.

Information Reports

- 1-I Transition Implementation Plan (TIP) Update

Original signed by _____

James MacKinnon
Board Secretary



**Atlantic First Nations Water Authority
MINUTES**

07 September 2022

PRESENT:

Chief Wilbert Marshall, Chair
Chief Ross Perley, Vice Chair
Chief Andrea Paul, Director
Chief Darlene Bernard, Director
Chief Terry Paul, Director
Chief Leroy Denny, Director
Regional Chief Paul Prosper, Director
Shelley Denny, Director
Todd Hoskin, Director
Methilda Knockwood-Snache, Chair of Elders
Advisory Lodge

REGRETS:

Chief Aaron Sock, Director

STAFF:

Carl Yates, interim CEO
James MacKinnon, interim COO / Board Secretary
Chantal Leblanc, Manager of Corporate Services / CFO
James Trimble, Manager of Operations
Rayleen MacDonald, Administrative Assistant/ Recording
Secretary

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CALL TO ORDER

The Vice-Chair, upon direction of the Chair, called the regular meeting to order at 9:13 AM via the Zoom virtual platform. Elder Methilda gave the opening prayer. The Board moved In Camera at 9:24 AM and the regular meeting reconvened at 10:39 AM

1.a) RATIFICATION OF IN-CAMERA MOTIONS

MOVED BY Chief Wilbert Marshall, SECONDED BY Chief Terry Paul that the AFNWA Board ratify the In-Camera Motions from the 07 September meeting.

MOTION PUT AND PASSED.

1.b) APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS**2. APPROVAL OF MINUTES – 27 JULY 2022**

MOVED BY Chief Terry Paul, SECONDED BY Todd Hoskin that the AFNWA Board approve the 08 June 2022 Regular Minutes.

MOTION PUT AND PASSED.

3. NEXT MEETING

The next Regular Board Meeting will be held , virtually, on Thursday September 29th @ 8:00AM via Zoom.

The meeting was adjourned at 10:54 AM

James MacKinnon
Board Secretary

Chief Wilbert Marshall
Chair



ITEM # 4
AFNWA Board
29 September 2022

TO: Chief Wilbert Marshall, Chair, and Members of the AFNWA Board

SUBMITTED BY: Original Signed by
Adam Gould, BA, BPR, MAIC, Manager of Communications and Outreach

APPROVED BY: Original Signed by
Carl Yates , M.A.Sc. , P.Eng, interim Chief Executive Officer

DATE: 23 September 2022

SUBJECT: **AFNWA ANNUAL REPORT**

ORIGIN

Communications and Outreach Strategy approved at AFNWA Board meeting of March 31, 2021.

RECOMMENDATION

It is recommended that AFNWA Board approve the 2021-22 Annual Report as presented.

BACKGROUND

The publication of an annual report is considered a best practice in relation to communications with stakeholders on achievements and progress over the fiscal year. The production of an annual report was highlighted in the overview of the Communications and Outreach Strategy presented to the Board on March 31, 2021.

DISCUSSION

Production of the annual report began in July 2022 with format and design done by National PR and content provided by the Communications and Outreach Manager, Communications Liaison, Manager of Corporate Services / Chief Financial Officer, Chief Operating Officer, and Chief Executive Officer. The annual report provides a concise overview of activities and milestones of the 2021-22 fiscal year.

BUDGET IMPLICATIONS

Funds for the annual report are contained in the 2020/21 Operations budget as funded through agreement with Indigenous Service Canada, the annual report is estimated to cost \$15,000, based on National's scope document dated June 22, 2022.

ALTERNATIVES

N/A

ATTACHMENT

AFNWA Annual Report, 2021-22, in PDF.

Report Prepared by: original signed by _____

Adam Gould, Manager of Communications & Outreach , 902-603-0312

Financial Reviewed by: original signed by _____

Chantal LeBlanc, CFO, 902-603-0312

Report Approved by: original signed by _____

Carl Yates , CEO, 902-603-0312



2021 ANNUAL REPORT

THE JOURNEY CONTINUES



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Tribute to Chief Tma Francis

The Atlantic First Nations Water Authority was saddened and shocked with the sudden passing of Chief Tma Francis of Paqtnkek. Chief Tma will be remembered as a loving family man and dedicated leader in the community who loved his Mi'kmaw roots and culture. We at AFNWA will remember him fondly and dedicate this annual report in the memory of Chief Tma Francis.

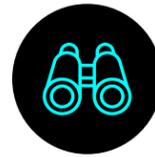
May you rest in power, Saqmaw.

Mission Statement & Strategic Goals



OUR MISSION

To provide safe, clean drinking water and wastewater in all participating First Nations communities in Atlantic Canada, delivered by a regional water authority owned and operated by First Nations.



OUR VISION

To be a recognized leader for the delivery of water and wastewater services to First Nations communities across Canada.



STRATEGIC GOALS

- To support long term self-governance.
- To improve service delivery.
- To ensure effective governance of the AFNWA.
- To ensure financial sustainability of the AFNWA.
- To integrate First Nation culture and tradition and realize aspirations to achieve self-determination.



“... the time has come for us to realize the vision of a regional utility owned and operated by First Nations in Atlantic Canada.”

Board Chair’s Message

Kwé aqq Pjilita’q,

Welcome to Atlantic First Nations Water Authority’s second annual report. As AFNWA Board Chair, I am delighted to share with you all some highlights from another successful year of business.

In our second year of operations, the Board saw all substantial objectives completed in relation to the AFNWA Transition Implementation Plan (TIP). The TIP, developed in 2020, was a detailed, two-year plan to build AFNWA from the ground up to a full-service utility. Key milestones achieved as part of the TIP were the completion of the Ten-Year Business Plan and Service Delivery Transfer Agreement, an agreement that will transfer ministerial authority for the delivery of water and wastewater services from the ISC to the Atlantic First Nations Water Authority.

Most significantly, our Board was very pleased to hear that in early April, the Federal Budget included an additional \$173.2 million above the resources currently available in the federal system. This funding is dedicated to the AFNWA for 10 years to operate, maintain, and upgrade our member communities’ water and wastewater systems.

With a clear vision and the momentum built in our first two years of operations, AFNWA is prepared to have Mi’kmaq and Wolastoqey communities formally

sign band council resolutions to become owners of the utility. After it was first discussed nearly 20 years ago, the time has come for us to realize the vision of a regional utility owned and operated by First Nations in Atlantic Canada.

On behalf of the Board, I want to congratulate AFNWA management and staff on their tremendous achievements in the 2021-22 fiscal year. We look forward to another year of milestones and collaboration in 2022-23.

Wela’liog,



Chief Wilbert Marshall
Board Chair

CEO's Message: The Journey Continues

Although it seems like only yesterday when the AFNWA Board approved the two-year Transition Implementation Plan (TIP) on June 24, 2020, much has been accomplished. Building on the success of 2020-21, activities ramped up last year as the organization took shape with the hiring of qualified staff to make AFNWA a full-service utility. With key staff hired, AFNWA got down to business with a focus on achieving the milestones envisioned in the TIP.

Foundational to the year was the completion of the Asset Management Plan and 10-Year Capital Budget for 17 First Nations communities who are considering membership in AFNWA. With the compilation of an Operations budget derived from first principles, the Ten-Year Business Plan took shape with approval by the AFNWA Board on February 20, 2022. The Ten-Year Business Plan was the basis of our funding request to the federal government as part of the 2022-23 budget process. Our hard work paid off as on April 7, 2022, the AFNWA received confirmation that an additional \$173.2 million was approved in relation to the Business Plan. With current funding in the system, AFNWA received assurance that the \$257 million for the Capital and Operations programs in the Business Plan are fully funded.

Advancements in governance were also achieved as the Board appointed Directors to the three Board Committees: Board Executive; Audit and Finance; Environment, Health & Safety. The Elders Advisory Lodge (EAL) also began their important work with the development and approval of their terms of reference and a work plan for the fiscal year. The Chair of the EAL, Methilda Knockwood-Snache has attended all Board meetings and has added much to our meeting decorum. She continues to ground us with her wisdom and calm demeanor.

The Board approved many new and enhanced policies including a revised procurement policy to ensure that we optimize benefits to the communities served by AFNWA. Extensive work was done with the Audit and Finance Committee to develop an Enterprise Risk Management (ERM) framework which will serve as the guidepost for the management and mitigation of risk. Two significant areas of risk that received attention of staff and the Board last year were the development of frameworks for water and wastewater quality compliance and economic oversight through the First Nations Financial Management Board (FNFMB).

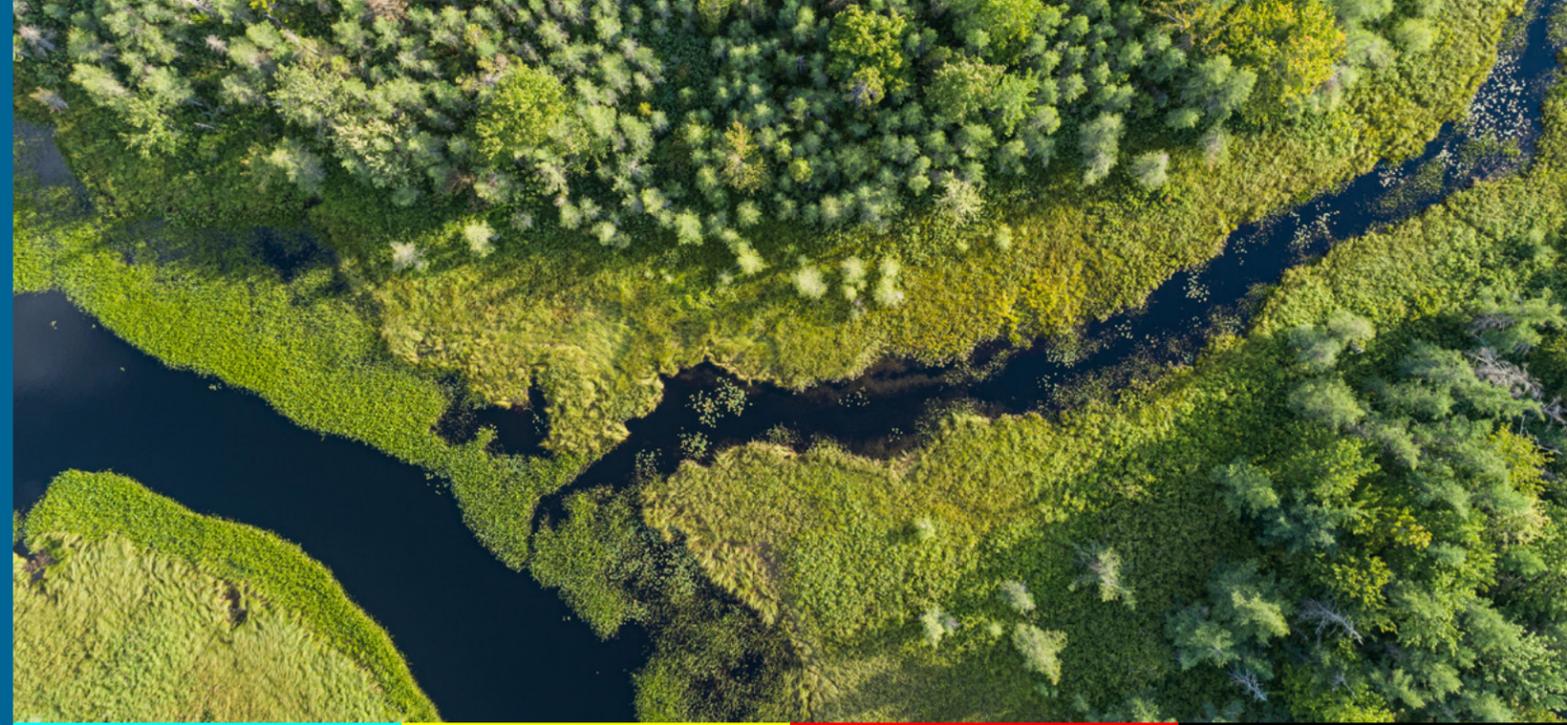
One of the most rewarding experiences for AFNWA staff this year has been the warm welcome received from Chiefs, Councillors, and staff of participating communities who also have a vision of self determination and capacity building. This bodes well for the 2022-23 fiscal year as the on-boarding of member communities begins in earnest. Special thanks to these communities for their cooperation and trust in the capabilities of AFNWA.

The journey continues for the benefit of the communities we serve and all our relations.

Yours in service,



Carl Yates, M.A.Sc., P.Eng
Interim Chief Executive Officer



Financial Message

AFNWA recently completed their audit for the year ending March 31, 2022. The year was a continuation of the same trends of the year prior which was marked by rapid growth and expansion with the objective to be fully operational by Fall 2022.

The substantive completion of large projects such as the Asset Management Plan and SCADA Master Plan were celebrated with a large degree of industry recognition and awards. The staff worked tirelessly to develop the processes and procedures that will allow AFNWA to operate safely and effectively which was evident in the number of new policies that were approved and adopted by the Board. Most notably, the Ten-Year Budget was approved by the Board in the Fall 2021 which permitted AFNWA to submit a ten-year funding request resulting in a total allotment of \$257 million to support operations and capital programs over the next 10 years.

The work to negotiate the Service Delivery Transfer Agreement, Funding Agreement, and Community Agreements was undertaken with haste towards the end of Fiscal 2021/2022 with the goal to complete all agreements by early Fall.

The carryover funds available (approximately \$1.5 million, as identified on the Statement of Financial Position) are largely available to complete this important work. Other items that will carry into Fiscal 2022/2023 include the finalization and presentation of Asset Management Plans, and the hiring of key staff members.

Overall, the COVID-19 pandemic continues to have a minimal impact on AFNWA operations. Our AFNWA team moved into the headquarters at 13 Treaty Trail, Millbrook in April 2021 and into the temporary offices at 6 Louise Street, Truro in October 2021. The general trend of meetings moving virtual and/or hybrid continues to drive travel and conference fees to lower-than-expected levels.

The audited statements are reflective of our organization's second year of transitional management as we increased our staff, acquired office space and equipment, and worked with a range of industry experts to develop the organizational database, the policies, and the procedures that will see AFNWA as a fully operational utility in the Fall 2022. AFNWA continues to be well within budget to obtain our objectives within the time periods set out in our transition implementation plan.

AFNWA Board of Directors

AFNWA is governed by a Board of Directors of up to 15 members, 12 First Nations reps, and 3 technical experts.

Board composition as of December 1, 2021:

CHAIR



Chief Wilbert Marshall
Potlotek

VICE-CHAIR



Chief Ross Perley
Tobique



Chief Darlene Bernard
Lennox Island



Chief Andrea Paul
Pictou Landing



Chief Leroy Denny
Eskasoni



Regional Chief Paul Prosper
Nova Scotia/Newfoundland



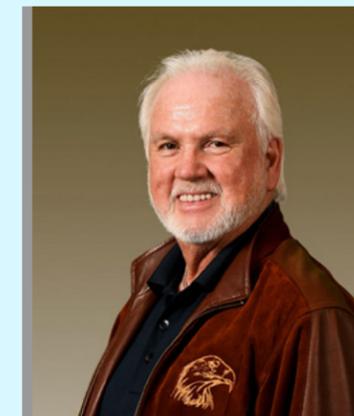
Chief Arren Sock
Elsipogtog



Chief Terry Paul
Membertou



Todd Hoskin, CEO
Ulnooweg Development Group



The Atlantic First Nations Water Authority wishes to thank and congratulate **Regional Chief, Roger Augustine** on his retirement in 2021.

2021-2022 Highlights

NEW MEMBERS

were welcomed in May:

Todd Hoskin, Ulnooweg; Regional Chief Paul Prosper, Assembly of First Nations; and Roger Augustine, Assembly of First Nations.

7 bi-monthly meetings held

SIGNED AN MOU with FNFMB regarding the future of AFNWA economic oversight

TEN YEAR

business plan and several policies were approved

MEETING AGENDAS & MINUTES are published on our website



EAL Chair Methilda Knockwood-Snache performs a smudge ceremony with Marc Miller, Minister of Crown-Indigenous Relations Canada, at the AFNWA Agreements Workshop, as Chief Wilbert Marshall and MP Jaime Batiste look on.

AFNWA Elders Advisory Lodge

The AFNWA Board is supported by an active Elders Advisory Lodge to ensure that traditional values and culture are incorporated in the daily operations.

In 2021-2022, AFNWA's Governance continued to develop with the formal establishment of the AFNWA Elders Advisory Lodge (EAL). Formerly referred to as the Elders Advisory Council, their first order of business was to change their name, as a Lodge is where one seeks advice and wisdom.

In their first year established, the Elders Advisory Lodge has made an impact on the AFNWA. Major works completed in 2021-2022 included guidance regarding culturally appropriate language to AFNWA and Dalhousie for the development of the water and wastewater quality regulatory and safety plans framework. The EAL also provided traditional names to AFNWA service areas across the Wabanaki territory. As well, the EAL finalized their Terms of Reference, which included a passage that the committee will act in accordance with the 7 Grand Father teachings. It was also recommended by the EAL that the Board of Directors adopt the 7 Grand Father teachings as AFNWA's corporate values. The recommendation was gladly approved by the Board.

The Elders Advisory Lodge has five members:

CHAIR

Methilda Knockwood-Snache
Lennox Island

Gail Tupper
Glooscap

David Perley
Tobique

Charles Doucette
Potlotek

Kenneth Francis
Elsipogtog

TIP: Operational Initiation

The Atlantic First Nations Water Authority grew substantially in its second year of operations and transition.

With the Senior Management Team established in the previous year, the Transition Implementation Plan (TIP) called for the implementation of AFNWA's Human Resource Strategy, with significance placed on the hiring of several key positions that doubled our staff strength in 2021-22.

Operations

- **Pamela Harvie**, Administrative Assistant
- **Tiannie Paul**, Project Engineer
- **John Vandenburg**, Regulatory Compliance Coordinator
- **Gary West**, Superintendent of Operations
- **Jeff Wujcik**, Superintendent of Technical Services
- **Mark E. MacDonald**, Utility Technologist

Corporate Services

- **Derek Allison**, Administrative Assistant
- **Verna Langley**, Human Resource Generalist
- **Trevor Martin**, IT Coordinator

Engineering

Mark J. MacDonald, Asset Management Technologist

Communications and Outreach

Lauren Mills, Communications Associate

The following positions will be filled in the next fiscal year:

- Controller
- Planning and Development Engineer
- Procurement Officer
- Safety and Security Coordinator

Presenting Our 10-Year Business Plan

On February 10, 2022, the Board of Directors gave its final approval for the Ten-Year Business Plan.

The long-term plan outlines programs and resources to transform water and wastewater service delivery to Mi'kmaq and Wolastoqey communities in the spirit of self-determination and reconciliation. The strategic objectives of the Business Plan are centred around capacity building, sustainable funding, improved public health outcomes, and environmental stewardship.

The Business Plan describes a regional approach with increased funding to rectify deficiencies of the past and bring service to levels comparable to leading utilities in Canada. It is a plan built around Two-Eyed Seeing, which incorporates the best of applied science with an Indigenous worldview for a long-term approach to provide safe, clean drinking water, and wastewater services. The Ten-Year Business Plan includes capital and operating budgets which were fully embedded in the 2022-23 federal budget, including a total of \$123 million for Operations and \$134 million for Capital programs.

The responsibility associated with our mandate extends from the source to the tap and back to the source again. The Ten-Year Business Plan is available on our website at www.afnwa.ca.



AFNWA opens its doors, twice!

Every new organization that is building from the ground up needs accommodations that can feel like a home away from home. After AFNWA formed its Senior Management Team, searching for office space became a top priority.

With our team working mainly from home and temporarily at the offices of Atlantic Policy Congress of First Nations Chiefs Secretariat in Dartmouth, the search for office space began.

The Atlantic First Nations Water Authority is now operating out of two locations. The headquarters was established in May 2021 at 13 Treaty Trail in the Millbrook Power Centre.

However, with our team doubling in size within months, we soon required more space. In October of last year, we opened our second office in the former home of the Truro Daily News at 6 Louise Street.

The utility has plans for a permanent office that will be built in the Power Centre that all our service teams can call "home."

Service Delivery Transfer Agreement

The Service Delivery Transfer Agreement (SDTA) was completed in 2021-22 and is the key framework document between AFNWA and Indigenous Services Canada. It establishes the transfer of water and wastewater responsibilities from ISC to AFNWA with a commitment from Canada to fund the AFNWA over a long-term basis.

The main purpose of the agreement:

- To transfer to the AFNWA all responsibilities and liabilities for the development and provision of water and wastewater services to participating First Nations
- To outline the governance structure and accountabilities of AFNWA, taking into consideration the incorporation of the fundamental principle of Two-Eyed Seeing
- To identify baseline standards for the delivery of water and wastewater services in participating First Nations communities by AFNWA
- To establish the funding model for development and the provision of water and wastewater Services by AFNWA for participating First Nations, via the Funding Agreement
- To outline a process for amending the Funding Agreement to add, or remove, participating First Nations
- To establish a framework of economic and environmental oversight for AFNWA

The AFNWA Board approved the SDTA at its March meeting, with Minister Patty Hajdu endorsing it shortly after.

Access Permits

AFNWA developed triparty permits for each participating First Nation and Canada to grant access to the land in which water and wastewater infrastructure is situated and to access the pipes below the ground. The permits are scheduled to be sent by AFNWA to each participating community in the first quarter of 2022-23 for review from each First Nation.

Community Agreement

The Community Agreement is the main contract between a potential member First Nation and the Atlantic First Nations Water Authority. Under the Community Agreement, a First Nation will transfer responsibility for water and wastewater services to AFNWA, which will agree to deliver the services to the First Nations member.

The Community Agreement also outlines that certain movable assets will be transferred to AFNWA, while land, water and wastewater treatment facilities and associated infrastructure will be accessed by AFNWA through permits.

The AFNWA will shield the community for any future liability related to water and wastewater service delivery and will offer employment with AFNWA to current community-based water operators in member communities.

The Community Agreement is scheduled to be circulated in Q1 of 2022-23 for feedback including legal review.

Budget 2022

In November 2021, Indigenous Services Canada (ISC) invited the Atlantic First Nations Water Authority to submit its 10-year capital and operations budgets for consideration in the 2022 Federal Budget.

Through a series of strategic planning sessions, the AFNWA senior management team developed the capital and operations budget request. By incorporating work completed by Dillon Consulting, Eramosa Engineering, and with AFNWA management review, AFNWA completed its 10-year capital budget for participating communities.

The 10-year operations budget was built using first principles with a zero-based budget approach that was supported by information from participating communities, AFNWA management, and best practice reviews. It represents an average increase of 44 per cent to operations and management funding for community water systems, not including the additional resources of the dedicated Engineering and Operations teams who will assume management and responsibilities of providing safe water and wastewater services.

“Budget 2022 proposes to provide Indigenous Services Canada with \$173.2 million over ten years, starting in 2022-23, to support the transfer of water and wastewater services in 17 communities to the Atlantic First Nations Water Authority. By putting service delivery into the hands of communities themselves, this first-of-its-kind, First Nations-led initiative will help chart the path to self-determination, while strengthening the management of water and wastewater infrastructure on reserves.”

Chrystia Freeland, Deputy Prime Minister & Minister of Finance, Federal budget announcement April 7, 2022

Asset Management Plan (AMP)

An Asset Management Plan was prepared for each community which describes the water and wastewater infrastructure, condition (remaining service life), and capital projects required to replace and repair the assets over the 10-year planning horizon. The work was primarily conducted by Dillon Consulting Limited with the assistance of operators in each of the participating communities.

In addition to an asset management framework, Dillon prepared an asset analysis tool, which was used to prioritize projects during the development of the capital plan and will be used by AFNWA in the future to rank and prioritize projects as new information comes in from ongoing operations and engineering studies. Approximately 6,500 assets were identified and over 1,000 capital projects were created based on age and condition of assets. AFNWA staff will deliver these plans to each of the communities this summer and offer presentations in the fall of 2022.

We are in the process of forming an Asset Management Committee which will help guide the staff in managing the Asset Management Plan and keeping information up to date. This committee will also be responsible for integration of a computerized maintenance management system (CMMS) for keeping track of work orders, spare parts, and preventative maintenance scheduling.

The framework shows the four pillars that support the AFNWA asset management program, namely Information, Lifecycle Process, Financial Sustainability, and People and Leadership.



SCADA Standardization

The Supervisory Control and Data Acquisition (SCADA) Master Plan project was completed by our consultants at Eramosa Engineering Inc. The master plan provided a summary of current state systems being used and a framework for an integrated future state to align with the hub and spoke operations approach. The master plan painted a picture of what the future/desired state would look like for the SCADA systems that included hardware and software selections, location, and configuration of servers for backup, and security (physical and cybersecurity) considerations.

AFNWA has proceeded with the next step in this evolution—standards development. This includes developing standards for two key interfaces, namely the Human Machine Interface (HMI) and guidelines for SCADA designers. The HMI is typically displayed on a computer screen and provides a graphical image of what is happening at a water or wastewater facility. For example, it would show the equipment at each facility including pumps, blowers, valves, etc. and status of operation such as running or idle or out of service as well as water levels, pressures, flows, and other operational parameters.

The guidelines for SCADA designers will establish the format for submission of design documentation such as what information is to be shown on various process drawings, control narratives, naming convention for wiring, equipment, and instruments, testing, and commissioning procedures.

AFNWA has kept Operators involved in this process through in-person and virtual workshops, and internal reviews by engineering and operational staff. The most important piece has been to solicit input from Operators for the development of the HMI screen, since Operators rely heavily on those screens to inform them of the status of facility operations. The HMI screens currently used in communities were developed independently from other communities. The saving grace is that this is a small region, and the limited number of local consultants and system integrators meant that several systems had similar graphics and interface elements.

The standardization development will be finished in fall 2022 and tested through pilot projects in two communities. In the meantime, projects currently underway are being reviewed by AFNWA and Eramosa staff to ensure consistency with the proposed desired state.



Carl Yates, Interim CEO, discusses issues with John Lam, Manager of Engineering, Travis Dymont of Lennox Island, and Mark Francis from Kingsclear

Enterprise Risk Management

The Atlantic First Nations Water Authority adopted an Enterprise Risk Management (ERM) policy and framework in 2021-22. ERM is a governance and operational best practice.

AFNWA views risk as a combination of potential threats and opportunities: It is the chance of an event, action, inaction, or incident that could affect AFNWA's ability to achieve its business and strategic objectives and regulatory obligations. ERM consists of risk management practices and procedures applied across the organization to identify, measure, assess, respond to, monitor, and report on principal risks that affect the achievement of business objectives.

Implementing ERM allows AFNWA to identify, measure, and monitor key risk areas, to report on key risks to the AFNWA Board, and to be proactive to eliminate or minimize risk.

Service Delivery

In recognizing First Nations traditional territories, and Atlantic Canada's geography, AFNWA's Full-Service-Decentralized [FSD] model can optimize service delivery with communities being no more than a 2.5-hour commute from a service area hub. The 10-Year Business Plan provides details on an appropriate-sized management and operations baseline to deliver the required services to member communities with the flexibility to upscale and accommodate communities who join later.

To ensure participating Atlantic First Nations communities receive the level of service required to meet the water authorities' objectives, the AFNWA operations are structured as a 'hub and spoke' model. Under this organizational design, service delivery is arranged into a network consisting of several geographic hubs which offer an array of services to nearby communities (spokes). Operators who currently work in their community will continue to do so, however, they will also support operations in their neighbour communities within their service area.

The FSD model has identified six (6) service areas that AFNWA will operate. The Elders Advisory Lodge have offered names to the service areas in Mi'kmaw and Wolastoqey—the languages of the communities served by AFNWA. Each service area is shown graphically on the following page.

The six identified service areas are:

- **Wolastokuk** for western New Brunswick.
- **Ml'signeegatig** for eastern New Brunswick,
- **Epekwitk** for Prince Edward Island
- **Kespukwitk** for western Nova Scotia
- **We'kopekwitk** for eastern Nova Scotia
- **Unama'ki** for Cape Breton

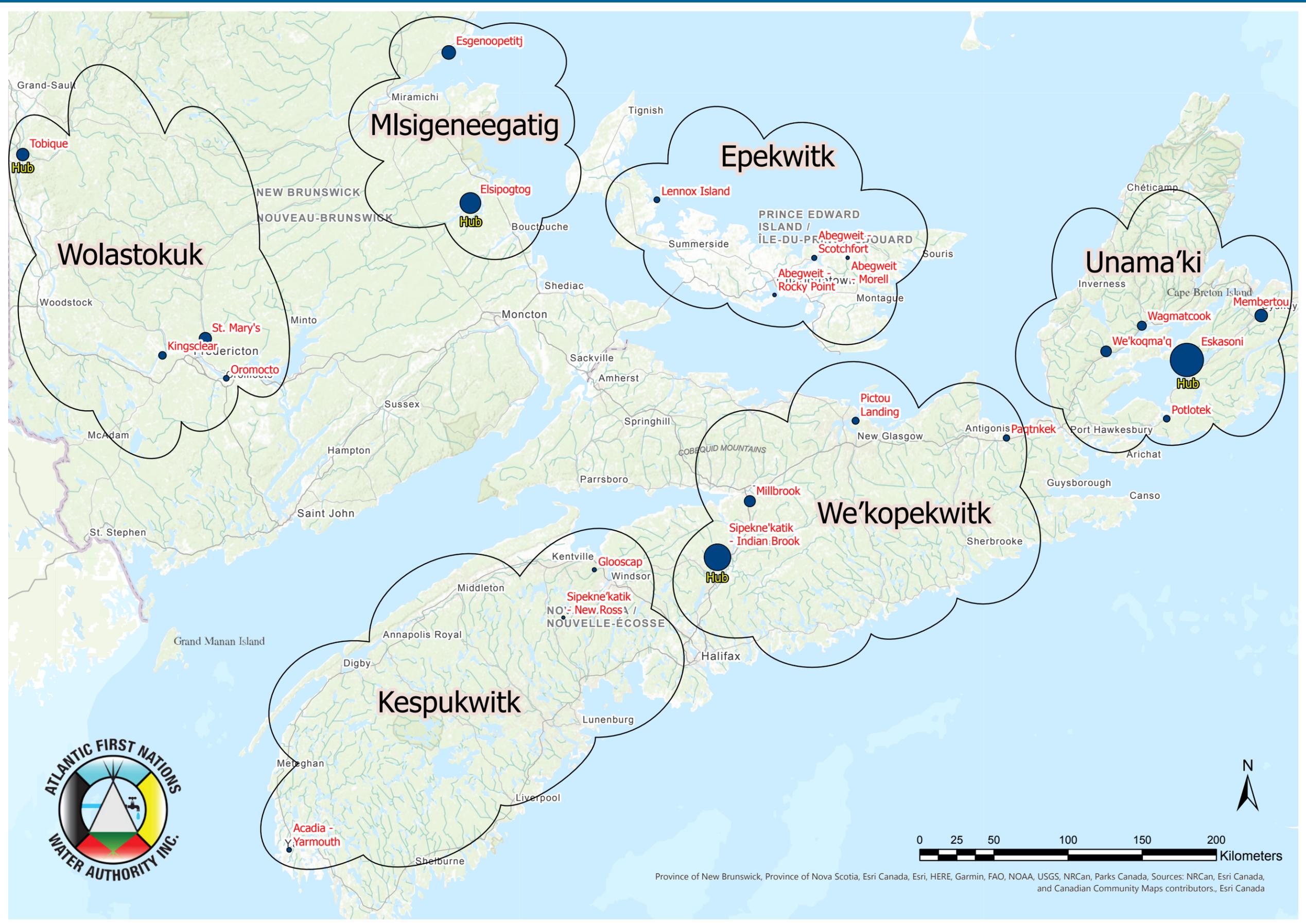
Operators Workshops

AFNWA continued its consistent approach to operator outreach and training by hosting quarterly Operator Workshops. Community Operators receive regular updates on AFNWA progress and development, provide vital feedback to questions from staff, challenge staff with their own questions, discuss plans for future operations, and participate in technical sessions.

With the continuing effects of the COVID-19 pandemic, AFNWA provided hybrid-style operator workshops accommodating both in-person and online attendees. A total of five operator and community-based water monitor (CBWM) workshops were held, which provided a range of training for attendees from the Atlantic region. Through this training, and utilizing various funding sources, AFNWA was able to deliver vital safety equipment and provide the necessary training to keep operators safe on the job.

Workshop attendees, in-person:

- **July 2021:** 19 operators and CBWMs from 10 communities
- **September:** 8 CBWMs from 6 communities
- **October:** 12 operators from 9 communities
- **December:** 6 operators from 3 communities
- **March 2022:** 18 operators from 10 communities



Province of New Brunswick, Province of Nova Scotia, Esri Canada, Esri, HERE, Garmin, FAO, NOAA, USGS, NRCAN, Parks Canada, Sources: NRCAN, Esri Canada, and Canadian Community Maps contributors., Esri Canada



Julie DiCicco, Dillon Consulting; Ryan Dunbar, SOAR Professional Services; John Lam, AFNWA; and Angel Ransom, First Nations Major Project Coalition, at the ACEC-NB awards gala (November 2021).

A Banner Year for AFNWA

The Atlantic First Nations Water Authority is proud that its second transitional year of operations produced two awards, a first for our young utility. AFNWA was formally recognized for its successful development of SCADA master plans and Asset Management Plans (AMP).

In December, AFNWA was presented with the **2021 Project of the Year Award** by the Atlantic Canada Water and Wastewater Association (ACWWA) for its SCADA (supervisory control and data acquisition) Master Plan. The project, carried out by Eramosa Engineering and the AFNWA Engineering Department, involved 3 main phases. The first was to identify all existing SCADA related infrastructure in service presently and assess its condition as part of the Current State Evaluation. The second was to develop a set of options for the Desired State of AFNWA's SCADA system based on best practices, published standards, industry trends, alignment with AFNWA business objectives and the end user's needs. The final phase was to develop the Master Plan complete with technical recommendations, capital and operating expenditure plans, and a recommended implementation approach and overall schedule.

In February, the Association of Consulting Engineering Companies division in New Brunswick (ACEC-NB) presented its **2022 Engineering Excellence Award** to AFNWA and Dillon Consulting for the development of Asset Management Plans for Water and Wastewater Systems in participating AFNWA communities. The program faced external challenges due to COVID-19 since the communities were located across three provinces and 14 health regions, each with varying health and safety requirements. Through this project, communities are better equipped with the knowledge and tools needed to make informed decisions on their assets, with deliverables supporting AFNWA efforts to create a new approach to manage water and wastewater services.

Oversight

Water Quality

AFNWA and Dalhousie University's Centre for Water Resources Studies [CWRS] worked together to develop a report regarding regulatory benchmarks for First Nations communities in Atlantic Canada. This report focuses on:

- Modernizing both the regulatory requirements and associated gap analysis for First Nations communities.
- Identifying mechanisms to integrate risk assessment, monitoring, and reporting into the compliance framework structure.
- Outlining potential entities to be responsible for compliance and enforcement of the regulations.
- Incorporating collaboration and engagement throughout the process to facilitate a Two-Eyed Seeing approach.

A working group has been established, inclusive of AFNWA staff, industry experts, federal government representatives, and community operators to implement the recommendations of the report.

Economic

Utilities are natural monopolies. As such, they require oversight to ensure their expenditures are fair and equitable to the communities they serve. The AFNWA is no different. After an extensive review of options, AFNWA developed a relationship with the First Nations Financial Management Board (FNFM) regarding their potential as an economic oversight agency.

AFNWA, FMB, and ISC signed a tripartite MOU to formalize the relationship and begin work in earnest to establish an oversight agency through the FNFM.

Possible functions of an economic oversight agency include:

- Approval of Annual Capital Budgets with follow up reporting when projects are completed for comparison to estimates. An annual reconciliation report would also be a standard filing requirement.
- Establishment of accounting framework consistent with GAAP and utility functionality.
- Approval of Five-Year Business Plans [carried out every 2 years].
- Oversight for performance outcomes including levels of service.
- Approval of Integrated Resource Plans [Long Term Plans for System Investments in relation to Asset Renewal, Regulatory Compliance and Growth]. An IRP covers a 25-to-30-year period with updates every 5 years.
- Regulation of Development Charges to ensure fair and equitable treatment for business and commercial Users.
- Approval to secure debentures through the First Nations Financial Authority (FNFA).

SAMQWAN

Created and choreographed by **Sarah Prosper**



Originally commissioned and produced by the Highland Arts Theatre

Photography by Lana Joy Gould

 May 5 – May 8, 2022
HIGHLAND ARTS THEATRE

 May 12 – May 15, 2022
NEPTUNE THEATRE

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Communications and Outreach

WEBSITE

A priority from the Communications and Outreach Strategy was to construct a user-friendly website for a summer launch. With approval from the Board, the Atlantic First Nations Water Authority officially launched its website in July 2021.

Site visitors can find career opportunities, meet the senior management team and Board of Directors, review Board meeting minutes and reports, and important AFNWA documents. The website is also the place to learn about our service delivery, find answers to frequently asked questions, read newsletters and annual reports, and access information on how your community can join AFNWA.

Visit us at www.afnwa.ca and join in our journey.

SOCIAL MEDIA

With the hiring of the Communications Associate in fall 2021, AFNWA introduced three new social media accounts to build its online presence. The launch of the new official Facebook, Twitter, and Instagram pages complemented our established LinkedIn page, and completed another objective from the Communications and Outreach strategy. AFNWA uses these digital channels to update community members and the public at large on our progress, highlight job postings and community relations activities, as well as share content from our member communities and Indigenous and water organizations.

-  Facebook.com/AFNWAinc
-  Twitter.com/afnwa_inc
-  Instagram.com/afnwa_inc
-  LinkedIn.com/atlanticfirstnationswaterauthority

SPONSORSHIPS

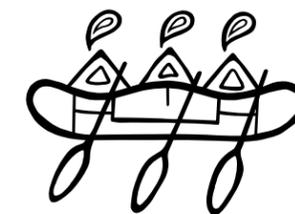
Building strong ties and relationships with communities is an important mandate for AFNWA. While another wave of the COVID-19 pandemic had hindered our ability to visit communities in-person, AFNWA was able to sponsor some grassroots initiatives hosted in participating First Nations.

Our department was approached by community members and event organizers throughout the year, and AFNWA was beyond proud to provide support for the following initiatives:

- **Nova Scotia Mi'kmaw Summer Games**
Potlotek | July 15-24
- **National Aboriginal Hockey Championship**
Membertou | May 9-15
- **Samqwan Encore**
Sydney | May 5-8
Halifax | May 12-15

The Atlantic First Nations Water Authority committed to be a Silver Sponsor for the North American Indigenous Games being held in Kijipuktuk/Halifax and surrounding areas in Mi'kma'ki!

North American
INDIGENOUS GAMES 2023
HALIFAX • NOVA SCOTIA



2023 JEUX AUTOCHTONES
de l'Amérique du nord
HALIFAX • NOUVELLE ECOSSE

APPENDIX

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Atlantic First Nations Water Authority Inc. are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

The Board of Directors meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the Atlantic First Nations Water Authority Inc. and meet when required.

On behalf of the Atlantic First Nations Water Authority Inc.



Mr. Carl Yates
Interim Chief Executive Officer
July 27, 2022

Independent Auditor's Report

To the Members of the Atlantic First Nations Water Authority Inc.

Opinion

We have audited the accompanying financial statements of the Atlantic First Nations Water Authority Inc., which comprise the statement of financial position as at March 31, 2022, the statements of operations, surplus, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Atlantic First Nations Water Authority Inc. as at March 31, 2022 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules included on Pages 38 through 41 are presented for purposes of additional information and are not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Chartered Professional Accountants

Truro, Canada
July 27, 2022



Atlantic First Nations Water Authority Inc. Statement of Operations

Year ended March 31	Budgeted (Unaudited)	2022	2021
Revenues			
Indigenous Services Canada	\$ 5,644,000	\$ 4,329,171	\$ 811,582
Indigenous Services Canada First Nations and Inuit Health Branch	308,000	78,776	119,208
Atlantic Policy Congress of First Nations Chiefs Secretariat	-	83,031	350,000
Interest	-	17,781	5,871
Miscellaneous	-	1,809	-
	5,952,000	4,510,568	1,286,661
Expenses			
Advertising and promotional materials	250,000	113,059	9,069
Amortization	-	36,957	-
Board and council compensation	140,000	82,000	27,250
Business fees and licenses	-	4,368	6,798
Catering	-	7,760	2,646
Contracts	2,433,800	1,842,014	599,563
Equipment and room rentals	70,000	29,266	1,600
Insurance	50,000	6,171	3,215
Interest and bank charges	5,000	3,374	1,607
Office supplies and expense	76,000	36,728	6,226
Professional fees	160,000	36,716	82,532
Professional development	100,000	29,414	3,394
Project equipment	-	-	131,381
Rent and facilities	98,500	83,749	-
Repairs and maintenance	20,000	27,730	-
Safety supplies	50,000	6,984	-
Salaries and benefits	1,866,700	1,749,535	377,282
Technology services	30,000	46,653	12,340
Telephone and cellular	30,000	18,076	2,707
Travel	218,500	75,564	19,051
Utilities	36,000	24,030	-
	5,634,000	4,260,148	1,286,661
Excess of revenues over expenses	\$ 317,500	\$ 250,420	\$ -

See accompanying notes to the financial statements.

Atlantic First Nations Water Authority Inc. Statement of Surplus

Year ended March 31, 2022	Unrestricted	Investment in Capital Assets	Total 2022	Total 2021
Beginning of year	\$ -	\$ -	\$ -	\$ -
Excess of revenues over expenses	287,377	(36,957)	250,420	-
Capital asset additions	(269,596)	269,596	-	-
End of year	\$ 17,781	\$ 232,639	\$ 250,420	\$ -

See accompanying notes to the financial statements.

Atlantic First Nations Water Authority Inc. Statement of Financial Position

March 31	2022	2021
Assets		
Current		
Cash and cash equivalents	\$ 1,999,458	\$ 3,031,909
Receivables (Note 3)	43,809	-
HST recoverable	46,236	3,665
Prepays	54,824	617
	2,144,327	3,036,191
Property and equipment (Note 4)	232,639	-
	\$ 2,376,966	\$ 3,036,191
Liabilities		
Current		
Payables and accruals (Note 5)	\$ 575,481	\$ 381,851
Deferred revenue (Note 6)	1,551,065	2,654,340
	2,126,546	3,036,191
Surplus (Page 5)		
Unrestricted	17,781	-
Investment in capital assets	232,639	-
	250,420	-
	\$ 2,376,966	\$ 3,036,191

Contingent liabilities (Note 7)

On behalf of the Executive Committee

Director

Director

Atlantic First Nations Water Authority Inc. Statement of Cash Flows

Year ended March 31	2022	2021
Increase (decrease) in cash and cash equivalents		
Operating		
Excess of revenues over expenses	\$ 250,420	\$ -
Amortization	36,957	-
	287,377	-
Changes in non-cash operating working capital		
Receivables	(86,380)	(3,665)
Prepaid	(54,207)	(617)
Payables and accruals	193,630	381,851
Deferred revenue	(1,103,275)	2,654,340
	(762,855)	3,031,909
Investing		
Purchase of capital assets	(269,596)	-
Net (decrease) increase in cash and cash equivalents	(1,032,451)	3,031,909
Cash and cash equivalents		
Beginning of year	3,031,909	-
End of year	\$ 1,999,458	\$ 3,031,909

Atlantic First Nations Water Authority Inc.

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2022

1. Nature of operations

The Atlantic First Nations Water Authority Inc. (the "Authority") is not-for-profit organization which was incorporated on July 18, 2018 and whose mission is to provide safe, clean drinking water and wastewater in all participating First Nations Communities in Atlantic Canada, delivered by a regional water authority owned and operated by First Nations.

2. Summary of significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The significant policies are detailed below.

Atlantic First Nations Water Authority Inc. is only one entity and does not own or control other entities and therefore the financial statements are not labeled as "consolidated". In addition, the Authority does not have any segments but has programs and therefore no segment information or disclosures have been presented in these financial statements.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known. Items subject to significant management estimates include the useful life and amortization rates of capital assets, as well as the cost of administrative overhead transferred to various projects.

Revenue recognition

The Authority follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions and investment income are recognized as revenue when received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured.

Other revenues are recognized when received or receivable, provided the amount can be reasonably estimated and collection is reasonably assured.

Capital assets

The investment in capital asset fund reports the assets, liabilities, revenue and expenses related to the Authority's capital assets.

Rates and bases of amortization applied to amortize the cost of capital assets over their estimated useful lives are as follows:

- Leasehold improvements: 3-5 years, straight line
- Furniture and fixtures: 30%, declining balance
- Computer equipment: 30%, declining balance

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and financial institutions. Bank borrowings are considered to be financing activities.

Income taxes

The Authority is exempt from income taxes under Section 149(1)(c) of the Income Tax Act.

Financial instruments

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Subsequent measurement

At each reporting date, the Authority measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets). The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accruals, capital lease obligations and long-term debt.

For financial assets measured at cost or amortized cost, the Authority regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Authority determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Overhead allocations and project transfers

The Authority allocates administrative overhead costs incurred to the various projects undertaken during the year based on estimated costs incurred by each project and based on the terms and conditions of specific funding agreements.

Transfers are made among various programs when, in management's opinion, certain revenues or expenses incurred in one project related to another project.

3. Receivables

	2022	2021
Atlantic Policy Congress of First Nations Chiefs Secretariat	\$ 41,515	\$ -
Trade	2,294	-
	\$ 43,809	\$ -

4. PROPERTY AND EQUIPMENT

	2022			2021
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Leasehold improvements	\$ 91,287	\$ 15,506	\$ 75,781	\$ -
Computer equipment	54,638	15,026	39,612	-
Furniture and equipment	123,671	6,425	117,246	-
	\$ 269,596	\$ 36,957	\$ 232,639	\$ -

As at March 31, 2022, an amount of \$59,419 included in furniture and equipment was not available for use and therefore no amortization was taken.

5. Payables and accruals

Included in payables and accruals are government remittances in the amount of \$6,270 (2021 – \$1,934)

6. Deferred revenue

	2022	2021
Indigenous Services Canada	\$ 1,322,252	\$ 2,643,418
Indigenous Services Canada (FNIHB)	228,813	10,922
	\$ 1,551,065	\$ 2,654,340

7. Contingent liabilities

The Authority has entered into contribution agreements with various government departments. Funding received under these agreements are subject to repayment if the Authority fails to comply with the terms and conditions of the agreements.

8. Employee benefits

- The Authority has a defined contribution pension savings plan for its employees. The assets of the plan are held separately from those of the Authority in independently administered funds. Contributions paid and expensed by the Authority in the current year amounted to \$38,826 (2021–\$5,501).
- The Authority remits employee benefits on behalf of employees and as of March 31, 2022, all remittances for employee benefits are up to date.

9. Related party transactions

- During the year the Authority recognized revenue in the amount of \$83,031 (2021 – \$350,000) from Atlantic Policy Congress of First Nations Chiefs Secretariat, an entity under common control, for contract work.
- During the year the Authority paid \$68,509 (2021 – \$116,739) to Atlantic Policy Congress of First Nations Chiefs Secretariat, an entity under common control, for administrative services.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.



10. Financial instruments – risk management

The Authority is exposed to various risks through its financial instruments. The following analysis provides a measure of the Authority's risk exposure and concentrations as at March 31, 2022.

a) Credit risk

Credit risk is the risk of financial loss to the Authority if a debtor fails to make payments when due. The Authority is exposed to this risk relating to its receivables. Receivables are ultimately due from government and various funders. Credit risk is mitigated by ensuring government grants are entered into by way of contribution agreements. Management also continuously reviews aging and collection of receivable balances to ensure collection is timely. The Authority recognizes a specific allowance for doubtful accounts when management considers the expected amounts to be recovered is lower than the actual receivable. Management considers the exposure to this risk to be low.

b) Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in meeting the obligations associated with its financial liabilities. The Authority is exposed to this risk mainly in respect of its accounts payable. The Authority has adequate resources to meet its obligations and therefore risk is considered to be low.

c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Authority is mainly exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In the opinion of management, the interest rate risk to the Authority is low and not material.

Atlantic First Nations Water Authority Inc.
Schedule of Indigenous Services Canada: First Nations and Inuit Health Branch (FNIHB) – Set Contributions

Year ended March 31, 2022	2021-2022 Set Funding - Q23C			Total		
	Water - Wastewater			Fixed Funding		
	Budget 2022	Actual 2022	Actual 2021	Budget 2022	Actual 2022	Actual 2021
Revenues						
Funding per ISC-FNIHB confirmation	\$ 297,000	\$ 296,667	\$ 130,130	\$ 297,000	\$ 296,667	\$ 130,130
Prior year unexpected funding	11,000	10,922	-	11,000	10,922	-
	308,000	307,589	130,130	308,000	307,589	130,130
Expenses						
Advertising and promotional material	-	5,487	-	-	5,487	-
Contracts	128,000	45,229	-	128,000	45,229	-
Office supplies and expense	-	10,552	-	-	10,552	-
Professional fees	-	-	-	-	-	-
Project equipment	-	-	108,371	-	-	108,371
Safety supplies	-	5,248	-	-	5,248	-
Salaries and benefits	18,000	10,000	10,837	18,000	10,000	10,837
Technology services	-	2,260	-	-	2,260	-
	146,000	78,776	119,208	146,000	78,776	119,208
Excess of funding over expenses	162,000	228,813	10,922	162,000	228,813	10,922
Less: capital expenditures	162,000	-	-	162,000	-	-
Less: deferred revenue as at end of year	-	228,813	10,922	-	228,813	10,922
Excess of funding over expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Atlantic First Nations Water Authority Inc.
Schedule of Indigenous Services Canada – Fixed Contributions

Year ended March 31	Fixed Funding		
	2021-2022 Training Water-Wastewater/Q35C		
	Budget 2022	Actual 2022	Actual 2021
Revenues			
Funding per ISC confirmation	\$ 3,000,000	\$ 3,008,005	\$ 2,500,000
Prior year unexpended funding	1,829,000	1,829,000	-
Other funding	-	-	5,871
	4,829,000	4,837,005	2,505,871
Expenses			
Advertising and promotional materials	250,000	107,573	7,969
Board and council compensation	140,000	82,000	27,250
Business fees and licenses	-	4,369	-
Catering	-	5,344	360
Contracts	1,490,800	974,676	317,614
Equipment and room rentals	70,000	29,266	475
Insurance	50,000	6,171	-
Interest and bank charges	5,000	3,374	1,109
Office supplies and expense	76,000	26,176	12,189
Professional fees	160,000	36,716	21,571
Professional development	100,000	27,605	1,189
Project equipment	-	-	19,634
Rent and facilities	98,500	83,749	-
Repairs and maintenance	20,000	27,730	-
Safety supplies	50,000	1,736	-
Salaries and benefits	1,848,700	1,739,535	248,609
Technology services	30,000	44,393	11,855
Telephone and cellular	30,000	18,076	2,269
Travel	218,500	67,372	4,778
Utilities	36,000	24,030	-
	4,673,500	3,309,891	676,871
Excess of funding over expenses	155,500	1,527,114	1,829,000
Less: capital expenditures	155,500	204,862	-
Less: deferred revenue as at end of year	-	1,322,252	1,829,000
Excess of funding over expenses	\$ -	\$ -	\$ -

Atlantic First Nations Water Authority Inc.
Schedule of Indigenous Services Canada – Fixed Contributions (cont'd)

Year ended March 31	Fixed Funding 2021-2022 Program Management/Q35K		
	Budget 2022	Actual 2022	Actual 2021
Revenues			
Funding per ISC confirmation	\$ -	\$ -	955,000
Prior year unexpended funding	815,000	814,418	-
Other funding	-	-	-
	815,000	814,418	955,000
Expenses			
Advertising and promotional materials	-	-	-
Board and council compensation	-	-	-
Business fees and licenses	-	-	-
Catering	-	-	-
Contracts	815,000	814,418	87,441
Equipment and room rentals	-	-	-
Insurance	-	-	-
Interest and bank charges	-	-	-
Office supplies and expense	-	-	-
Professional fees	-	-	52,975
Professional development	-	-	166
Project equipment	-	-	-
Rent and facilities	-	-	-
Repairs and maintenance	-	-	-
Safety supplies	-	-	-
Salaries and benefits	-	-	-
Technology services	-	-	-
Telephone and cellular	-	-	-
Travel	-	-	-
Utilities	-	-	-
	815,000	814,418	140,582
Excess of funding over expenses	-	-	814,418
Less: capital expenditures	-	-	-
Less: deferred revenue as at end of year	-	-	814,418
Excess of funding over expenses	\$ -	\$ -	\$ -

Atlantic First Nations Water Authority Inc.
Schedule of Indigenous Services Canada – Fixed Contributions (cont'd)

Year ended March 31	Fixed Funding		
	Budget 2022	Actual 2022	Actual 2021
Revenues			
Funding per ISC confirmation	\$ 3,000,000	\$ 3,008,005	3,455,000
Prior year unexpended funding	2,644,000	2,643,418	-
Other funding	-	-	5,871
	5,644,000	5,651,423	3,460,871
Expenses			
Advertising and promotional materials	250,000	107,573	7,969
Board and council compensation	140,000	82,000	27,250
Business fees and licenses	-	4,369	-
Catering	-	5,344	360
Contracts	2,305,800	1,789,094	405,055
Equipment and room rentals	70,000	29,266	475
Insurance	50,000	6,171	-
Interest and bank charges	5,000	3,374	1,109
Office supplies and expense	76,000	26,176	12,189
Professional fees	160,000	36,716	74,546
Professional development	100,000	27,605	1,355
Project equipment	-	-	19,634
Rent and facilities	98,500	83,749	-
Repairs and maintenance	20,000	27,730	-
Safety supplies	50,000	1,736	-
Salaries and benefits	1,848,700	1,739,535	248,609
Technology services	30,000	44,393	11,855
Telephone and cellular	30,000	18,076	2,269
Travel	218,500	67,372	4,778
Utilities	36,000	24,030	-
	5,488,500	4,124,309	817,453
Excess of funding over expenses	155,500	1,527,114	2,643,418
Less: capital expenditures	155,500	204,862	-
Less: deferred revenue as at end of year	-	1,322,252	2,643,418
Excess of funding over expenses	\$ -	\$ -	\$ -



www.afnwa.ca
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13 Treaty Trail Millbrook, Nova Scotia, B6L 1W1





ITEM # 5
AFNWA Board
29 September 2022

TO: Chief Wilbert Marshall, Chair, and Members of the AFNWA Board

SUBMITTED BY: Original Signed by
Carl Yates , M.A.Sc. , P.Eng, interim Chief Executive Officer

DATE: 23 September 2022

SUBJECT: **AMENDMENT TO AFNWA BUSINESS PLAN – Individual Wells and Septic Systems**

ORIGIN

Staff report presented on July 26, 2022 Board Meeting. Funding Agreement with Indigenous Services Canada approved by Board at meeting of September 7, 2022.

RECOMMENDATION

It is recommended that the Board approve the amendment to the Ten-Year Business Plan to incorporate the staff recommendation approved by the Board on July 26, 2022 with respect to Individual wells and septic systems.

BACKGROUND

It has long been recognized that Individual wells and septic systems within First Nations communities are not always up to standards, in large part due to lack of maintenance and underfunding by the federal government. As a result, many First Nation Bands provide support from time to time where there is need of maintenance or repairs in recognition of the impact on public health of residents or the local environment. These support services are a financial drain on communities and similar to central systems will require significant resources to ensure they are sustainable. The AFNWA currently has no direct funding to provide support services as ISC has only provided funding for water and wastewater system operations and capital programs where 5 or more households are connected to a central system, consistent with national policy.

DISCUSSION

As discussed during the Board meeting of July 26, 2022, AFNWA looked at several areas of possible involvement in Individual wells and septic systems and ultimately the Board approved the staff recommendation:

that AFNWA , in the interim, support maintenance activities on individual wells and septic systems within the main Reserve lands and provide professional advice on individual wells and septic systems within the Atlantic Region, of member First Nations communities and only recover costs associated with third parties from these communities and that staff develop a strategy for sustainability of individual wells and septic systems including request for funding from the federal government for public health and environmental stewardship outcomes.

With the approval of the Funding Agreement on September 7, 2022 it is recognized that ISC funding is directly tied to programs identified in the Ten-Year Business Plan which was approved by the Board on February 10, 2022. At that time, the Business Plan did not include support for maintenance of Individual wells and septic systems unless it was on a fee for service basis. As a result, with acknowledgement from ISC, staff are recommending an amendment to the Ten-Year Business Plan to ensure we are not offside with activities funded under the Funding Agreement. The following section is proposed to replace the current section [attached for ease of reference] in the Business Plan. The Board report of July 26, 2022 is also attached for full context.

Individual Wells and Septic Systems

There are a number of activities regarding Individual wells and Individual septic systems that AFNWA may get involved with in conjunction with the transfer of central system responsibilities from member First Nations. The main issues for discussion with member First Nations include but are not limited to:

- Maintenance of some Individual wells and septic systems that are currently being supported by the water/wastewater operators under the direction of Chief and Councils.
- ISC does not directly fund O&M for Individual wells and septic systems at this time. However, AFNWA understands that some communities fund O&M activity on Individual wells and septic systems though current budget allocations. The AFNWA will discuss the current, community-specific level of

service with member First Nations and develop a consistent, utility-wide approach.

- There is no database of wells and septic systems on First Nations' lands so the number and location of operational, abandoned or non-viable wells and septic systems is unknown at this time.
- The number of monitoring wells are unknown at this time.
- There may be both Individual and public water/wastewater assets on land that are owned by the First Nations but are not considered reserve lands and there could be neighbour municipal assets on reserve lands without permits or easements in the municipality's favour.

In an effort to more fully understand issues around Individual wells and septic systems, AFNWA is carrying out a study in fall 2022 to document these systems within a geographic database. This can serve as a baseline for future planning and feasibility studies for the potential extension of central water and wastewater systems or support the development of a strategy for the long-term sustainability of Individual wells and septic systems. This will require direct dialogue with ISC and in particular, the First Nations and Inuit Health Branch [FNIHB] division who currently monitor water quality and sanitation outcomes related to individual wells and septic systems. In recognition that many of these individual systems are failing or in a state of poor repair, AFNWA will provide direct maintenance support on reserve lands and coordinate activities where third parties are involved. AFNWA will provide staff time from engineering and operations to support these activities but will not incur costs from third parties for activities such as septic tank pump outs, well pump repairs or capital upgrades. These costs would remain with individual First Nation communities as is now the case. Notwithstanding, AFNWA recognizes that these individual systems are underfunded and will work with federal agencies and First Nations communities to develop a strategy to put them on a sustainable footing.

BUDGET IMPLICATIONS

Staff time otherwise dedicated to the operation of central systems will be allocated to maintenance activities in relation to Individual wells and septic systems on main reserve lands. Management and staff will make best efforts to support all activities in the Business Plan for improved public health and environmental outcomes. Funding for the Business Plan is provided through Treasury Board as part of the 2022 federal budget process.

ALTERNATIVES

None recommended

ATTACHMENT

- Existing Business Plan section on Individual Wells and Septic Systems
- Staff report presented to Board at meeting of July 26, 2022

Report Prepared by: original signed by _____
Carl Yates, interim CEO , 902-603-0312

Financial Reviewed by: original signed by _____
Chantal LeBlanc, CFO, 902-603-0312

dewatering facilities in participating communities. The possibility of incorporating biosolids dewatering at these WWTFs will be considered to reduce transportation costs and associated production of greenhouse gases when upgrades for these facilities are planned.

Currently, the options for biosolids disposal, acceptable to provincial regulators include

1. Land application
2. Landfill cover or quarry/pit restoration
3. Composting
4. Septage and sludge lagoon

It is expected that regulations for biosolids management in the region will be reviewed and possibly updated. If regulations change so that any of these options are no longer acceptable, a review of biosolids management at Wastewater Treatment Facilities [WWTFs] may be needed.

18.5 Private Wells and Septic Systems

There are a number of issues regarding private wells and private septic systems that AFNWA will need to deal with before asset transfer can happen with the member First Nations. The main issues for discussion with ISC and the member First Nations include but are not limited to:

- Maintenance of some private wells and septic systems are being supported by the water/wastewater operators under the direction of Chief and Councils.
- ISC does not directly fund O&M for private wells and septic systems at this time. However, AFNWA understands that some communities fund O&M activity on private wells and septic systems through current budget allocations. The AFNWA will discuss the current, community-specific level of service with member First Nations and develop a consistent, utility-wide approach.
- There is no database of wells and septic systems on First Nations' lands so the number and location of operational, abandoned or non-viable wells and septic systems is unknown at this time.
- The number of monitoring wells are unknown at this time.
- There may be both private and public water/wastewater assets on land that are owned by the First Nations but are not considered reserve lands and there could be neighbour municipal assets on reserve lands without permits or easements in the municipality's favour.

ATLANTIC FIRST NATIONS WATER AUTHORITY
10-YEAR BUSINESS PLAN
2022/23 to 2031/32

In an effort to more fully understand issues around private wells and septic systems, AFNWA will be carrying out a study in 2022 to document these systems within a geographic database. This can serve as a baseline for future planning and feasibility studies for the potential extension of central water and wastewater systems.

18.6 Capital Work in Progress

A number of capital projects are currently in progress. ISC will continue to be the lead for many of these “transition” projects to maintain continuity of project management and funding and to minimize disruption to the project progress. At a discrete and logical stage of the projects, AFNWA will take on the responsibility of the work, such as at the end of feasibility studies, following commissioning of constructed work, etc. A summary of the transition projects is presented in Appendix D5.

AFNWA staff are working closely with ISC regional engineers on these transition projects to ensure that AFNWA standards will be incorporated into the work to the fullest extent possible. Design and construction work will be viewed through the operations lens as well, to ensure efficiency and ease of operations after construction. AFNWA is currently working on standards for SCADA systems based on the SCADA Master Plan developed by Eramosa and will be looking for opportunities to converge with work in progress.

Some of these projects were identified by Dillon in the capital plan. Projects that were duplicates of ISC projects were “removed” from the capital plan by moving the target start date to 2020, rather than deleting from the capital plan. That way, the details of the project, as identified by Dillon, would not be lost.

18.7 Energy Costs

Through the budget process, AFNWA has started to track and estimate energy costs for each of the member First Nations but the numbers can only be rough estimates at this time due to incomplete data.

Long term planning within capital projects investments will bring down the costs associated with outdated or obsolete assets. A prime example of energy wastage would be plants being heated with wall mounted electric heaters and upgrading them to modern heat pump systems will make them more efficient. As plants and lift stations are upgraded, high efficiency equipment will be installed in recognition that energy costs will continue to increase.

TO: Chief Wilbert Marshall, Chair, and Members of the AFNWA Board

SUBMITTED BY: Original Signed by
Carl Yates, M.A.Sc., P.Eng., interim Chief Executive Officer

DATE: 22 July 2022

SUBJECT: **INDIVIDUAL WELLS and SEPTIC SYSTEMS**

ORIGIN

Information report presented at Board meeting of November 6, 2020

RECOMMENDATION

It is recommended that AFNWA , in the interim, support maintenance activities on individual wells and septic systems within the main Reserve lands and provide professional advice on individual wells and septic systems within the Atlantic Region ,of member First Nations communities and only recover costs associated with third parties from these communities .

It is recommended that staff develop a strategy for sustainability of individual wells and septic systems including request for funding from the federal government for public health and environmental stewardship outcomes.

BACKGROUND

Through engagement of communities who are interested in participating as members of AFNWA, the responsibility for individual wells and septic systems often comes up as a topic of discussion. As noted in the report presented to the Board on November 6, 2020 [attached for reference] costs for the capital upgrades, operation and maintenance are not covered by ISC in accordance with federal policy. ISC funds centralized systems and cluster systems that serve five or more households which were accounted for when AFNWA developed its budgets for the Ten Year Business Plan. It is understood that the capital costs to build individual systems are covered through Band Housing and Infrastructure budgets at the time of house construction.

DISCUSSION

As discussed in the Business Plan and referenced in the previous Board report, AFNWA acknowledged that some communities have Operators involved with maintenance of individual wells and septic systems in recognition of their skills and abilities. Although these activities are not funded directly by ISC, it is our understanding that communities absorbed these costs in their overall operations and maintenance budgets. As a follow up with Ken Moulton of Neqotkuk [Tobique] to get an understanding of typical costs, he provided the following information:

TFN currently spend approximately \$113,500 annually on privately owned wells and septic systems (88).

On average we vacuum them 2 times a year 88 units X 2 X \$375 = \$66,000.00 plus the time of the operators.

88 wells on average we place 5 tanks and pressure switches per year . 5X\$1500= \$7500.00.

150 operator hours 150x \$25.00 = \$3,750.00

\$66,000.00 septic

\$7,500.00 wells

\$3,750.00 OH

\$1,250.00 fuel

Tot. \$ 78,500.00

We have also done a few total replacements of systems around \$35,000.00 per year. So, in general we spend \$78,500 + \$35,000 = **\$113,500.00 per year**. These are the funds that we have been fighting for with ISC and were hoping they would be covered in the new budgets created by the AFNWA.

In conformance with national policy, ISC would not entertain costs for individual wells and septic systems within AFNWA operating and capital budgets. As a result, and in recognition that AFNWA could be drawn into these activities, it was contemplated that AFNWA could provide support on a fee for service basis with costs recovered from the Band.

As a result of funding inadequacies for individual wells and septic systems, AFNWA will continue to seek redress through ISC on behalf of the communities it will serve. To get a better understanding of the extent and costs associated with individual systems, AFNWA has commissioned a study to develop a database of individual wells and septic systems within communities exploring membership in

AFNWA. Funds for the study were provided by the First Nations and Inuit Health Branch [FNIHB] of ISC. FNIHB has an active role in providing technical support and water sampling and testing of individual wells.

The database which will be georeferenced is expected to be completed this fall. Once complete, AFNWA will have direct dialogue with ISC on alternatives and options to make the case that these systems should be funded for public health and environmental outcomes.

Notwithstanding the concept described above, it is apparent that many communities do not differentiate responsibilities between central or individual systems. As a result, this could be an impediment for some communities to join AFNWA. As a result, staff are seeking direction from the Board in advance of community onboarding with an anticipated transfer date of December 1, 2022 for early adopter communities. There are several options for the Board's consideration for work associated with individual systems on Reserve lands, including:

1. AFNWA support maintenance activities on individual wells and septic systems and recover costs on a fee for service basis from individual First Nations communities.
2. AFNWA support maintenance activities on individual wells and septic systems and only recover costs associated with third parties from First Nations communities, e.g., septic tank pump outs or well pump repairs.
3. AFNWA support maintenance activities on individual wells and septic systems at AFNWA expense including third party costs.

In the above scenarios it should be noted that staff does not recommend covering operations costs such as electricity or treatment chemicals or capital costs to drill wells or upgrade failing septic systems. These would continue to fall under the responsibility of individual First Nation communities. It is also recommended that AFNWA would only get involved in maintenance activities for individual wells that are associated with the main Reserve lands of individual communities. Operation and maintenance costs for communities that only have individual wells and septic systems and no central systems would remain under the responsibility of First Nations Bands. On balance, staff recommend Option 2 which entails AFNWA involvement in maintenance of individual wells and septic systems, excluding third party costs which would remain with the Band office.

Once the database for individual wells and septic systems is created staff will develop a strategy to approach ISC for funding programs for adequate public health and environmental outcomes.

BUDGET IMPLICATIONS

The inclusion of Options 2 or 3 will incur costs for AFNWA and represent an unfunded mandate at this time. It is estimated that involvement with Option 2 could incur costs of \$250,000 to \$500,000 and Option 3 could see costs in the order of \$750,000 to \$1,000,000 on an annual basis. If ISC does not contribute funds for these activities, AFNWA could incur losses which would accumulate over time. Should the First Nations Financial Management Board serve as the economic oversight agency for AFNWA, it is likely that this activity would be documented with direction to AFNWA to mitigate financial losses.

ALTERNATIVES

Alternatives for involvement in maintenance of individual wells and septic systems are noted in the Discussion section of the report.

ATTACHMENT

Staff report presented to Board on November 6, 2020

Report Prepared by:	original signed by _____ Carl Yates , M.A.Sc. , P.Eng, interim CEO, 902-603-0312
Financial Reviewed by:	original signed by _____ Chantal Leblanc, CPA, CMA, MBA, CFO, 902-603-0312



TO: Chief Wilbert Marshall, Chair, and Members of the Board

SUBMITTED BY: original signed by
Carl Yates, M.A.Sc., P.Eng., interim CEO

DATE: September 25, 2020

SUBJECT: Private Wells and Septic Systems

INFORMATION REPORT

ORIGIN

Staff discussions with ISC managers and First Nations community operators

BACKGROUND

In recent discussion with Indigenous Services Canada [ISC] managers, they confirmed that the Government of Canada [GoC] has not funded the capital or operating costs associated with individual wells and septic systems. During our recent visits to First Nations communities' operators revealed that their responsibilities include maintenance of individual wells and septic systems as part of their day to day activities.

DISCUSSION

Like many other municipalities in Atlantic Canada, homes in First Nations communities are serviced through a combination of centralized systems, decentralized, cluster and individual household systems. In terms of the mandate of AFNWA, the utility is focused on centralized and cluster systems as they are funded by GoC as stipulated in federal policy. In the case of individual wells and septic systems, the local Band is still responsible for their upkeep and as a result, the water and wastewater operations staff are often relied on to troubleshoot problems. This is not unexpected, given the current situation but is problematic for the AFNWA, from a cost and liability perspective. From a cost perspective, ISC has confirmed that they do not fund capital and operational activities related to individual household wells and septic systems, consistent with national policy. As such, costs for these activities get absorbed through the Band public works budget and are not directly linked to water and wastewater

operations. In some First Nation communities [e.g. Indian Island, NB], the community is only served by individual wells and septic systems. In other communities, Abegweit First Nation for example, a portion of the community is serviced by a cluster septic system and due to its size would be eligible for funding from ISC. ISC has confirmed that they provide capital and operational funding for cluster systems that serve 5 or more households. These situations present unique challenges to AFNWA as only a portion of the water and wastewater servicing is funded directly by ISC.

From a liability perspective, involvement in service activities outside the AFNWA core mandate can expose the utility to litigation and invalidate any coverage offered by corporate insurance policies. Insurance companies only defend claims that relate to the insurance policy.

In light of the range of service approaches to First Nation communities, the AFNWA has two realistic options to consider. These include:

- Maintain responsibility for only central and decentralized [cluster] systems, with funding from the federal government, consistent with national policy.
- Maintain responsibility for central and decentralized [cluster] systems with federal funding support and engage in activities associated with individual well and septic systems on a fee for service basis with the Band Council.

It should be noted that municipalities in Atlantic Canada do not take any responsibility for individual wells and septic systems and all costs for this service delivery approach rests with homeowners. In that regard, servicing of individual wells and septic systems may best fit under the Housing portfolio of the Band Council mandate. Notwithstanding these nuances, if the AFNWA gets involved with the maintenance of individual wells and septic systems, a clear policy will have to be developed for a consistent approach including rates for service and standard operating procedures. Insurance coverage would also have to be obtained for this activity to minimize liability.

BUDGET and FINANCIAL IMPLICATIONS

As funding for individual wells and septic systems are not covered by federal policy, costs for activities related to these systems would have to be recovered on a fee for service basis.

Report Prepared by: original signed by _____
Carl Yates, interim CEO

Financial Reviewed by: original signed by _____
James MacKinnon, interim COO



TO: Chief Wilbert Marshall, Chair, and Members of the AFNWA Board

SUBMITTED BY: original signed by
James MacKinnon, MPA, interim Chief Operating Officer

APPROVED: original signed by
Carl Yates, M.ASc., P.Eng., interim Chief Executive Officer

DATE: September 23rd, 2022

SUBJECT: Transition Implementation Update

INFORMATION REPORT

ORIGIN

2022-203 Transition Implementation Plan approved by the Board at the meeting held on April 13, 2022.

BACKGROUND

The 2022-2023 Transition Implementation Plan [TIP] provides a detailed overview of the AFNWA's internal developments as an organization, and external developments on projects and community outreach. The 2022-2023 TIP is a continuation of the TIP initially approved in June 2020 and will guide the final steps toward operationalization of the AFNWA.

DISCUSSION

Stage 1: Treasury Board Submission

- Stage one is considered complete

Stage 2: Agreement Ratification Process

- The Service Delivery Transfer Agreement (SDTA) is now deemed complete. The AFNWA is working with the Minister's Office to formally sign the SDTA.
- With the approval of the Community Agreement, Funding Agreement and Permit at the September 7th, 2022 Special Board Meeting. These agreements are now deemed complete.
- The Permit for communities with a Custom Land Code is detailed in a separate report for Board consideration
- The final stage of the agreement process is the passage of BCRs formally signing on to the above-mentioned agreements. There will be a separate in-camera discussion regarding on-boarding strategy.

Stage 3: Capital Program Initiation

- SCADA Standards are currently under development. A dedicated project group is meeting regularly to meet the October 1, 2022 deadline.
- SCADA standards are set to be piloted in Pictou Landing and Lennox Island First Nation

Stage 4: Information Technology

- AFNWA Staff have moved the central filing system from (Box) to OneDrive.
- AFNWA IT Coordinator is currently developing a ticketing system that will be used for assistance once full operations commence in the fall.
- The AFNWA is currently interviewing for a Junior IT Coordinator.
- Work has begun on an online operator portal.
- Azure Services have been acquired. Backend coding work is underway

Stage 5: Finance/Corporate Services

- Work is on schedule to implement the new accounting software QuickBooks Enterprise
- Migration of banking services to Scotia Bank from BMO is on schedule
- Work continues to formalize our procurement processes

Stage 6: Oversight and Compliance

- Work continues to formalize AFNWA's Benchmark Regulations for Water Quality with support from Dalhousie University
- Monitoring and Sampling Plans are being developed by a dedicated AFNWA Compliance Committee. The samples have been taken or will be taken in the near future in the following communities:
 - Glooscap
 - Membertou
 - Tobique
 - Potlotek
 - Paqntkek
 - Elsipogtog
 - Eskasoni
 - Pictou Landing
- Establishment of Oversight agency is evolving with ISC and NS Environment and Climate Change playing a technical support role. On September 13, 2022, AFNWA and Dalhousie University held a workshop with federal (ISC & FNIHB) and Nova Scotia Environment and Climate Change to review and provide comments on the AFNWA's Oversight Compendium. The compendium describes how FNIHB, and Nova Scotia Environment and Climate Change could provide oversight of water quality from both a public health and technical perspective
- The Lead Assessment project work continues, with plans to take samples in Eskasoni on September 28, 2022.
- AFNWA's has selected CBCL as the preferred proponent for the Private Well and Septic System assessment and work is now underway. AFNWA expects a final report by December 1, 2022.

Stage 7: Operational Initiation

- Work has begun to complete the community onboarding checklist with potential member communities. This list will inform a schedule to the Community Agreement outlining

the assets, contracts and agreements that will transfer to the AFNWA. The majority of the work in Stage 7 is dependent on the completion of the community onboarding checklist.

- A report regarding a contract award for Emergency Management Plan and Incident Command System Training has been prepared for Board consideration.

Report Prepared by: original signed by

James MacKinnon, interim COO, 902-603-0312

2022-2023					
Stage 1: Treasury Board Submission					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	Support ISC in development of Investment Analysis Report	CFO	SMT, CEO, COO	ISC	
1.1	Investment Analysis Report Approved	CFO	SMT, CEO, COO	ISC	April, 2022
2.0	Support ISC In development of TB Submission for ADM Approval	CFO	SMT, CEO, COO	ISC	May, 2022
3.0	Final Ministerial Signature	CFO	SMT	ISC	June, 2022

2022-2023					
Stage 2: Agreements Ratification Process					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	Service Delivery Transfer Agreement				
1.1	Service Delivery Transfer Agreement Ratified by AFNWA Board of Directors	CEO	RB/COO	Board of Directors	April 13, 2022
1.2	Service Delivery Transfer Agreement sent to potential Member Communities	CEO	COO	Board of Directors	April 14, 2022
2.0	Funding Agreement Approved by Board of Directors	CEO	RB/COO	Board of Directors	April 13, 2022
2.1	Funding Agreement sent to prospective Member Communities	CEO	SMT	Chief & Council	April 14, 2022
3.0	Community Agreement (CA)	CEO	COO/RB/MC	Chief & Council	
3.1	CA Draft Approved for First Nations communities review	CEO	COO/RB/MC	Board of Directors	April 13, 2022
3.2	CA Sent to prospective Member First Nations for review	CEO	COO/RB/MC	C&C	April 14, 2022
3.3	Agreements Workshop	CEO	SMT/RB/MC	CEO	April 20, 2022
3.4	CA Review and Comment Period	CEO	SMT/RB/MC	CEO	June 30, 2022
3.5	CA Revision	RB	SMT/MC	CEO	July 22, 2022
3.6	Final CA Approved	CEO	SMT/MC/RB	Board of Directors	July 27, 2022

4.0	Land Access Permits Sent for Review	COO	RB/MC	CEO	April 20, 2022
4.1	Comments Received on Land Access Permits	COO	RB/MC	CEO	June 30, 2022
4.2	Permit Revision	COO	RB/MC	CEO	July 22, 2022
4.3	Final Permits Complete	COO	RB/MC	Board of Directors	July 27, 2022
5.0	Final BCR	CEO	COO	Chief & Council	
5.1	Membership Presentation(s) to Chief and Council	CEO	SMT	CEO	Summer/Fall, 2022
5.2	Membership BCR Approved [Effective Dates]	CEO	SMT	Chief & Council	December 1, 2022 and April 1, 2023
6.0	Implementation Committee Established	Mgr CS/Mgr Eng	SMT	CEO	December 1, 2022

2022-2023					
Stage 3: Capital Program Initiation					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	Predesign for HQ	Mgr Eng	Project Eng, Consultant	CEO	March 31, 2023
2.0	SCADA Masterplan				
2.1	SCADA Standards Development	Mgr Eng	Eramosa Engineering, Supt. Tech. Services	CEO	Oct 1, 2022
2.2	SCADA Pilot	Mgr Eng	Eramosa Engineering Project Eng. Supt. Tech Services	CEO	March 31, 2023

2022-2023					
Stage 4: Information Technology					

Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date
1.0 Servers Established	Mgr CS	IT Coord.	CEO	
1.1 Azure Services Acquired	Mgr CS		CEO	June 30 2022
2.0 One Drive Migration	Mgr CS	IT Coord.	CEO	September 30, 2022
3.0 Service Desk Establishment	Mgr CS	IT Coord.	CEO	September 30, 2022
4.0 Operator Computer/Cell Phone Roll Out – Hardware & Software deployment	Mgr CS	IT Coord.	CEO	November 30, 2022

2022-2023				
Stage 5: Finance/ Corporate Services				
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date
1.0 Utility Accounting Framework	Mgr CS	Controller/IT	CEO	June 1, 2022
1.1 Implementation of New Accounting Software	Mgr CS	Controller/IT	CEO	September , 2022
2.0 Federal Budget Announcement				
2.1 Community Capital/ O&M Cash Flow Confirmation	Mgr CS	Mgr Eng/Mgr Ops	CEO	April 30, 2022
2.2 Support for Treasury Board Submission	Mgr CS	Mgr Eng/Mgr Ops	CEO	May 30, 2022
3.0 Procurement				
3.1 Recruit Procurement Coordinator	Mgr CS	HR/COO	CEO	June 30, 2022
3.2 Formalize New Procurement Processes	Mgr CS	PC	CEO	As required
3.2 Develop Procurement Portal on Website	Mgr CS	PC	CEO	March 31, 2023
3.3 Develop Vendor Lists – Parts suppliers, heavy equipment, consultants, etc.	Mgr Eng/Mgr Ops	Procurement Coordinator, Project Engineer, Supt. Operations	CEO	July 29, 2022
3.4 Develop Standard Construction Specifications and Drawings; GIS Standards	Mgr Eng	Project Engineer, AM Tech, Mgr Ops, Supt Ops, Ops Eng	CEO	July 29, 2022
4.0 Banking Services	Mgr CS	CEO/COO	CEO	
4.1 Complete RFP	Mgr CS	CEO	CEO	April 15, 2022

4.2	Develop Investment Policy	Mgr CS	CEO/COO	CEO	May 2022
4.3	Award Banking Services RFP	Mgr CS	CEO/COO	CEO	June 1, 2022
5.0	Interprovincial Payroll Planning	Mgr CS	CEO/COO	CEO	
5.1	WCB Registration	Mgr CS	HR	CEO	August 31, 2022
5.2	Pension Registration	Mgr CS	HR	CEO	August 31, 2022

2022-2023					
Stage 6: Oversight and Compliance					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	AFNWA Benchmark Regulations	Mgr. Ops	CWRS, Compliance Coord/Supt. of Ops/ Ops Eng/Mgr. Eng.	CEO	Dec 31, 2022
1.1	Materials Produced to Articulate Compliance Standards	Mgr. Ops	CWRS, Compliance Coord/Supt. of Ops/Ops Eng/Mgr. Eng.	CEO	Aug 2022
1.2	Develop Guidance Documents for Each System	Mgr. Ops	CWRS, Compliance Coordinator/Supt. of Ops/Ops Eng/Mgr. Eng.	CEO	Dec 2022
1.3	Development of Monitoring and Sampling Plans	Mgr. Ops	Compliance Coordinator/Supt. of Ops/Ops Eng/Mgr. Eng.	CEO	Sept 2022
1.4	Benchmark Regulations Complete	Mgr. Ops	Compliance Coordinator/Supt. of Ops/Ops Eng/Mgr. Eng.	CEO	December 1, 2022
2.0	Establishment of Interim Water Quality Oversight Agency				
3.0	Establishment of AFNWA Compliance Committee	Mgr. Ops	Mgr Eng/ Compliance	CEO	April 1, 2022

			Coordinator/Supt. of Operations/Ops Eng.		
3.1	Establishment of FNIHB Water Quality Oversight Committee	Mgr. Ops	Mgr Eng/Compliance Coordinator/Supt. of Ops/Ops Engineer	CEO	June 1, 2022
3.2	Community Sampling Plan & Schedule Established	Mgr. Ops	Mgr Eng/Compliance Coord./Supt. of Ops/Ops Eng./CWRS	CEO	July 1, 2022
3.3	WSER Reporting Plan Established	Mgr. Ops	Mgr Eng/Compliance Coord./Supt. of Ops/Ops Eng./ECCC	CEO	July 1, 2022
4.0	Lead Assessment Pilot	Mgr. Eng.	Ops Eng./Project Engineer/Compliance Coord./Mgr Ops, CWRS	CEO	
4.1	Water Quality Assessment and Random Daytime Sampling	Mgr. Eng	CWRS/CC/Ops Eng/Supt. of Ops/Mgr. of Ops	CEO	July 2022
4.2	Follow-up Profile Sampling and Colloidal Characterization	Mgr. Eng	CWRS/CC/Ops Eng/Supt. of Ops/Mgr. Ops	CEO	Oct 2022
4.3	Laboratory Testing of Corrosion Control Treatment Strategies	Mgr. Eng	CWRS/CC/Ops Eng/Supt. of Ops/Mgr. Ops	CEO	Nov 2022
4.4	Recommendations and Guidance	Mgr. Eng	CWRS/CC/Ops Eng/Supt. of Ops/Mgr. Ops	CEO	Dec 2022
4.5	Final Report	Mgr. Eng	CWRS/CC/Ops Eng./Supt. of Ops/Mgr. Ops	CEO	Jan 2023
5.0	Private Well and Septic System Assessment	Mgr Eng	Consultant/CC/Ops Eng/Supt. of Ops/Mgr. Ops/Project Engineer	CEO	

5.1	Complete RFP	Mgr Eng	Consultant/CC/Ops Eng./Supt. of Ops/Mgr. Ops/Project Engineer	CEO	April 22, 2022
5.2	Award Consultant Contract	Mgr Eng	Consultant/CC/Ops Eng./Supt. of Ops/Project Engineer	CEO	May 25, 2022
5.3	Final Report	Mgr Eng	Consultant/CC/Ops Eng/Project Engineer/Mgr. Ops	CEO	December 1, 2022
6.0	Establish Economic Oversight				
6.1	Support Framework Development	Mgr CS	CEO/COO/RB	FMB	March 31, 2023
7.0	Participation in AFN Joint Working Group on SDWFNA	COO	SMT	CEO	

2022-2023					
Stage 7: Operational Initiation					
Tasks	AFNWA Owner	Resources	Reviewer /Approver	Recommended Completion Date	
1.0	License & Service Transfer				
1.1	CCTV & Alarm Monitoring	Mgr Ops	Supt. TS/ Supt. Ops	CEO	As per SCADA plan
1.2	SCADA	Mgr Ops	Supt. TS/ Supt. Ops	CEO	As per SCADA plan
1.3	Utilities [Power, Water & Wastewater]	Mgr Ops	Supt TS/ Supt. Ops	CEO	As communities onboard
1.4	Internet	Mgr Ops	Supt. TS/ Supt. Ops	CEO	As communities onboard
1.5	Radio [UHF, VHF]	Mgr. Ops	Supt. TS		As communities onboard
2.0	Hardware Purchase/ Transfer				
2.1	Hardware Survey (What belongs to water and wastewater operations and comes to the AFNWA)	Mgr Ops	Supt. Ts/ SSupt. Ops	CEO	Sept 2022
2.2	Tool Purchase	Mgr Ops	S TC/ SI Ops	CEO	ongoing

2.3	Fleet Purchase	Mgr. Ops	Mgr CS/PC/Supt. Ops	CEO/Board of Directors	November 2022 and as communities onboard
2.4	Laptop Purchase	Mgr CS	IT/Mgr Ops	CEO	October 31 2022
2.5	Safety Equipment Purchase (PPE, Trench Box, Tripod w Harness)	Mgr Ops	Supt. TS/ Supt. Ops/Safety Co-ord	CEO	Ongoing
2.6	Emergency Power Source Purchase (Generator w trailer)	Mgr Ops	Supt. TS/ Supt. Ops	CEO	Sept 2022
3.0	Contract Initiation			CEO	
3.1	Snow Removal	Mgr Ops	Mgr CS	CEO	To be negotiated as members onboard
3.2	Landscaping	Mgr Ops	Mgr Cs	CEO	To be negotiated as members onboard
3.3	Hub Office Lease	Mgr Ops	Mgr CS	CEO	Ongoing
3.4	Chemicals Supplier	Mgr Ops	Mgr CS	CEO	Ongoing
3.5	Biosolids Removal	Mgr Ops	Mgr CS	CEO	Ongoing
3.6	Insurance – CGL, Environmental, Fleet, etc.	Mgr CS	Mgr Ops	CEO	Ongoing
3.7	Water Quality Testing	Mgr Ops	Mgr CS	CEO	Ongoing
4.0	O&M Program Initiation				
4.1	Water Loss Control Program Development	Mgr Ops	Supt. TC/ Supt. Ops/Consultant	CEO	Ongoing
4.2	Inflow and Infiltration Program Development	Mgr Ops	Supt. TC/ Supt. Ops/Consultant	CEO	Ongoing
4.3	Emergency Response Plan Development	Mgr Ops	EC/ Supt. TC/ Supt. Ops/S&S Coord.	CEO	Sept 2022
4.4	Incident Command System Training	Mgr Ops	EC/ Supt. TC/ Supt. Ops	CEO	Sept 2022
5.0	Operator Training and Development				
5.1	Development of Individual Training Plans	Mgr Ops	Supt. Ops/HR	CEO	Ongoing with all willing operators
5.2	Operator Employment Offers Sent	Mgr. Ops	/Supt. Ops/HR	CEO	As Req'd

6.0	Supervisor Recruitment	Mgr Ops	Supt. Ops/HR	CEO	Dec 31, 2022
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