

Trochu Housing Corporation
Regular Meeting at Town of Trochu Administrative Office, Trochu AB
Monday, January 12, 2026, from 4:00 pm - 5:00 pm

Agenda

Board Directors: Richard Hoppins, Barry Kletke, Paula Kowalchuk, Chris Reeds,
Ken King, Dave Nelson

Alternate Board Directors: Laura Lee Machell-Cunningham, Carl Peterson

Board Officers: Jamie Collins, Secretary/Treasurer, Sam Smalldon, President

Invited Guests: Scott Baerg, Covenant Health, Ginny Walker, St. Mary's Foundation, Lyle Nelson,
Trochu Seniors Housing Society

1. APPROVAL OF AGENDA (Barry)
2. APPROVAL OF MINUTES (Barry)
 - a. Minutes from the Annual General Meeting of November 10, 2025
 - b. Minutes from the Regular Meeting of November 10, 2025
3. BUSINESS ARISING FROM THE MINUTES (Barry/Sam)
 - a. Government Relations – Minister, MP, and MLA Update
 - b. CMHC Capital Funding Application Status Update
 - c. THC GST Registration as a Municipality Update
 - d. Construction Budget and Project Schedule Update
 - e. Covenant/St. Mary's Chapel Proposal
 - f. Life Lease Marketing Update
 - g. Business Planning Updates
 - h. THC Capital Fundraising Campaign
 - i. 2026 THC 2nd Annual Golf Classic Committee
4. EXECUTIVE REPORT (Sam) – distributed with draft agenda
5. NEW BUSINESS (Sam)
 - a. Covenant Health Update
6. IN CAMERA SESSION (Barry)
 - a. Covenant Partnership Agreement
7. PENDING MATTERS (Sam)
 - a. THC Municipal Controlled Corporation (MCC) Application
8. KEY MESSAGES (Sam)
9. NEXT MEETING (Barry)
 - a. Regular Board meeting Monday, March 16, 2026 4:00-5:00 pm (Barry)
10. ADJOURNMENT (Barry)

Trochu Housing Corporation Meeting

Annual General Meeting

Monday, November 10th, 2025, 4:00 PM

Town of Trochu Administrative Office, Trochu, AB

Minutes

Directors Present: Richard Hoppins, Barry Kletke, Paula Kowalchuk, Chris Reeds, Carl Peterson, Ron Zook

Alternate Director Present: Carl Peterson, Laura Lee Machell-Cunningham

Management/Consultant Present: Jamie Collins, Sam Smalldon

Recording Secretary: Jamie Collins

Guests: Ken King, Past Director, Lyle Nelson, Trochu Seniors Housing Society Ginny Walker, St. Mary's Foundation, Scott Bareg, Covenant Health Sign in sheet for guests in the gallery is attached

Sam Smalldon Called the meeting to order at 4:03 pm

1. Approval of Agenda

Vice Chair Paula Kowalchuk the motion to approve the agenda.

CARRIED

2. Approval of AGM Minutes November 12th, 2024

Vice Chair Paula Kowalchuk made the motion to approve the minutes.

CARRIED

3. Letters of Appointment

a) Letters from Kneehill County and The Town of Trochu appointing Board Members for 2025/2026 are on file.

4. Conflict of Interest

a) Conflict of Interest – circulated, signed, and returned to Jamie Collins

5. Election of Chair of the Board

- President Sam Smalldon ran the election and called for nominations.

Director Chris Reeds nominated Barry Kletke for Chair of the Board.

- Barry Kletke accepted the nomination

- No Other Nominations

Director Ron Zook moved nominations to cease.

CARRIED

- Barry Kletke was elected Chair of the Board for a one-year term

6. Election of Vice Chair

- Chair Barry Kletke ran the remaining elections and called for nominations.

Director Ron Zook nominated Paula Kowalchuk for Vice Chair of the Board.

- Paula Kowalchuk accepted the nomination
- No Other Nominations

Director Dave Nelson moved nominations to cease.

CARRIED

- Paula Kowalchuk was elected Vice Chair for a one-year term

7. Appointment of Officers

- President
- Secretary
- Treasurer

Director Dave Nelson made the motion that Sam Smalldon be appointed President and Jamie Collins be appointed Secretary/Treasurer.

CARRIED

8. Confirmation of Bylaws

Director Chris Reeds made the motion to confirm the Bylaws.

CARRIED

9. Committees

- None are needed currently; as the year progresses, working groups will likely be established.

10. Add New Board Members

Chair Barry Kletke made the motion to add Ken King as a board member, filling the recently vacated community member seat with Carl Peterson's election to Trochu Council.

CARRIED

11. Risk Management

- We are in the process of increasing insurance coverage now that the project build has begun. This increase will be reflected in the upcoming budget.

12. Public Accountant/Auditor and Financial Year End

- Sam Smalldon recommended we continue with the relationship we currently have. The Town of Trochu provides accounting services, and the Town Auditor is available to provide assurances as required. The Board Agreed

13. Banking and Signing Authorities

- Currently, Chair Barry Kletke, Secretary/Treasurer Jamie Collins and Vice Chair Paula Kowalchuk

Director Ron Zook made the motion to make no changes to the signing authorities.

CARRIED

14. 2026 Meeting Schedule

4:00 PM Town of Trochu Office
January 12th, 2026
March 16th, 2026
May 11th, 2026
July 13th, 2026
September 14th, 2026
AGM November 10th, 2026

Director Ken King made the motion to accept the meeting schedule.

CARRIED

15. Adjournment

Meeting adjourned at 4:16 PM

Trochu Housing Corporation Meeting
Regular Meeting
Monday November 10th, 2025, Following AGM
Town of Trochu Administrative Office, Trochu, AB
Minutes

Directors Present: Paula Kowalchuk, Barry Kletke, Richard Hoppins, Ken King, Chris Reeds, Ron Zook

Alternate Directors Present: Carl Peterson, Laura Lee Machell-Cunningham

Management Present: Jamie Collins, Sam Smalldon
Recording Secretary: Jamie Collins

Guests: Trochu Housing Society Representative: Lyle Nelson
St. Mary's Foundation Representative: Ginny Walker
Covenant Health Representative: Scott Baerg

*Members of the public in the gallery, sign in sheet on file

The Chair, Barry Kletke, called the meeting to order at 4:17 pm.

1. Approval of Agenda

Director Ron Zook made the motion to approve the agenda as presented.

CARRIED

2. Approval of Minutes

a. Minutes from the Regular Meeting of September 15th, 2025

Vice Chair Paula Kowalchuk made the motion to approve the Regular Meeting of September 15th, 2025, Minutes.

CARRIED

3. Business Arising from the Minutes

a. Government Relations

New MP and MLA. We will work toward building relationships with new representatives. We have been given the direction to reapply for CMHC and we will send a letter in regard to that to the MP once we have reapplied.

b. CMHC Capital Funding

In the process of reapplying for a forgivable loan.

c. THC GST Registration as Municipality

CRA has acknowledged that they received our package and they continue to ask questions, but we are still moving forward on this.

d. Construction Budget and Project Schedule

Sam updated the Board that the THC construction project is continuing within budget and on schedule. Site meetings continue to occur every two weeks. 30% construction is complete.

e. Covenant/St. Mary's Chapel Proposal

Continuing to work on the costs associated with this change of use. Covenant Health may apply for a grant to assist with covering these costs.

f. Life Lease Marketing Update

17 out of 18 are sold. We are in the process of refunding a life lease deposit for one individual whose plans have changed. There is meeting on November 19th scheduled to begin the process of choosing interior design items and appliances.

g. Business Planning Update

Working with Covenant Health on a contract for operations and health care delivery. Scott shared that the transition from Alberta Health to Assisted Living has been a challenge. Once this transition is complete, the division of beds will occur, but it is expected to take some time; this affects the completion of the health care delivery contract.

h. THC Capital Fundraising Campaign

The initial fundraising target is 2 million. There is a gala this Saturday to kick off the campaign and announce current partnerships.

i. 2026 THC 2nd Annual Golf Classic Committee

We will be recruiting members for this committee soon; the planning needs to begin. The date is booked – June 11th.

4. Executive Report

This was discussed, and questions were answered.

5. New Business

a. Draft Q3 2025 THC Financial Report

Was reviewed and discussed.

b. Covenant Health Update

Scott Baerg presented, document attached to the minutes as backup of that presentation.

6. Closed Session

Scott Baerg, Ginny Walker, and Lyle Nelson exited the meeting @ 4:48 PM. All the public in the gallery also left the meeting. Jamie Collins and Sam Smalldon remained in attendance to provide information to the board.

Director Dave Nelson made the motion to move into closed session @ 4:51 PM.

CARRIED

Director Dave Nelson made the motion to move out of closed session @ 5:11 PM.

CARRIED

7. Pending Matters

a. Municipal Controlled Corporation (MCC) Application

This is not something we are considering pursuing currently.

8. Key Messages

The key messages remain the same.

a. Meeting with Covenant to propose a Partnership Agreement

b. Construction Progressing on budget and on schedule

We will work on getting a bigger presence on the Town of Trochu website.

9. Next Meeting

a. Regular Board Meeting, Monday, January 12th, 2026, 4:00 PM

10. Adjournment

The meeting was adjourned at 5:14 PM.

Covenant Update to THC Board - November 10,2025

Covenant is continuing with active planning and preparation for the opening of the new home in July 2027. The following is a high-level summary of the work underway categorized by the different work streams.

Human resources

- Continuing to communicate with staff about the new site
- Initial communications have been held with the unions
- Bulk of work to begin in Fall 2026
- Potential for educating and training our own HCA's for the site
- Update staff scheduling systems

Risks:

- Staff recruitment
- Housing for out of town staff

Nutrition, Food, Laundry and Environmental Services (NFLES)

- Contributed to kitchen, serveries and dining areas
- Continued operational program planning

Next Steps:

- Would like to hold consultation sessions with Independent Living residents early in the new year regarding meal service options and expectations
 - Good opportunity to engage the future residents and ensure that offerings align with expectations

Supply Chain and Logistics

- Reviewing current supply chain and product standardization
- Reviewing plans and mapping storage and internal logistics

- Medical device reprocessing will continue to be provided off-site

Emergency Disaster Management

- Develop evacuation plan for the site, including evacuation sleds or other method of evacuation
- Update documentation for all emergency codes
- Will require some level of coordination with Independent Living residents as well as the site facilities maintenance team

Information Technology

- Reviewed plans to ensure proper power and data to correct locations
- Computer equipment planning - workstations, printers, fax, etc

Connect Care (Electronic Medical Record)

- Notification to provincial Continuing Care - Connect care team to ensure the new site is on their workplan
- Equipment planning - inventory and ordering
- Clinical Informatics Specialist assigned
- Build new system naming conventions
- Will require on-site support for the move to the new site

Capital Planning

- Covenant Health's team can support equipment planning, procurement, and specification validation, IPC compliance, etc
- Multiple options for procurement support
- Will assist with logistics and equipment movement from current site to future site

Infection Control (IPC)

- Provided feedback to construction IPC plan
- Must review and sign off on furniture prior to purchase to ensure compliance with IPC standards and accommodation standards.
- Will review and sign off on cleaning protocols prior to occupancy

Pharmacy

- Will require a change to current agreement with the addition of Supportive Living residents. These residents pay for their own medications.

Assisted Living Alberta

- Regular updates
- Will determine bed allocations in early-mid 2026

Other Covenant Support areas:

- Quality
- Professional Practice
- Health Information Management (HIM)
- Privacy
- Communications
- Legal

THC Executive Board Report
January 12, 2026

Note - Minutes of recent Board meetings are attached to the draft Board agenda packages.

Activities Underway

1. Project capital grants
 - a) CCCP Capital Grant - \$11.5 Million; The funding agreement has now been signed. We have already received the first 50% grant advance upon signing the agreement, and the next 40% advance once the project is at 50% completion, expected to be in January 2026. We received 100% final clearance from Alberta CCCP for the final drawings, and we received a formal letter of commitment from AHS for the 40 units. We have made our regular quarterly financial report for the project to date as at December 31, 2025.
 - b) AAHP Capital Grant - \$9.5 Million; The funding agreement has now been signed. We received a 10% grant advance upon signing the funding agreement. We received the next 30% advance in November 2025 based on construction progress to 30% of the project completion, Our next 40% grant advance will occur at 60% of construction progress completion expected in April/May 2026. We have filed our quarterly financial reports for the project to date as at December 31, 2025.
 - c) CMHC Capital Grant – We have once again applied for \$2.8 million in capital funding. This application was previously denied due to a lack of grant funding. This is a new Affordable Housing stream of funding, and we met the deadline for applications set by CMHC and we await further consideration, questions or processing. At this time, the CMHC grant is not part of the THC project funding as part of the approved budget; this funding has been replaced by borrowing until the new application is adjudicated. The CMHC application is currently a request for \$2.8 million borrowing with a \$2.256 million forgivable portion.
2. Government relations – Alberta Ministers, MP, and MLA
We have received full support from the Alberta Minister of Health, the Alberta Minister of Seniors, Community and Social Services, the Alberta Minister of Municipal Affairs, our past and current MLAs and our past and current MPs. Our past MP had advocated for us in Ottawa with the Federal Minister of Housing. Discussions are current with the Mayor of Trochu, MP and MLA, and we will enter further discussion of any possible funding solutions.
3. New AHS structure – made initially public in a press release on November 8, 2023; the new division, called Assisted Living, was announced recently, and it commenced its work on April 1, 2025. The new structure for health care delivery in Alberta has begun to be effective September 2, 2025, but as yet, nothing new has been identified, and we continue to work with Assisted Living, AHS and Covenant Health on the care program. This requested care program is for the 40 units of 24/7 care and integrated with Home Care for any resident in the other units of the project, if they are eligible Home Care clients. We received a formal letter of commitment from AHS for the 40 units, and the commitment letter was also signed by both THC and Covenant Health. Assisted Living is meeting with Covenant Health on January 6, 2026, to discuss the integrated care model and the types of bed for the 40 units.
4. Project management structure
The organization for the THC project is broken down into four essential roles.
 - a) Owner’s Representative (OR) – President of THC, Sam Smalldon
 - b) Project Manager (PM) – This is a professional project manager who should oversee the project and the work of both the Architect and Construction Manager on behalf of the Owner’s

Representative and the Board. This would be under contract, and we currently have PM duties shared by Wayne Milaney and Brian Antonsen.

- c) Architectural Design – Arcadis, as the Architect will plan, design and monitor the building construction under contract as per the RFP bid competition.
- d) Construction Management – Shunda Consulting and Construction Management Ltd is the Construction Manager and will support the planning and construction of the building. We have a Stipulated Fixed Price of CCDC 5B with Supplementary Conditions now that the detailed design is completed and the final building permit is issued. Construction project insurance (course of construction and wrap-up coverage) and bonding have been undertaken by Shunda, as our prime contractor. The approved project budget is \$45 million, of which \$37 million is now the Stipulated Fixed Price contract and includes a \$0.7 million contingency to be managed by the Owner’s Representative on behalf of the Board. At this time, approximately 50% of this contingency is unspent and available.

5. Detailed design process (completed)

The detailed design process involving 25-30 people started on February 15, 2024 and is now concluded with IFC drawings (final). A “value engineering” process was done prior to the finalized building design and final building permits have been received. Preliminary IFC final drawings were tendered as of November 29, 2024, and we signed a Stipulated Fixed Price contract with Shunda for \$37 Million within the total approved project budget of \$45 Million, as mentioned above. The most recent request for a Chapel is being considered and integrated into the previously completed IFC drawings, subject to the Board’s approval of any potential costs.

6. Project planning and construction budget

A final proposed project budget for \$45 million was approved on March 31, 2025 and was subject to approval of the Kneehill County bylaw on April 8, 2025 and signing of the ATB Offer for Borrowing, both of which occurred. A Stipulated Fixed Price CCDC 5B contract was signed with Shunda, and the full approved project budget is attached in the appendix to this report.

7. Project Construction

Site work for construction continues with almost all footings and foundations now completed prior to the end of 2025. Framing has now started and continues through all phases. Bi-weekly site meetings occur, with inspection and oversight reports issued for construction design from Arcadis and construction progress by Shunda. We have a cost consultant to monitor the progress for assurance of the bank financing (ATB) and the THC Board, and the Town. Copies of the cost consultant reports are distributed to the Board separately, upon request. Progress payments continue on a regular monthly basis, and each progress payment receives certification by Arcadis for work progress, including a check to ensure THC has a clean title before the release of construction payments. At this point, we are at 40% over construction progress complete and all continues to progress smoothly. We receive progress and invoice certifications from Arcadis, and oversight by our Project Managers to ensure we are sticking to the design; we receive updated construction schedules from Shunda to ensure we are on schedule, and our cost consultant reports ensure our bank draws are regular and in compliance and for our Board to ensure we are on budget.

8. Business case, accounting and pricing updates

The business case is being updated for the approved capital budget and operating cost estimates. The capital cost is known at \$45 million. The business case for operating costs must be updated during our negotiation with Covenant Health to ensure viability based on expected costs to operate. Our ongoing borrowing commitments and pricing adjustments will be reviewed at the same time. Resident pricing will be set once an operating agreement is signed with our operating partner. The goal is to keep prices as low as possible and permit the business case to remain viable. THC has now

received communication that our THC application for GST exemption and designation as a municipality from CRA was not approved for the project. This means that all construction costs being paid through THC are 50% GST-exempt.

9. Project fundraising

A capital campaign for at least \$2M was launched with an official announcement made at the November 15, 2025 Trochu Seniors Housing Society Gala. The initial silent phase resulted in \$1.128 million in pledges and donations and this was announced at the Gala. The capital campaign continues under the oversight of a campaign advisory committee that meets every two weeks. Our 1st Annual THC Golf Classic, held June 12, 2025 at the Trochu Golf and Country Club, raised \$14,500 and our 2nd Annual Golf Classic is planned for June 11, 2026. The capital campaign has actively reached out to all surrounding area Municipalities, corporations and community organizations for support in the fundraising.

10. Life Lease marketing

Advertising continues for vacant life lease units and for developing a waitlist, so occupancy is maximized when we open. We continue to have all 18 life lease agreements sold, with a few inquiries from those interested, so we will now start to cultivate a wait list. We understand there could be a few refund requests for health or other factors before the facility opens, but we expect to continue marketing to maintain full occupancy. The objective is to be full or at capacity when we open, with a waitlist.

11. Public consultation processes

- Town of Trochu ratepayers – consultation completed.
- Community advisory engagement and feedback – the last consultation with the Community Advisory Group was held on June 10, 2025, to update the Community on our progress.
- Two project site tours have been provided, the latest was on October 15, 2025.
- Life lease residents – A meeting with the Life Lease residents group, who have signed agreements, was held on November 19, 2025. Another meeting of the Life Lease residents group is expected in Q1 2026 to review options for colors of paint, materials and appliances.
- Trochu Seniors Housing Society (TSHS)– As THC president, I attend monthly meeting for project updates and fundraising for furniture and equipment. TSHS is applying for Charitable Registration status with the Canada Revenue Agency.
- St. Mary’s Foundation – THC is working with Covenant Health and the St. Mary’s Foundation Board on fundraising for furniture and equipment.

12. Borrowing and agreements

- Town of Trochu borrowing bylaws – THC borrowing from Town – bylaw completed and agreement to be drafted and signed soon.
- Borrowing bylaw and agreement with Kneehill County – received second and third readings for interest rate and other date changes was held April 8, 2025. The agreement between Kneehill County and the Town of Trochu is now updated and signed.
- The borrowing offer from ATB has been approved and signed.
- Partnership with Covenant Health – We have received a letter with a quasi-guarantee for operating borrowing, we have an approved Memorandum of Understanding yet to be signed, and are further negotiating a Partnership Agreement to include an Operating Agreement based on programming with Covenant Health.
- Town of Trochu debt ratios – the Alberta Minister of Municipal Affairs has provided the Town of Trochu with borrowing permission through the Ministerial Order.

13. Pending matters – none at present

14. Key messages – Project on schedule and on budget, and construction progressing smoothly.
Negotiations with Covenant Health ongoing.

15. Next meeting - Regular Board meeting Monday, March 16, 2026, 4:00-5:00 pm

Trochu Housing Corporation Project Cash Flow and Budgets

Monday, July 14, 2025

	2024 Draft Budget	2024 Forecast	2025 Estimate	2026 Estimate	2027 Estimate	Total Estimated Project Budget
Purpose/Use of Funds	Planning	Construction	Construction	Construction	Construction	
Architectural Design Consultant	\$1,701,250	\$41,015	\$134,060	\$133,508	\$80,215	\$2,090,048
Construction Management	\$110,000	\$131,700	\$526,800	\$526,800	\$131,700	\$1,427,000
Project Management	\$83,333	\$41,667	\$166,667	\$166,667	\$41,666	\$500,000
Owner's Representative	\$83,333	\$41,667	\$166,667	\$166,667	\$41,667	\$500,000
Project Planning*	\$350,000	\$0	\$0	\$0	\$257,953	\$607,953
Legal	\$15,000	\$10,000	\$10,000	\$10,000	\$5,000	\$50,000
Accounting	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
Quantity Surveyor	\$0	\$15,000	\$30,000	\$30,000	\$25,000	\$100,000
Project Site	\$0	\$1,500,000	\$0	\$0	\$0	\$1,500,000
Construction *****	\$0	\$3,700,000	\$14,800,000	\$14,800,000	\$3,700,000	\$37,000,000
Commissioning *****	\$0	\$0	\$0	\$0	\$0	\$0
Interest	\$25,000	\$0	\$225,000	\$650,000	\$300,000	\$1,200,000
GST Paid ***	\$150,000	\$200,000	\$850,000	\$850,000	\$200,000	\$2,250,000
GST Received***	(\$150,000)	(\$200,000)	(\$850,000)	(\$850,000)	(\$200,000)	(\$2,250,000)
Total Use of Funds	\$2,372,917	\$5,486,048	\$16,064,193	\$16,488,641	\$4,588,201	\$45,000,000
Cumulative Use of Funding	\$2,372,917	\$7,858,965	\$23,923,158	\$40,411,799	\$45,000,000	
Source of Funding						
AH - CCCP Capital Grant	\$0	\$5,750,000	\$4,600,000	\$0	\$1,150,000	\$11,500,000
AB Seniors - AAHP Capital Grant	\$0	\$950,000	\$2,850,000	\$3,800,000	\$1,900,000	\$9,500,000
CMHC - Seed and Capital Grant****	\$0	\$0	\$0	\$0	\$0	\$0
Life Lease Deposits	\$0	\$0	\$400,000	\$0	\$3,600,000	\$4,000,000
Donations *****	\$0	\$0	\$0	\$0	\$0	\$0
Borrowing**	\$2,372,917	(\$2,463,952)	\$5,319,193	\$16,833,641	(\$2,061,799)	\$20,000,000
Total Sources of Funds	\$2,372,917	\$4,236,048	\$13,169,193	\$20,633,641	\$4,588,201	\$45,000,000
Cumulative Source of Funding	\$2,372,917	\$6,608,965	\$19,778,158	\$40,411,799	\$45,000,000	
Net Funding excess/(shortfall)	\$0	\$1,250,000	\$4,145,000	\$0	\$0	

* Most of these costs have already been spent up front

** Borrowing guaranteed by Kneehill County up to \$20M for up to 5 years and up to \$20M Take out guarantee by Covenant.

** Borrowing in 2024 for Planning within Town Debt Ratio; Borrowing in 2025-2027 with permission by Ministerial Order

*** GST is considered budget neutral.

**** CMHC Funding no longer assumed to be part of project funding.

***** Options include contingency at 5% of construction and Guaranteed Maximum Price (GMP) contract.

***** Commissioning and Fund Raising not included.