

**Town of Drumheller
SPECIAL COUNCIL MEETING
MINUTES**

December 16, 2015 at 4:30 PM
Council Chamber, Town Hall
224 Centre Street, Drumheller, AB, T0J 0Y4



PRESENT:

MAYOR:

Terry Yemen

COUNCIL:

Jay Garbutt

Patrick Kolafa

Tara McMillan

Sharel Shoff

Tom Zariski

CHIEF ADMINISTRATIVE OFFICER/ENGINEER:

Ray Romanetz

DIRECTOR OF INFRASTRUCTURE SERVICE:

Allan Kendrick

DIRECTOR OF CORPORATE SERVICES:

Barb Miller

DIRECTOR OF COMMUNITY SERVICES:

Paul Salvatore

DIRECTOR OF PROTECTIVE SERVICES:

Greg Peters

RECORDING SECRETARY:

Linda Handy

ABSENT: Councillor Lisa Hansen-Zacharuk

1.0 CALL TO ORDER

Mayor Terry Yemen called the meeting to order at 4:33 PM.

1.1 Notice of Special Council Meeting

2.0 CHIEF ADMINISTRATIVE OFFICER

2.1 Bylaw 08.15 - first reading

R. Romanetz presented Bylaw 08.15 which proposes an increase of 5% to both local and regional consumer water utility rates and an increase of 2% to wastewater utility rates for 2016. He asked Director of Corporate Services B. Miller to provide an overview of the draft 2016 operating utilities budget.

B. Miller explained the 2016 budget request for utilities and the changes (increase / reduction) over the 2015 budget once impact of global expenses (salaries, insurance, telephone, fuel, utilities and amortization) are adjusted for. She provided an explanation of mentionable variances.

The 2016 budget requests for water are as follows:

Water Administration (4101) -\$1,564,690 (a change over 2015 of -\$122,390).
River Intake Pump Station (4102) \$171,525 (a change over 2015 of \$5,275).
Low Lift Pump (4103) \$25,321 (a change over 2015 of -\$2,425).
Raw Water Reservoir (4104) \$47,449 (a change over 2015 of -\$16,900).
Purification and Treatment (4105) \$1,067,348 (a change over 2015 of \$33,067).
Transmission & Distribution (4106) \$627,035 (a change over 2015 of -\$3,370).

The 2106 budget requests for sewer are as follows:

Sewage Administration Drumheller (4201) -\$888,522 (a change over 2015 of -\$45,276).
Sewage Administration East Coulee (4203) -\$51,000 (a change over 2015 of -\$1,000).
Sewage Collection (4211) \$364,487 (a change over 2015 of -\$510).
Sewage Collection - East Coulee (4213) \$14,705 (a change over 2015 of -\$1,750).
Sewage Treatment – Drum (4221) 492,744 (a change over 2015 of \$2,929).
Sewage Treatment – East Coulee (4223) \$84,236 (a change over 2015 of \$30).

B. Miller concluded by stating that the water utility budget has been built with a 5% increase to the water rates. The budgeted result is a deficit of \$373,988 for 2016 including full amortization costs. The sewer utility has been built with a 2% increase to sewer rates. The budgeted result is a deficit of \$16,650 including full amortization costs.

Councillor J. Garbutt asked if the deficit will be funded by decreasing amortization. R. Romanetz stated that a consultant has provided a model scenario and once structured, the model will become a tool for the Town's use. He further stated that the scenario will be based on a 5% increase in water for the next 3 years, at which time, the Town should be in a position to fully fund amortization. He explained that on the sewer side the trending shows that if the Town continues with a 2%, the sewer account will be fully amortized by 2017.

MOSP2015.05 Garbutt, Shoff moved first reading of Bylaw 08.15. Carried unanimously

3.0 ADJOURNMENT

There being no further business, the Mayor declared the meeting adjourned at 5:10 PM.

Chief Administrative Officer

Mayor