

Town of Drumheller COUNCIL MEETING MINUTES

November 21, 2011 at 4:30 PM
Council Chamber, Town Hall
703-2nd Ave. West, Drumheller, Alberta



PRESENT:

MAYOR:

Terry Yemen

COUNCIL:

Andrew Berdahl

Jay Garbutt

Lisa Hansen-Zacharuk

Sharel Shoff

Doug Stanford

Tom Zariski

CHIEF ADMINISTRATIVE OFFICER/ENGINEER:

Ray Romanetz

DIRECTOR OF INFRASTRUCTURE SERVICES:

Allan Kendrick

ACTING DIRECTOR OF CORPORATE SERVICES:

Bill Wulff

DIRECTOR OF COMMUNITY SERVICES:

Paul Salvatore

RECORDING SECRETARY:

Linda Handy

1.0 CALL TO ORDER

2.0 MAYOR'S OPENING REMARK

2.1 Report on Atlas Coal Mine

Mayor T. Yemen provided the following highlights from Atlas Coal Mine's meeting held on November 15, 2011:

- Another successful year! "Walk in" participation (non pre-booked groups) attendance was up 14% over last year.
- The average number of visitors per day was 153 between May and Oct.
- There were 135 pre-booked groups, which equates 7212 person tours.
- Total admissions for the season were \$190,959.
- 55% of questioned visitors came to the Mine due to reputation or had previously visited.
- Little Boo and Big Boo's attendance was up a total of 27% over the four events (2 each). A total of 1834 visitors partook in the activities with 181 volunteer positions being filled.

- Project for the Mine will be to remove the earth plug so people will get the full underground effect.

Mayor and Council wished the Drumheller Valley Secondary School Titans success in the upcoming Provincials – the Titans are guaranteed silver (a victory would make them provincial champions).

Councillor S. Shoff advised that the Salvation Army is seeking volunteers for their Red Kettles Campaign.

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

MO2011.276 Berdahl, Hansen-Zacharuk moved that the agenda be adopted as presented. Carried unanimously.

5.0 MINUTES

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

5.1.1 Regular Council Meeting Minutes of November 7, 2011

MO2011.277 Garbutt, Zariski moved that the Regular Council Meeting Minutes of November 7, 2011. Carried unanimously.

Discussion held on the draft East Coulee / Lehigh letter which proposes a question to the residents if they are in favour or against the water line extension project. Council requested that the letter contain a tracking number on the responses to identify the response area. B. Wulff advised that if the response is not in the reply business envelop, the response will not be counted. Discussion held on the confidentiality of the responses and that the information is protected under the FOIPP legislation. Councillor L. Hansen-Zacharuk requested that a sample water / sewer bill be included along with an excerpt from the Utility Rate Bylaw.

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

8.1.1 RFD - Boundary change request for Water Supply Agreement between Aqua 7 Regional Water Commission (formerly Kneehill Water

Commission), Rocky View County and the Town of Drumheller

R. Romanetz advised that the Town of Drumheller has received a letter from Aqua 7 Regional Water Commission (formerly Kneehill Regional Water Services Commission) requesting that the Water Supply Agreement be amended to allow Aqua 7 to extend the boundaries to include the entire area of Rocky View County. This extension of Aqua 7 lines would go directly to Rocky View's new plant (East Balzac Water Treatment Plant located beside the Graham Creek Reservoir). He explained that in 2004, Council approved the Water Supply Agreement between KRWSC and the Town of Drumheller which included the supply of water to only a small portion of Rocky View County as identified on Schedule B. He further explained that in 2008, Council approved an amendment to the Water Supply Agreement to extend services to the corporate boundaries of the Hamlet of Kathryn for the resale of water at a maximum of 2,200 m³ / day as identified by KRWSC as being the apportionment made available to the Rocky View Country by KRWSC as identified in Schedule F. He stated that the agreement allows for 3,000,000 m³ / year but it does not sort out what allocations go where (2,200 m³ / day is the water allocation guaranteed for Kathryn). He explained that Rocky View is one of seven members who have signed the original twenty-five (25) year agreement.

Currently, Rocky View County has made arrangements for the supply of raw water from the Western Irrigation District (WID). They draw water from the canal at specific times each year and store the water in a large reservoir. A new treatment plant with a capacity of 3900 m³/day was put on line in May 2011 and can be readily expanded to 5700 m³ / day. This plant supplies the Balzac Mall and the new proposed CN Rail Logistics Park. Water from this new plant is pumped to the treated water storage reservoir located just north of Balzac Mall. The County also partners with Rocky View Coop who run a 16,000 m³ / day plant west of Calgary that draws water from the Bow River. Currently, the Balzac Mall uses a maximum of 450 m³ / day.

A. Kendrick provided an overview of the Conrich Water Servicing project which is part of the County's Water Strategy to service future residential and commercial developments in the Conrich area, including CN Rail Logistics Park. He also provided an overview of the water flow to and from each of the County's reservoirs.

In response to questions from Council, R. Romanetz advised that the Bow River is fully allocated but may not be fully utilized. Calgary, as an example, has a water license to grow to 3M. He stated that the Province is not issuing any new licenses for water from the Bow River. He further explained that granting the request for an extension to Aqua 7 boundaries would see no short term benefit to the Town or Aqua 7. However, there are long term benefits that would assist Aqua 7 in paying their \$10M debenture as well as for the Town of Drumheller as more water through the Drumheller plant would nominally reduce the cost of production. The average day flow through the Drumheller plant is 6000 m³/ day and the average day plant capacity is 12,000 m³ / day.

R. Romanetz advised that C. Kloot was in attendance to address any liability issues that would arise should Aqua 7's request be granted. C. Kloot advised explained that there is a significant difference in the essence of the supply of water when it pertains to liability for the Town as a water provider to a residential area versus a commercial / industrial area. He explained that in this request, Town water will be pumped to a

reservoir and distributed to other reservoirs throughout Rocky View County. In the event of operator error, the Town's water could contaminate a reservoir that supplies water to Balzac Mall and / or other commercial / industrial areas – the impact could be a significant loss of profits and income for these commercial / industrial operations resulting in claims to the Town of Drumheller. He stated that the agreement does preclude claims against machinery failure / unusual acts of God. In response to a question from Council, R. Romanetz advised that the Town needs to research if there would be any increase to the Town's insurance costs.

In response to a question from Council on the impact to Drumheller if Aqua 7 fails, R. Romanetz explained that Aqua 7 is only utilizing 500,000 m³ / year which is considerably less than their allocated 3,000,000 m³ / year. He stated that their usage numbers are significantly less than their original predictions. He further stated that Aqua 7 has paid \$1.8M as a capital contribution and the remaining \$600,000 is being paid through their water rates. There are no additional costs to their agreement unless they exceed the 3,000,000 m³ / year. He explained that because their projections are significantly less there may be an opportunity to renegotiate the agreement as their sales impact their contribution to our reserves.

In response to a question from Council, R. Romanetz advised that the governing legislation for the transfer of water within or between drainage basins is the Water Act and the transfer of water from one basin to another must be approved by the Provincial government. He stated that a representative from Alberta Environment may be able to provide comments on the matter to Council at a future meeting. Council agreed that a representative be contacted on the matter. Council also requested that a cost benefit analysis be carried out on whether the request should be granted to a point or the entire Rocky View County.

8.1.2 RFD - Appointments to the Drumheller Housing Administration Board

R. Romanetz advised that the Drumheller Housing Administration had two vacancies on their board. The board members have resubmitted their names, Debra Walker and Ray Page. Administration recommends that both Debra and Ray be appointed for a further three year term.

MO2011.278 Garbutt, Shoff moved that Council approve the appointments of Debra Walker and Ray Page to the Drumheller Housing Administration Board for a three year term to expire on the date of Council's 2014 Organizational Meeting. Carried unanimously.

8.1.3 Budget Process and Timelines

R. Romanetz provided an overview of the budget process and timelines as follows:

- Meetings have been held with department heads to review their numbers (needs are identified and prioritized);
- Administration working with agencies for new strategies;
- Include assumptions, i.e. inflation, wages (3%), etc.;
- Utility companies' projections (AUMA 5 year agreement on energy side);
- Revenue projections at 3%;
- 1.5% increase in taxes from new growth in the community;

- User fees / safety code fees (BCF rate are in place);
- MSI operational grant (\$240,000 less than received in 2010 – adjustments required);
- Detail review of existing service contracts depending on the year of the contract, i.e. expiration;
- Fine tuning of the budget numbers; and
- Council meetings early in December (copy of policies and service levels will be provided). Start zero base and provide justification for items put back in.

8.2. Director of Infrastructure Services

8.2.1 Report on Sandstone Manor Weeping Tile

A. Kendrick provided an overview of the weeping tile project at the Sandstone Manor. He explained that new weeping tile has been tied into four existing locations. There has been no water flow as of yet however this may take some time to determine if the remediation is working due to the extensive saturation of the area. He stated that Hunter Survey Systems is taking elevations weekly to determine whether the heaving has stopped. He provided photos of damaged areas in the building. He stated that the expenses are being paid from the holdback. R. Romanetz advised that there is ongoing structural engineering monitoring on the building. He further stated that although the building is not aesthetically pleasing it is structurally sound at this time.

8.3. Director of Corporate Services

8.4. Director of Community Services

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

There being no further matters, the Mayor declared the meeting adjourned at 6:18 PM.

Mayor

Chief Administrative Officer