

Town of Drumheller COUNCIL MEETING MINUTES

September 10, 2012 at 4:30 PM
Council Chamber, Town Hall
703-2nd Ave. West, Drumheller, Alberta



PRESENT:

MAYOR:

Terry Yemen

COUNCIL:

Andrew Berdahl

Jay Garbutt

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

ABSENT: Councillor Lisa Hansen-Zacharuk

1.0 CALL TO ORDER

Mayor T. Yemen called the meeting to order at 4:30 PM.

2.0 MAYOR'S OPENING REMARK

Mayor T. Yemen congratulated the participants, volunteers, sponsors and organizers of the Drumheller Dinosaur Valley 2012 Half Marathon / 10 k and 5 k Family Run Race for a successful event with over 600 runners / walkers. The proceeds of the event went to the Badlands Community Facility.

Mayor T. Yemen moved to Agenda Item 4.0 (due to the late arrival of Brad Wiebe, Planner – PRMS).

3.0 PUBLIC HEARING

- 3.1 Mayor T. Yemen stated that the purpose of the Public Hearing is to consider Bylaw 12.12 being a bylaw to adopt an Area Structure Plan to provide a framework for subsequent subdivision and development of land within the Town to be known as: The Portion of Aerial, Rosedale Area Structure Plan within the S 1/2 Section 28**

TwP 28 Rge 19 W4M for low density residential and agricultural uses.

Mayor Yemen called the Public Hearing to order at 4:46 PM.

Brad Wiebe, Palliser Regional Municipal Services provided the following report:

- The proposal is for 22 total low density residential parcels proposed between 0.45 and 0.86 acres with ten (10) parcels proposed as Phase 1 subdivision, Phase 2 being an additional eight (8) lots along Pinter Drive and Phase 3 as the potential expansion of four (4) existing non conforming lots on Starmine Drive which fit the requirements of the SCR – Suburb Community Residential District for private sewage.
- No public sanitary is currently available in the area. Existing lots have utilized holding tanks that are pumped out. Private sewage test points have been done to ensure the area can accommodate development.
- Considerations have been made to ensure any redevelopment will meet flood risk protection requirements as per the Land Use Bylaw and flood risk protection requirements of the Province.
- The Land Use District is currently UT - Urban Transitional. These areas require an Area Structure Plan (ASP) prior to a subdivision and land use change to ensure that any future development is consistent with the plan for the area. The ASP will be the guiding document for the subdivision to move forward. The middle area (UT) as identified on the Public Hearing Notice is mainly field however there are some existing houses whereby the tenants pay a rent to the property owner for the land only. Once the subdivision occurs, the proposal would allow these tenants to obtain title to their land.
- Should there be a development on this middle area, page 18 of the ASP shows a road right of way access for this area. Depending on the type of development, fill may be required to bring the area up to the 1:100 flood plain. The area would have to be raised more than 1 metre in order to be higher than the flood risk constraint and the cost would be significant.

Mayor Yemen asked for questions from Council:

Councillor A. Berdahl asked if these residents are currently serviced with water / sewer utilities. B. Wiebe stated that water service is provided along Mabbott Road and Pinter Drive – anyone having an existing home would have to hook on as well as any new developments. R. Romanetz explained that sewer servicing is not available yet as there is no sanitary sewage system within a close proximity of the area. He stated that all the lots are large enough to comply with the private sewage system requirements. He further explained that when the water system was put in a few years back, the Town allowed for one service connection to

one parcel of land. The cost would be about \$8000 per connection plus the cost of bringing the water from the property line to the house. These residents are currently using wells. He further explained that once the subdivision is approved any new development would require a development agreement which states that water hookup is mandatory within two years. The same would apply for any existing houses. In response to a question from Council, R. Romanetz stated that if the sewer mains were in place, there would be a mandatory hookup as well.

Mayor Yemen asked Secretary, L. Handy if there were any items of correspondence. L. Handy stated there were no items of correspondence.

Mayor Yemen asked if there was anyone who wished to speak in favor or against the proposal.

Pamela Shannon stated that she was neither opposed or in favor but needed clarification on the proposal. She stated that she lives in an existing residence and questioned what grandfathering entailed. She further stated that she does not own the land and questioned her rights to purchase the lot once subdivided.

R. Romanetz explained that grandfathering applies to existing homes which would not require that the property be brought up to the 1:100 flood plain and any existing sewer systems would be grandfathered as well. However, it does not remove the mandatory requirement for existing homes to connect to the Town's water system once the subdivision is approved and the renters receive title to their land.

Mayor Yemen asked for questions from Council:

In response to a question from Council, R. Romanetz explained that once the subdivision is approved and if the titles are transferred to the individual renters, the renters would be responsible for paying the water connection fee. He explained that all current negotiations on land matters are with the property owner not the renters. He explained that the property owner would have to speak to the renters on all matters. Councillor A. Berdahl asked what legislation would be in place for the renters. R. Romanetz reiterated that he is not certain what arrangements or expectations the property owner has made with the renters. B. Wiebe stated that Hunter Surveys Systems is the subdivision applicant on behalf of the property owners (Sandra J. Graham and Doreen M. Anderson) and PRMS has had no direct contact with the renters on the subdivision process.

Councillor J. Garbutt stated that the landowners have intentions to move forward and that process may move forward sooner than later (probably within six months). He encouraged the renters to speak with the landowners. P. Shannon stated that the PRMS sent documentation to

neighboring properties however they did not receive any information. B. Wiebe clarified that PRMS would have circulated information on the subdivision proposal to adjacent landowners however renters are not included on the circulation list – only the names of landowners.

Tom Telford stated that he lives along Pinter Drive and due to the low level of the land; every spring there is flooding in this area. He stated that although he is in favor of the proposal, he would like to know if there is an increase in development along Pinter Drive, will the road be maintained on a more regular basis and what is expected for the sewer system. R. Romanetz explained that new development along Pinter Drive is proposed for Phase 3 and at that time, engineered drawings are required showing the site elevations and must include a storm water management plan. These drawings would be reviewed and signed off as part of the development agreement. Mayor T. Yemen stated that any new development must have a plan to manage their own water drainage. R. Romanetz concurred stating that the Town requires property owners to have a water management plan for their own land which may result in a storage detention design for their property to ensure drainage is released at a slower rate. He further stated that all these matters are dealt with at the time of development.

Mayor Yemen asked the speakers if they wished to make a rebuttal. There were no further speakers.

Mayor Yemen closed the Public Hearing at 5:11 PM.

Mayor T. Yemen stated that the purpose of the Public Hearing is to consider Bylaw 13.12 being a bylaw to amend the Land Use Bylaw 10.08 by redesignating a portion of the S 1/2 Sec 28 Twp 28 Rge 19 W4M in the Town of Drumheller from UT - Urban Transitional District to SCR - Suburb Community Residential District.

Mayor Yemen opened the Public Hearing at 5:11 PM.

Brad Wiebe, Palliser Regional Municipal Services explained that Bylaw 13.12 proposed a land use amendment for Phase 1 of the Area Structure Plan which proposes ten (10) lots, eight (8) of which have existing houses or some form of structure on the property. The proposed change to a SCR – Suburb Community Residential District is used when areas such as Rosdale, Cambria, East Coulee, etc. do not have full servicing. In this case, there is no sewer in the area.

Mayor Yemen asked Secretary, L. Handy if there were any items of correspondence. L. Handy stated there were no items of correspondence.

Mayor Yemen asked if there was anyone who wished to speak in favor or against the proposed amendment. There were no speakers.

Mayor Yemen asked for questions from Council. There were no questions from Council.

Mayor Yemen closed the Public Hearing at 5:14 PM.

4.0 ADOPTION OF AGENDA

MO2012.122 Garbutt, Shoff moved to adopt the agenda as presented. Carried unanimously.

5.0 MINUTES

5.1 Regular Council Meeting Minutes of August 27, 2012

MO2012.123 Shoff, Stanford moved to adopt the regular Council meeting minutes of August 27, 2012 as presented. Carried unanimously.

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

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 - East Coulee Wastewater Treatment Plant Upgrades Award

A. Kendrick advised that tenders for the East Coulee WWTP closed on August 24, 2012 with five tenders received and the lowest tender was from Wildstone Construction & Engineering. The consultants estimate was \$830,000 for construction costs. He explained that the project costs are estimated to be about \$100,000 over budget. Alberta Transportation has indicated that if eligible costs exceed the initial budget they will consider further cost sharing on a 75/25 basis. The Town share would be \$25,000 and would need to be funded from reserves. The Province has approved funding and \$750,000 has been advanced to the Town. A. Kendrick advised that there has been no public response to the required advertising on the project.

MO2012.124 Zariski, Berdahl moved that Council award the tender bid for the construction of treatment upgrades for the East Coulee Wastewater Treatment Plant to Wildstone Construction & Engineering for the amount of \$900,795 including GST.

Discussion on Motion:

Councillor J. Garbutt questioned the difference on the consultant's estimate with the actual tender pricing. A. Kendrick stated that 10% over budget is not an overly excessive amount as these types of projects are dependent on contractor work load and various sub trades as well as there being a certain amount of unknown in any retrofit project. In response to a question from Council, A. Kendrick stated that in checking out references for Wildstone Construction, responses have been that they are a reputable firm. Councillor T. Zariski asked what the chances were on the project costs overage being approved by Alberta Environment. A. Kendrick stated that the Town has been keeping Alberta Environment updated on the project and there is sound rationale for the overage. Councillor D. Stanford asked for the project start date? A. Kendrick stated that the preordered equipment will be on site within five (5) days. He further explained that the contractor will want to start the project as soon as possible because they will have a three (3) month window where the Town will be hauling the waste. These costs come out of the contractor's price. Councillor A. Berdahl asked how long this project has been in the queue. R. Romanetz explained that prior to approval, the project was in the queue since 2004. Since that time, the engineering estimates have had three updates – the last one during the 2012 budget.

Vote on Motion:

Carried unanimously.

Mayor Yemen closed the regular Council meeting at 4:46 PM in order to consider two Public Hearings under Agenda Item 3.0.

Mayor Yemen called the regular Council meeting to order at 5:14 PM.

8.3. Director of Corporate Services

8.3.1 RFD - Badlands Area Ambulance Society Contract

B. Wulff stated that the Badlands Area Ambulance Society was formed in June, 2006 with a membership of the Town of Drumheller, the Counties of Kneehill, Starland, and Wheatland, and the Villages of Morrin and Munson. Each member has one (1) vote. The Society has been fully funded by Alberta Health Services since 2009, and operating at a level of service to the standards set by the Alberta Health Services. The April 2009-March 2012 contract has expired and the Society is in negotiations with Alberta Health Services for the period April 2012 to March 2015 with the possibility of two (2) year extensions. All current members are required to vote on this matter effective April 1, 2012.

Councillor D. Stanford stated that since his presentation to Council on September 4th, the Alberta Health Services has put a six (6) month exit clause in writing on the table for both parties. He further stated that in light of this new addition, he recommended that the Town of Drumheller vote in favor of signing the agreement.

MO2012.124 Stanford, Shoff moved that in the matter of the Town of Drumheller and the Badlands Area Ambulance Society, of which the Town is one voting member, and respecting the confidentiality of the current negotiations between the Society and Alberta Health Services, a department of the Province of Alberta, and involving the ambulance service for the Drumheller area, be it resolved that the Town of Drumheller votes IN FAVOR of signing the agreement with Alberta Health Services, effective April 1, 2012, with the stipulations that an exit clause of six months be included in the contract. Carried unanimously.

8.3.2 RFD - Affordable Housing Taxes

B. Wulff stated that the Drumheller Housing Administration (DHA), through Councillor Jay Garbutt is requesting that Council reconsider their decision of October 11, 2011 and cancel the 2012 taxes as allowed under Section 374(1) of the Municipal Government Act on the property being used by Sandstone Manor. Administration has reviewed DHA's budget and has recommended that \$30,000 be set aside for reserves on an annual basis. He stated that the municipal portion of the property tax is \$8556.42 leaving the education tax of \$3010.99 as payable.

MO2012.125 Garbutt, Berdahl moved that Council cancel the municipal portion of Sandstone Manor taxes in the amount of \$8556.42 for the 2012 tax year.

Discussion on Motion:

Councillor J. Garbutt stated that he is asking for reconsideration as he failed to highlight some relevant information. He explained that Sandstone is a Town owned building and DHA is the property manager. He further explained that the MGA has not caught up to the "new affordable housing" concept and consideration should be given to the cancellation of taxes for municipally owned housing in the Act. He stated that although a surplus of \$20,000 is doable for the future, he recommended that the surplus be increased to \$30,000 by cancelling the municipal portion of the taxes. He explained that it is important for this property to be managed with a reserve fund. He stated that additional provincial funding for social housing will be limited in the future as the Province is not accepting any new applications for social housing as well as announcing budget reductions. He further explained that it is not sufficient just to look at the ongoing maintenance but to be proactive in setting aside dollars for future affordable housing buildings. He stated that the Town will not be able to do both if DHA is required to pay both municipal taxes as well as make the reserve payment. He explained that current rents are set at 17% below market rates and DHA has the right to go 10% below market rates however they are trying to keep the rates affordable (between 15-20%).

Councillor S. Shoff asked if the Town's budget should include a reserve for Sandstone Manor rather than DHA. R. Romanetz advised that the Town's budget is only impacted if there is a shortage in DHA's operating expenses. Councillor J. Garbutt stated that DHA does not want to be in a position of asking the municipality for dollars for expensive fixes. R. Romanetz explained that DHA's Manager, Councillor J. Garbutt and himself reviewed DHA's budget and used a formula of depreciation of 2% over 50 years to set the reserve amount. A reserve of \$30,000 is suitable now but may need a larger reserve after the building has aged. R. Romanetz explained that it is a formula based

on depreciation not replacement costs. He further explained that the existing contract with DHA references a three year budget that had reserve allowances set aside for \$30,000. When the budget was put together it was expected that municipal taxes would not be paid.

Councillor S. Shoff questioned where the \$8556 would be made up if the taxes are cancelled? B. Wulff stated that the amount would have to be covered by reduced operating expenses or an increased deficit. R. Romanetz stated that the Town is able to run a deficit in year one but would have to make it up within a three year cycle. He stated that there is a \$40,000-50,000 projected deficit now.

Councillor D. Stanford questioned whether the \$75,000 holdback will cover the construction deficiencies? R. Romanetz explained that any claims against the building based on work done by the Town or engineer will come out of the holdback and he is not certain if these costs will exceed the amount of the holdback. He explained that the Town is in the monitoring stage and a second set of elevations needs to be taken to confirm if the building is stabilized. If not, the contractor will be responsible for the fix - it might exceed the \$75,000 – regardless, these costs on construction deficiencies should be paid for by the responsible party.

It was clarified that taxes must be cancelled on an annual basis.

Vote on Motion:

In favor Garbutt, Zariski, Yemen, Berdahl

Opposed Stanford, Shoff

Carried.

8.4. Director of Community Services

9.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION

10.0 PUBLIC HEARING DECISIONS

10.1 Bylaw 12.12 - The Portion of Aerial, Rosedale Area Structure Plan -

MO2012.126 Zariski, Shoff for second reading to Bylaw 12.12

In Favor (5) – Stanford, Zariski, Yemen, Shoff, Berdahl

Opposed (1) - Garbutt

Carried.

MO2012.127 Shoff, Berdahl for third reading to Bylaw 12.12.

Discussion on Motion:

Councillor A. Berdahl asked Councillor J. Garbutt his nature of concern. Councillor J. Garbutt stated that he did not have a grasp on the impact of the existing renters.

Vote on Motion:

In Favor (4)– Stanford, Yemen, Shoff, Berdahl
Opposed (2) – Zariski, Garbutt
Carried.

10.2 Bylaw 13.12 Land Use Amendment (Rosedale) UT - Urban Transitional
- SCR Suburb Community Residential District

MO2012.128 Shoff, Berdahl for second reading to Bylaw 13.12.

In Favor (5) – Stanford, Zariski, Yemen, Shoff, Berdahl
Opposed (1) - Garbutt.
Carried.

MO2012.129 Berdahl, Garbutt for third reading to Bylaw 13.12.

In Favor (3) – Stanford, Yemen, Berdahl
Opposed (3) – Zariski, Garbutt, Shoff.
Defeated.

R. Romanetz explained that the Area Structure Plan has passed however Council will still need to deal with the reclassification of the property at a later date as the subdivision approval will be subject to the reclassification of the land.

11.0 UNFINISHED BUSINESS

12.0 NOTICES OF MOTIONS

13.0 COUNCILLOR REPORTS

13.1 Councillor S. Shoff - Heritage Garden Update

Councillor S. Shoff provided an overview of the project to date noting that the last work bee session will be held on the weekend of September 15th with the remaining work to be completed in Spring, 2013. She further explained that the Province has granted an extension for the project completion. Councillor S. Shoff thanked Chris and her husband for their efforts to date.

14.0 IN-CAMERA MATTERS

There being no further matters, the Mayor declared the meeting adjourned at 6:04 PM.

Mayor

Chief Administrative Officer