

Train 4 Project Cost & Funding Update

The total cost of the project at completion based on the Issued For Construction (IFC) package is \$195 million. This includes a \$2.02 million contingency to account for design change and commissioning provisions as the commissioning plan is still in development. The allocation of funding is \$30M (Alberta Provincial Debenture), \$32M (TD Operating loan), \$50M (Alberta Provincial Grant Fund - received \$38M to date), and \$83M (additional TD Operating loan or Alberta debenture).

Quality of Wastewater (WW) Bylaw

First reading for proposed changes to the Quality of WW Bylaw passed. The draft with the invitation to provide comments was shared with the Technical Advisory Committee (TAC, represented by each member municipality) on November 7, with further opportunity to comment sent to TAC December 10. Any other comments must be received no later than January 31. The Governance & HR Committee will review final changes the week of February 10, with an overview of the final draft to TAC on February 27.

Increasing Board Overdraft Limit

The Board approved a motion to establish a \$5M ongoing line of credit with TD via an increase to the current facility of \$2M. Although we have yet to utilize this overdraft, the opportunity to allow this extension offers the protection and support for any emergent funding needs or to accommodate timing requirements of necessary payments related to Train 4. There are no additional fees for this proposed increase, and we are well within our debt limit levels to accommodate this.

Administrative Report

As part of the Administrative Report, Administration shared how on January 2, 2025, EPCOR's forcemain, which discharges into the ARROW plant site, experienced a catastrophic failure, initially resulting in a bypass to the North Saskatchewan River (NSR). A pump-around system has been established to redirect their wastewater to the ARROW site. ARROW continues to provide support to EPCOR in addressing this issue, while recognizing that EPCOR retains full responsibility for determining the appropriate course of action.

Audit

The independent, annual financial audit will take place the week of February 2. The audit plan will look over internal controls and look at significant reporting risks.

Board Learning & Development Policy

The Board Committee proposed an updated policy for learning and development, that was approved