

Town of Drumheller COUNCIL MEETING MINUTES

December 17, 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: Lisa Hansen-Zacharuk

1.0 CALL TO ORDER

Councillor Sharel Shoff was sworn in as Deputy Mayor for the months of January and February, 2013.

2.0 MAYOR'S OPENING REMARK

- 2.1 **MO2012.163** Zariski, Garbutt moved to cancel Council Committee Meeting of December 24, 2012 and the Regular Council Committee Meeting of December 31, 2012. Carried unanimously

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

MO2012.164 Shoff, Garbutt moved to adopt the agenda as presented. Carried unanimously.

5.0 MINUTES

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

5.1.1 Regular Council Meeting Minutes of December 3, 2012

MO2012.165 Berdahl, Garbutt moved to adopt the regular Council meeting minutes of December 3, 2012 as presented. Carried unanimously.

5.2. MINUTES OF MEETING PRESENTED FOR INFORMATION

5.2.1 Municipal Planning Commission Meeting Minutes of October 4, 2012

5.2.2 Municipal Planning Commission Meeting Minutes of October 25, 2012

5.2.3 Municipal Planning Commission Meeting Minutes of November 8, 2012

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 Bylaw 15.12 being the Livery Transport Bylaw - two readings

R. Romanetz advised that at the Council Committee meeting of December 10th, Council heard a presentation from Community Enforcement Supervisor, Greg Peters on the changes to the proposed bylaw as recommended by Council, the Taxi Commission and Administration.

MO2012.166 Garbutt, Shoff moved first reading of Bylaw 15.12.

Discussion on Motion:

Councillor A. Berdahl stated that accessible transportation remains a concern in the community for all residents.

Vote on Motion

Carried unanimously.

MO2012.167 Garbutt, Stanford moved second reading of Bylaw 15.12. Carried unanimously.

MO2012.168 Berdahl, Shoff moved no objection to third reading.

4 in favor – Berdahl, Yemen, Garbutt, Zariski, Stanford

1 opposed - Shoff

Defeated.

8.1.2 Bylaw 17.12 being the Utility Rate Bylaw - first reading

R. Romanetz presented two utility rate bylaws scenarios for Council's consideration – first with a 3% water rate increase and the second with a 5% water rate increase on both the fixed and consumption rates. There is no increase to the waste water rate

MO2012.169 Shoff, Zariski moved first reading to Bylaw 17.12 (3% to water rates) with no increase to the wastewater rates.

Discussion on Motion:

Councillor A. Berdahl asked what a 3% increase would yield for the surplus. R. Romanetz explained that a 3% increase on water rates would raise required revenue to cover operating costs, depreciation (reserves) and interest on existing debentures. An additional 2% increase on water rates from 3% to 5% would increase allocation to reserves by \$30,000. He further stated that an utility rate model based on this calculation does not include an allowance for return on equity. He further explained that if the Town continues with the meter replacement program, \$100,000 per year for five years must be set aside. Currently this project is being funded through the water reserves and because of this expenditure and others, the water reserves have not grown substantially. Another major project proposed is the residual solids management reduction with a total project cost of \$4M (50% provincial/50% municipal). If the project moves forward, this project would require a borrowing component.

Councillor J. Garbutt stated that the balancing act for Council is to weigh the community's ability to shoulder the greater burden against the desire to establish an appropriate level of reserve for this utility. He further stated that no bylaws are on the table that includes the surcharge reserve option as dedicated funds to help shore up this reserve. He explained that the extra dollars would be designated to improve the sustainability of this crucial utility. R. Romanetz explained that as mentioned by the consultant, it is commonplace to include borrowing for major projects that are funded over 25 years that can provide longer service to the public. The strategy for funding for capital projects includes a combination of reserves, borrowing and grants. Our current capital financing strategy recommends that utility reserves be set at 10% of tangible capital assets based on original costs (\$5.5M for water). He noted that this reserve strategy fits with what other municipalities are using to develop their reserve target. He further stated that the capital financing strategy should be reviewed on annual basis by Council.

Vote on Motion:

3 in favour – Shoff, Stanford, Yemen
3 opposed – Garbutt, Zariski, Berdahl
Motion Defeated.

MO2012.170 Garbutt, Zariski for first reading to Bylaw 17.12 (3%) with an amendment to include a \$1.00 per utility account infrastructure investment surcharge.

Discussion on motion

It was clarified that a \$1.00 surcharge per utility account would yield approximately \$40,000 annually for the water reserve.

Vote on Motion:

4 in favour – Shoff, Berdahl, Zariski, Stanford,

1 opposed - Yemen

Motion Carried.

Council requested a public communication on the proposed bylaw with a 3% water rate increase and a \$1.00 surcharge per utility account.

8.1.3 Bylaw 18.12 Amendments to the LUB - first reading

R. Romanetz introduced Bylaw 18.12 stating that the proposed amendments have been researched and developed over several months and reviewed by the Municipal Planning Commission. The MPC has indicated support to move it forward. He recommended that Council proceed to first reading of the bylaw to allow for the advertising period of two weeks to set the public hearing for January 14, 2013.

MO2012.171 Shoff, Stanford for first reading of Bylaw 18.12.

Discussion on Motion:

Councillor A. Berdahl requested an overview of the proposed amendments prior to the public hearing. R. Romanetz stated that he would request a summary of the proposed changes from B. Wiebe for review at Council's Committee meeting of January 7th.

Councillor A. Berdahl requested that the summary go out as a public communication as well prior to the public hearing.

Vote on Motion:

Carried unanimously.

8.1.4 RFD - Appointment to the Drumheller Housing Administration

R. Romanetz advised that the Drumheller's Housing Administration has one vacancy. Two applications were received from Philip Wade and Ian Castles. CAO recommended appointment by secret ballot.

MO2012.172 Zariski, Stanford moved that Council approve the appointment of Ian Castles to the Drumheller Housing Administration for a term of three years expiring on the date of the 2015 Annual Organizational meeting. Carried unanimously.

MO2012.173 Shoff, Garbutt moved that the ballots be destroyed. Carried unanimously.

8.2. Director of Infrastructure Services

8.2.1 Green Team Initiatives

A. Kendrick presented the Green Team's top twelve (12) initiatives for Council's consideration:

1. Urban Systems Landscape Plan and Beautification Project;
2. Christmas Tree Recycling Project;
3. Green Streets Project;
4. Tame Project – Energy Efficient Retrofits;
5. Water Meter Replacement Program;

6. Natural Gas Vehicle Introduction;
7. Alternative Transportation Options;
8. Develop Green Purchasing Policies;
9. Street Lighting Upgrade;
10. Christmas Light Upgrade;
11. Introduce Electronic A/R & A/P Options; and
12. Summer Ice Review

Comments from Council:

In response to a concern expressed from Council, A. Kendrick stated that the Town hopes to eliminate those cheating on the water system – any discrepancies will be reviewed as well. With regards to the pathway expansion, the Town will expand the system to Rosedale as grants become available. Currently, the Town must maintain what is in place.

8.3. Director of Corporate Services

8.4. Director of Community Services

8.4.1 DMO Update

P. Salvatore provided an update on the Destination Marketing Organization from a meeting held with the tourism operators on December 13th. He stated that outcomes from the workshop included:

1. Recognition that the Town's Fee for Service Agreement with the Chamber of Commerce could be re-negotiated and funds redirected to the DMO to cover Administrative costs. Funds allocated in support of the Visitor Information Centre would continue to be provided to the Chamber of Commerce under this scenario.
2. Support from the Destination Marketing Fund (DMF) managed by Canalta, that the Town's marketing dollars (committed to the Chamber of Commerce – for marketing) would be reallocated to cover administrative costs. In return for this exchange of funds, the DFM would match the Town's administrative dollars in equivalent marketing dollars.
3. A commitment from the Consortium members to move forwards as the Interim DMO while the group continues work to define the terms of reference and the most suitable organizational structure which would include hiring of a DMO Administrator in 2013.

He further stated that the "Interim DMO" would like to request an opportunity to present to Council at a Committee of the Whole meeting in mid-late January 2013. The presentation would include reference to the proposed organization structure and the draft 2013 budget.

He further stated that the group is moving forward to increase the level of participation of operators within Drumheller's tourism sector, including campgrounds and bed and breakfasts.

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

13.1 Mayor Terry Yemen provided an update on the Canadian Badlands Ltd. activities:

- 1) March Conference held at the BCF;
- 2) Two separate summer media tours - Belles of the Badlands and Echoes of the Badlands;
- 3) Minister of Tourism had a three day tour of the Badlands including Drumheller;
- 4) Tourism Leadership Seminar held in October in Trochu;
- 5) Ongoing quarterly meetings with the CAO re Tourism Master Plan;
- 6) Meetings held regarding development of regional wide initiatives; and
- 7) Reduction in grants - Canadian Badlands downsizing - Office is now in Drumheller.

13.2 Mayor Terry Yemen provided an update on the Red Deer River Municipal Users Group activities as follows:

- 1) March – overview of the Alberta Water Council / Water Storage Synopsis
- 2) May – overview of hydraulic fracturing in Alberta;
- 3) July – overview of the Plains Midstream Pipeline spill;
- 4) September – economics of water / potential disasters to the river study / water quality studies and public education / reliability quality of water supply – reports are available on the RDRMUG website; and
- 5) December – 2013 budget set at 25 cents per capita.

14.0 IN-CAMERA MATTERS at 6:05 PM.

Mayor

Chief Administrative Officer