

September 21, 2018

Dear Chestermere Utilities Incorporated Stakeholders, Staff and Vendors

It has been public knowledge for a number of years now that the residents of Chestermere have many questions and concerns about their City owned company, CUI. The current Council, elected in October 2017, received a clear message from Chestermere residents that they expected an in-depth review of the business as a whole and the new Council committed, through the City's strategic plan, to conduct this review.

Since the election, the CUI Board and management have provided Council, through a series of meetings, with an in-depth analysis of CUI's business, operational challenges and financial state of affairs. With this knowledge, Council and the CUI Board concluded that the status quo could not continue and on September 4, 2018, the City engaged the services of KPMG and McMillan LLP to conduct an independent review of the business and provide options for Council's consideration, which will be presented at a Special Council Meeting on October 22, 2018. We invite you to attend.

We acknowledge that change and transition can be unsettling. We are committed to finding a path forward that will be outcome focused and respectful of all. While the work surrounding this matter progresses with a sense of urgency, we want to take the appropriate time following the report from KPMG and McMillan LLP, to carefully consider the options and chart the next steps forward.

We recognize that these decisions may affect you and want to keep you up to date along the way.

In the meantime, CUI will continue to deliver regular services without disruption. We truly appreciate the service provided by the CUI stakeholders, staff and vendors and we ask you to continue to serve the citizens of Chestermere with pride, and to the best of your ability. To our CUI customers, thank you. We are committed to providing the best value we can in the delivery of these essential services.

We ask for your patience while we work collaboratively, together as a community, to find the best way forward.

Sincerely,



Marshall Chalmers
Mayor
City of Chestermere



Lou Doiron
Chair
CUI Board