

# **Town of Drumheller COUNCIL MEETING MINUTES**

October 11, 2011 at 4:30 PM  
Council Chamber, Town Hall  
703-2nd Ave. West, Drumheller, Alberta



## **PRESENT:**

MAYOR:

Terry Yemen

COUNCIL:

Jay Garbutt

Lisa Hansen-Zacharuk

Sharel Shoff

Doug Stanford

Tom Zariski

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:

Corinne Macdonald

ABSENT:

Andrew Berdahl

## **1.0 CALL TO ORDER – 4:32 PM**

## **2.0 MAYOR'S OPENING REMARK**

2.1 Mayor T. Yemen proclaimed October 17 - 23, 2011 as Canada World Youth Week.

2.2 Board Appointments 2011/2012  
Mayor T. Yemen circulated Board Appointments 2011/12 and asked Council to review and advise which Boards they would like to site on for the upcoming Organizational Meeting.

## **3.0 PUBLIC HEARING**

## **4.0 ADOPTION OF AGENDA**

**MO2011.261** Garbutt, Stanford moved that the agenda be adopted Addition: Item 8.4.1 Newcastle Hall – Ownership Transfer. Carried unanimously.

## **5.0 MINUTES**

### **5.1 ADOPTION OF REGULAR COUNCIL MEETING MINUTES**

#### **5.1.1 Regular Council Minutes of September 26, 2011**

**MO2011.262** Shoff, Garbutt moved that the regular Council meeting minutes of September 26, 2011 be adopted as presented. Carried unanimously.

### **5.2 MINUTES OF MEETING PRESENTED FOR INFORMATION**

### **5.3 BUSINESS ARISING FROM THE MINUTES**

## **6.0 DELEGATIONS**

## **7.0 COMMITTEE OF THE WHOLE RECOMMENDATIONS**

## **8.0 REQUEST FOR DECISION REPORTS**

### **8.1 CAO**

### **8.2 Director of Infrastructure Services**

**8.2.1 RFD - Professional Engineering Services for System Upgrades and Optimization at Water Treatment Plant Proposals**  
A.Kendrick advised that a RFD was developed and posted according to the Town's purchasing policy. 40 Engineering firms reviewed the proposal on the APC website and 5 proposals were received. The Selection Team of R. Romanetz, A. Kendrick, B. Bolduc and L. Christopherson evaluated the proposals from the 5 firms and found Associated Engineering's proposal to be the most advantageous to the Town. The estimated project fees ranged from \$66,781 to \$139,000 with an average of \$99,232. Associated Engineers' Design Engineering fee rate was under the average rate by 33% or the lowest and fees for construction were at 10%. Professional Engineering Services are secured for two projects that are required in the Town's Approval to operate its Water and Wastewater Systems. Budget would be over by \$26,781, which will be coming out of reserves.

**MOTON2011.263** Shoff, Zariski moved Council award the contract to Associated Engineering for \$66,781 to supply Professional Engineering Services for System Upgrades and Optimization at Drumheller Water

and Wastewater Treatment Facilities.

Discussion on Motion:

Councillor J. Garbutt asked why is the project over budget. A. Kendrick noted that the Town is complying with new regulations; part of the approval of the Waste Water Plant states we need a receiving stream assessment within one year. The Town contacted Environment and advised the Town did not have some equipment running all year and they allowed us more time. R. Romanetz noted that once you complete an Approval they can come back with different upgrades. Councillor L. Hansen-Zacharuk asked if we had any prior working relations with Associated Engineers. R. Romanetz noted they are a very reputable firm and although the Town has not worked with the firm recently, they are familiar with our WWTP.

Vote on Motion:

Carried unanimously.

### **8.3 Director of Corporate Services**

#### **8.3.1 RFD Tax Recovery Sale Reserve Bid**

B. Wulff advised that as part of the tax recovery process under the MGA, properties with a tax caveat registered against them must be offered for public auction one year after the date of the tax caveat. The properties due for auction were registered in 2010. As another part of the process Council must set the terms and reserve bid for these properties. In the past terms have been cash and the reserve bid was equal to the current year's assessment.

**MO2011.264 Shoff, Hansen-Zacharuk** moved that Council set the reserve bid price for properties for the January 25, 2012 tax recovery auction. Furthermore, the successful bidder must pay via cash, or money order.

Carried unanimously.

#### **8.3.2 RFD Sandstone Manor – Taxes**

B. Wulff noted that Drumheller Housing Administration has requested that the property be made exempt from taxation. A request was made to Alberta Municipal Affairs with the response that property owned by the Town but operated by DHA cannot be made exempt. Municipal Affairs has advised that this situation "has been put under advisement". The Town has the discretion under the MGA Section 347(1)(b) to "cancel or refund all or part of a tax" on an annual basis. The Town is still required to remit the education tax as requisitioned by the Province. In keeping with the intention of the contract and subject to limitations of the current legislation on property tax exemption, DHA has requested

that Administration cancel the municipal portion of the property tax in the amount of \$8,331.30 plus penalty levied on September 1<sup>st</sup> in the amount of \$558.24, leaving the education tax of \$2,833.53 as payable. Susan Thompson, Municipal Affairs, advised that only lodge accommodation would be exempt. Manors 1 & 11 pay by a grant in lieu. For information purposes he provided copies of the Agreement between the Town and DHA, letter from DHA, emails from Town Solicitor, S. Thompson from Municipal Affairs and M. Roy, Director of Corporate Services.

**MO2011.265** Garbutt, Zariski moved

Whereas the Drumheller Housing Administration has requested that the property being used by Sandstone Manor be made exempt from taxation, and

Whereas legislation does not permit an exemption in these circumstances, and

Whereas the MGA section 347(1)(b) provides Council the authority to cancel or refund taxes,

Therefore Council approve the cancellation of the municipal portion of the Sandstone Manor 2011 property taxes in the amount of \$8,331.30 plus the late payment penalty of \$558.24 for a total of \$8,889.54.

Discussion on Motion:

Councillor D. Stanford asked if Sandstone Manor's tax is put into reserves for maintenance of the building? R. Romanetz advised that if there is a deficit for maintenance, the Town would be responsible. Councillor D. Stanford asked how Sandstone's rent is compared to other municipalities. Councillor J. Garbutt advised that the rent is a little higher. Currently there are no vacancies and some residents in affordable housing would be better suited in subsidized housing. Councillor L. Hansen-Zacharuk asked if reserves are currently being used. Councillor J. Garbutt noted that there are no reserves, there is no profit. R. Romanetz noted that based on the approved budget those reserves are to be set aside.

Vote on Motion:

In favour J. Garbutt, T. Zariski. Opposed T. Yemen, D. Stanford, S. Shoff, L. Hansen-Zacharuk. Motion defeated.

## **8.4 Director of Community Services**

### **8.4.1 Newcastle Hall – Ownership Transfer**

P. Salvatore advised that the Newcastle Hall is a Town owned property. The Town has carried out some improvements on mechanical issues and water drainage. The

Newcastle Recreation Association is proposing to either enter into a lease agreement with the Town as in the past or take over title of the Hall for \$1. There are problems regarding drainage at the Hall that they would like to work together with the Town in resolving. This would help with their long term goals and reduce the Town's commitment for maintenance. R. Romanetz noted that the Town could deal with the external drainage; some work has been carried out already to direct the water away from the building to prevent it from leaking into the basement.

**MO2011.266** Zariski, Hansen-Zacharuk moved that Council directs administration to proceed with the sale of Newcastle Hall to Newcastle Recreation Association, as proposed in their letter dated September 23, 2011. The Town would then proceed by assisting with "in kind" support to allow for building improvements to the Hall – in partnership with Newcastle Recreation Association. All costs associated with these improvements would be funded from the 2011 budget. The sale would include a caveat on the title of the property, which would return the property to the Town, if at any time in the future Newcastle Recreation Association ceased to function as a community organization.

Discussion on Motion:

Councillor L. Hansen-Zacharuk asked if it should be more specific and state that the Town will fix the drainage problem and not be doing maintenance repairs in the Hall. R. Romanetz advised that the Administration is agreeable to this proposal, Society would deal with the water issue inside, Town would only do the exterior work and direct the water away from the building. Council T. Zariski noted that the idea of the Newcastle Community is not requesting that the Town do any interior work, only exterior.

AMENDMENT TO MOTION MO2011.266:

Councillor L. Hansen-Zacharuk made an amendment to the motion to remove the sentence "The Town would then proceed by assisting with "in kind" support to allow for building improvements to the Hall – in partnership with Newcastle Recreation Association."

Councillor T. Zariski agreed to the amended motion.

Councillor T. Zariski asked that following the MGA discussion on exempt taxes would the Newcastle Hall be exempt. B. Wulff advised that Community Halls do not pay taxes.

**MO2011.266A** Zariski, Hansen-Zacharuk moved that Council directs administration to proceed with the sale of Newcastle Hall to Newcastle Recreation Association, as proposed in their letter dated September 23, 2011. All costs associated with these improvements would be funded from the 2011 budget. The sale would include a caveat on the title of the property, which would return the property to the Town, if at any time in the future Newcastle Recreation Association ceased to function as a community organization.

Carried unanimously.

## **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** – Shoff, Hansen-Zacharuk. 5:22 PM

14.1 Legal Matter

There being no further items, the Mayor declared the meeting adjourned at 6:00 PM.

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Mayor

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Chief Administrative Officer