

Summer Village of Half Moon Bay  
Special Meeting Minutes  
May 22, 2025

*Minutes of a Special Council Meeting of the Summer Village of Half Moon Bay, Province of Alberta, held May 22, 2025, in the Summer Villages on Sylvan Lake Administration Office at Sylvan Lake, Alberta.*

**PRESENT**

Mayor:	Jon Johnston via Zoom
Deputy Mayor:	Andrea Remington via Zoom
Councillor:	Mike Pashak
CAO:	Tanner Evans
Recording Secretary:	Teri Musseau
Gallery:	Gord Skakun Pam Skakun via Zoom Kim Skakun via Zoom Rob Davies via Zoom

**CALL TO ORDER** The Meeting was called to order at 11:00 a.m. by Mayor Johnston.

**AGENDA APPROVAL**

**HMC-25-061** MOVED by Councillor Pashak that the agenda be adopted as presented.  
CARRIED

**HMC-25-062** MOVED by Councillor Pashak that Council go into the public hearing at 11:01 a.m.  
CARRIED

**PUBLIC HEARING**

Mayor Johnston declared the Public Hearing for Bylaw #184-25, Wastewater System Borrowing Bylaw, open at 11:01 a.m.

Mayor Johnston provided the procedure for the public hearing.

Tanner Evans, CAO, provided the background on the proposed bylaw.

The purpose of the Borrowing Bylaw is for the construction of the Half Moon Bay Force Main Wastewater project. As per the Bylaw, the maximum amount to be borrowed is \$634,000 and shall be repaid over a 25-year period. The borrowing of this money will allow Half Moon Bay (HMB) to complete the project now rather than continue to save for a future project with increased inflation factors. HMB has been committed to developing an internal wastewater collection system since 2008, when it joined the Sylvan Lake Regional Wastewater Commission (SLRWWC).

HMB always had only two options to meet the Government of Alberta (GOA) mandate for regional wastewater systems in Central Alberta: eliminate septic fields and operate with only septic holding tanks or build an internal wastewater collection system. A regional collection and treatment system is the GOA's preferred wastewater solution and is the most economical, long-term solution for HMB residents.

There is an urgency to this project to ensure that lake health and aquifer water quality are protected and preserved. The proposed Force Main

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system has been successfully deployed in the other four summer villages on Sylvan Lake.

HMB was also successful in obtaining Alberta’s Local Growth and Sustainability Grant for \$940,000 for this project. This GOA commitment to HMG, combined with their \$12.7 million grant to SLRWWC to build a wastewater line from HMB to the Town of Sylvan Lake, demonstrates a desire for a regional solution. Borrowing the required amount to complete the project in a timely manner would allow HMB to take advantage of this grant.

The HMB Wastewater System will operate on a full cost recovery model. It will not be subsidized through property taxes or require a special tax to cover construction costs or annual operating expenses. As a result of utilizing this type of model, HMB forecasts Property Taxes to decrease by approximately 20 percent as current wastewater expenses are moved to this model.

HMB Wastewater Project Financials (2026 forecast)

EXPENSES	(\$million)	
Force Main	1.9	
Secondary Connections	0.5	
Prime Mover	<u>0.2</u>	
subtotal	2.6	
REVENUES	(\$million)	Revenue%
Grant Funding	1.4	55%
Debt Financing	0.5	20%
HMB WW Reserve Fund	0.4	14%
Resident Contributions	<u>0.3</u>	11%
subtotal	2.6	
<b>WW FINANCIALS - NET</b>	<b>0.0</b>	

Highlights: HMB included a \$336K contingency in the Project Costs for inflation factors and cost overruns. HMB will also retain 10 percent of the construction-related project costs in its Wastewater Financial Reserve fund to manage project unknowns and forecast operations and maintenance work (\$162K). The sum of these two contingencies is \$498K (20% of project expenses).

HMB Wastewater System – Cash Flow Analysis Summary

YEAR	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2047	2057	2067	2077	2087
Year of Operation	-2	-1	0	1	2	3	4	5	6	7	8	9	10	20	30	40	50	60
<b>SUMMARY</b>																		
Total income	1,338	360	605	170	170	170	170	170	112	112	112	112	112	112	125	125	125	125
Total expenses	185	1,657	729	152	149	146	143	140	79	79	79	79	79	79	79	79	79	79
Net cash flow	1,153	-1,297	-124	18	21	24	27	30	33	33	33	33	33	33	47	47	47	47
WW Reserve - Ending Cash Balance	1,687	390	265	283	304	329	356	386	420	453	486	520	553	887	1,287	1,754	2,222	2,689
Debt Service Charge Ratio	N/A	N/A	N/A	1.78	1.84	1.90	1.97	2.04	8.40	8.40	8.40	8.40	8.40	8.40				

note: DSCR = Net Operating Income / Total Debt Service Charge

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Highlights:

With a positive net cash flow after construction (2028) and a Debt Service Charge Ratio of greater than 1.25, it demonstrates sufficient annual operating income to service the debt.

The Wastewater Reserve fund (ending cash balance) demonstrates that HMB is planning and preparing for the future replacement of the Wastewater System. When inflation factors and the forecast life span of the asset are considered, HMB will have 88 percent of the System replacement cost in its Reserve Fund.

The floor was opened to comments from the public. No comments were received regarding the proposed bylaw.

Mayor Johnston asked if anyone else would like to speak. Seeing there were no further comments, Mayor Johnston thanked everyone for coming and those who provided written and verbal comments.

Mayor Johnston declared the Public Hearing for Bylaw 184-25 closed at 11:18 a.m. and cautioned that no further comments or submissions would be received.

**HMC-25-063** MOVED by Councillor Pashak that Council return to an open meeting at 11:18 a.m.

CARRIED

**FINANCE**

**Bylaw #184-25** Wastewater System Borrowing Bylaw  
**HMC-25-064** MOVED by Mayor Johnston that Council give 2<sup>nd</sup> reading to the Wastewater System Borrowing Bylaw #184-25.

CARRIED

**HMC-25-065** MOVED by Deputy Mayor Remington that Council give 3<sup>rd</sup> and final reading to the Wastewater System Borrowing Bylaw #184-25.

CARRIED

**ADJOURNMENT**

**HMC-25-066** MOVED by Mayor Johnston that being the agenda matters have been concluded, the meeting adjourned at 11:20 a.m.

CARRIED

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JON JOHNSTON, MAYOR

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TANNER EVANS, CAO