

Town of Drumheller COUNCIL MEETING MINUTES

June 21, 2010 at 4:30 PM

Council Chamber, Town Hall

703-2nd Ave. West, Drumheller, Alberta



PRESENT:

MAYOR:

Bryce Nimmo

COUNCIL:

Andrew Berdahl

Karen Bertamini

Blaine McDonald

Don Guidolin

Sharel Shoff

Terry Yemen

CHIEF ADMINISTRATIVE OFFICER/ENGINEER:

Ray Romanetz

DIRECTOR OF INFRASTRUCTURE SERVICES:

Allan Kendrick

DIRECTOR OF CORPORATE SERVICES:

Michael Roy

DIRECTOR OF COMMUNITY SERVICES:

Paul Salvatore

RECORDING SECRETARY:

Linda Handy

1.0 CALL TO ORDER

- 1.1 Councillor Sharel Shoff was sworn in as Deputy Mayor for the months of July and August, 2010.

2.0 MAYOR'S OPENING REMARK

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

Deletion: 8.4.1 RFD - Newcastle Community Hall

MO2010.106 McDonald, Shoff moved to approve the agenda as amended. Carried unanimously.

5.0 MINUTES

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

- 5.1.1 Regular Council Meeting Minutes of June 7, 2010
MO2010.107 Shoff, Yemen moved to approve the regular Council meeting minutes of June 7th, 2010 as presented. Carried unanimously.

5.2. MINUTES OF MEETING PRESENTED FOR INFORMATION

5.3. BUSINESS ARISING FROM THE MINUTES

6.0 DELEGATIONS

- 6.1 Presentation of Encana's Business Plan
Encana representatives (Stacy Knull, Derek McCoubrey, Diana Woog Doolan, Lynne Chrumka, and Luigi Vescarelli) were in attendance to provide an overview of the "*New Encana: the clear energy choice*", the Clearwater BU Development Plans, specific development plans for the Drumheller Area and Encana's community relations and investment. Derek explained that oil assets have been split off into Cenovus and the new Encana will focus on the unconventional natural gas assets in North America through shale gas production. He explained that shales are plentiful in North America and Encana is positioned to capitalize on 12.7 million net acres in North America. He further explained that Encana intends to double their company size over the next five years with the Clearwater Business Unit being one area of focus (US border to north of Edmonton). He stated that Encana intends to continue to grow the Horseshoe Canyon CBM District as there is a huge opportunity for development (up to 15,000 wells in the next 10 years which will increase the number of jobs). This results in indirect spending in Drumheller and economic development opportunities. Luigi highlighted some of Encana's community investments such as the Drumheller Dragons, Royal Tyrrell Museum, Drumheller's Badlands Community Facility and many other organizations.

Mayor and Council thanked Stacy, Derek, Diana, Lynn, and Luigi for their presentation and noted that many Encana employees are dedicated volunteers within the community.

7.0 COMMITTEE OF THE WHOLE RECOMMENDATIONS

8.0 REQUEST FOR DECISION REPORTS

8.1. CAO

- 8.1.1 RFD - Badlands Community Facility Tender Award
R. Romanetz advised that the tenders closed for the Badlands

Community Facility on June 9th at 2:00 PM. He stated that nine tenders were received with the bids ranging from \$13,725,000 to \$14,987,000. He further stated that Dawson Wallace Construction Ltd. out of Calgary, AB was the low bidder in the amount of \$13,725,000 (exclusive of GST and separate prices). He presented a letter from GEC dated June 18, 2010 which recommends that the Town of Drumheller award the tender to Dawson Wallace Construction Ltd. He also presented GEC's cost analysis of the project based on the low tender. He stated that the base bid of \$13,725,000 includes \$469,000 cash allowance for the kitchen and detailed mill work and \$310,200 separate prices that represent items that could be deferred or left out. Administration recommends that the separate price items be included in the tender price bringing the total bid to \$14,035,200.

He explained that costs outside of the total bid prices include site work at \$1.3M, access road construction and servicing at \$400,000, cenotaph at \$250,000, 7% contingency which may be required to cover change orders and \$351,000 that was expended in the fall of 2009 on site fill and grading for a total construction cost of \$17,455,164. He further explained that once other costs such as the furnishings, equipment IT, fees for architectural and engineering are included the overall total project cost will be in the amount of \$21,221,786.40.

MO2010.108 Bertamini, Guidolin moved that Council award the tender for the Badlands Community Facility Project to Dawson Wallace Construction Ltd. in the amount of \$14,035,200 exclusive of GST.

Discussion on Motion:

Councillor A. Berdahl stated that Council needs to consider if any cost savings from Phase 1 should be directed to Phase 2 of the project. He recommended that the dollars go to Phase 2 of the project. In a response to Councillor S. Shoff's question, R. Romanetz stated that other specific tenders for furnishings, equipment, cenotaph, etc would have to come back to Council for approval. Councillor T. Yemen asked when the facility will be completed. R. Romanetz stated that the building should be ready for occupancy in September, 2011.

Vote on Motion: Carried unanimously.

- 8.1.2 RFD - Badlands Community Facility - Operations and Marketing Steps
- R. Romanetz advised that Administration has been actively working on options and alternatives for the marketing the Badlands Community Facility. He stated that two key considerations to the future success of marketing and program development for the Badlands Community Facility include: 1) hiring of a Manager to allow for the early development of sales and community networks related to Badlands Community Facility; and 2) purchasing and scheduling software to

optimize sales and leverage opportunities for the facility. He stated that the amount would be expensed from a combination of operating surplus and reserves from the 2010 budget. He stated that it is expected that the annual range for this position would be \$50,000 - \$65,000 dependent on experience. This would be an out of scope position.

MO2010.109 Shoff, Yemen moved that Council instructs Administration to hire a Facility Manager for the Badlands Community Facility using surplus funds for 2010, and / or a combination of funds from surplus and, or reserves from the 2010 budget.

Discussion on Motion:

In response to a question from Council, R. Romanetz explained that the job description is available from the Director of Community Services, P. Salvatore who will oversee this position. He further explained that as per the Town's HR Policy at least two staff members with hiring authority and possibly a third will be involved in the interviewing process. Councillor S. Shoff asked if a Committee would be established to oversee the facility operations. R. Romanetz stated that as suggested in the memo dated June 11, 2010, a Committee should be formed to collaborate with staff and identify future marketing opportunities for the facility.

Vote on Motion: Carried unanimously.

8.1.3 RFD - Notice of Amendments to the Palliser Regional Municipal Services Articles of Association

R. Romanetz advised that he along with Jay Slemple, Special Areas and Ross Rawlousky, Starland County have been working as a mentoring group with Palliser for the last 6 months and several inconsistencies have been noted in Palliser's Articles of Association. He provided an overview of the proposed changes.

MO2010.110 Guidolin, Berdahl moved that Council support the amendments to the PRMS Articles of Association.

Discussion on Motion:

Council requested that the following two recommendations be brought forward at the Annual General Meeting to be held on June 23rd: 1) Section 6 - Cessation of Shareholder - notice requirements for a shareholder to withdraw from membership. Council requested that the 600 day requirement should remain in place as 365 days is not sufficient time for member municipalities to rebudget and 365 days makes it too easy for municipalities to withdraw; and 2) Section 35 - Remuneration - Councillor K. Bertamini disagreed with word change "that schedule of rates as approved by resolution of the Board". She stated that all "schedule of rates should be approved by resolution of the

Shareholders" as new rates will impact municipal requisitions.

Councillor K. Bertamini asked for an amendment to the motion to reflect the suggested changes. Councillor Guidolin and Berdahl agreed.

MO2010.110A Guidolin, Berdahl moved that Council support the amendments to the PRMS Articles of Association subject to two changes to the amendments affecting Section 6 (600 day requirements remain in place) and Section 35 (schedule of rate should be approved by the Shareholders).

Vote on Motion:

5 - in favour McDonald, Bertamini, Nimmo, Berdahl, Guidolin

2 - opposed Shoff, Yemen

Motion Carried.

8.2. Director of Infrastructure Services

8.3. Director of Corporate Services

8.4. Director of Community Services

8.4.1 RFD - Newcastle Community Hall (removed from agenda)

9.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION

10.0 PUBLIC HEARING DECISIONS

11.0 UNFINISHED BUSINESS

12.0 NOTICES OF MOTIONS

13.0 COUNCILLOR REPORTS

14.0 IN-CAMERA MATTERS

MO2010.111 Guidolin, Bertamini moved to go in camera at 5:55 PM. Carried unanimously.

14.1 Land Matter – Hy-Grade Industrial Park

14.2 Personnel Matter

MO2010.112 Shoff, Berdahl moved to revert to regular Council meeting at 7:18 PM. Carried unanimously.

14.1 Land Matter - Hygrade Industrial Park

MO2010.113 Shoff, Berdahl that Council accept the proposal by

Barcomp Industries Inc. to exchange land legally known as Plan 9710916 Block 12 Lot 11 (Civic Address 41 Hy-Grade Crescent) owned by the Town of Drumheller with land legally known as Plan 9710916 Block 12 Lot 10 (Civic Address 51 Hy-Grade Crescent) owned by Barcomp Industries Inc. and further that Barcomp Industries Inc. will be responsible for their share of the legal and transfer costs." Carried unanimously.

There being no further business, the Mayor declared the meeting adjourned at 7:20 PM.

Mayor

Chief Administrative Officer