

# **Town of Drumheller COUNCIL MEETING AGENDA**

**February 27, 2012 at 4:30 PM  
Council Chamber, Town Hall  
703-2nd Ave. West, Drumheller, Alberta**



Page

## **1.0 CALL TO ORDER**

- 1.1 Councillor Lisa Hansen-Zacharuk to be sworn in as Deputy Mayor for the months of March and April, 2012

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

- 3-4 2.1 Proclamation - Freedom to Read Week is February 26 - March 3, 2012

## **3.0 PUBLIC HEARING**

## **4.0 ADOPTION OF AGENDA**

## **5.0 MINUTES**

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

- 5-10 5.1.1 Regular Council Meeting Minutes of February 13, 2012

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

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

## **6.0 DELEGATIONS**

- 6.1 Hon. Jack Hayden, MLA Drumheller-Stettler

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

## **8.0 REQUEST FOR DECISION REPORTS**

### **8.1. CAO**

**8.1. CAO**

- 11-41 8.1.1 Bylaw 03.12, being a bylaw to establish utility rates
- 42-48 8.1.2 RFD - Drumheller Phase 2 Project Facility(s) Steering Committee Terms of Reference
- 49-50 8.1.3 RFD - Drumheller and District Solid Waste Management Association's Notice of Motion to join the Southern Alberta Waste to Energy Alliance

**8.2. Director of Infrastructure Services**

**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**

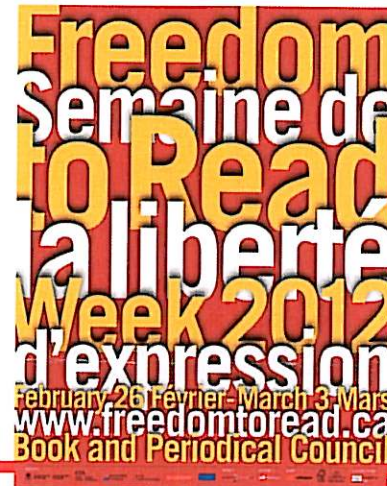
**14.0 IN-CAMERA MATTERS**

February 7, 2012

TO: Councils in Marigold Library System

FROM: Michelle Toombs, Director

RE: **Freedom to Read Week**



The annual Freedom to Read Week is February 26 – March 3, 2012. This is a national event, celebrated by writers, readers, librarians, publishers, booksellers and teachers. It reaffirms commitment to intellectual freedom in Canada, guaranteed under the Charter of Rights and Freedoms.

Intellectual freedom enables people to make informed decisions about issues which have an impact on their daily lives—political, socio-economic, environmental, health, life style and more. Informed decisions are made based on reliable information found in books, journals and other resources, on paper or online.

Marigold Library System has declared February 26 – March 3, 2012 as Freedom to Read Week, to ensure that Marigold continues to be a Freedom to Read Zone in which intellectual freedom and the right to seek information will not be violated.

A proclamation for your council is enclosed. Please receive it for information or as a basis for discussing the importance of intellectual freedom and declaring Freedom to Read Week in your municipality.

*Michelle Toombs*



Censorship ends in logical completeness when nobody is allowed to read any books except the books that nobody reads."

-- George Bernard Shaw



# FREEDOM TO READ WEEK

## PROCLAMATION

The Town of Drumheller makes the Freedom to Read Proclamation with the understanding that all materials read will be in accordance to Canadian Law

WHEREAS *Freedom to Read Week* is an initiative to promote literacy, tolerance, knowledge, and a love of reading among all Canadians;

AND WHEREAS the right to pursue the truth through free inquiry is essential to democratic decision making;

AND WHEREAS the freedom to read print on paper or on-line, is the essence of free inquiry;

AND WHEREAS the freedom to read can never be taken for granted;

AND WHEREAS the freedom to read is under assault from the left and right of our society;

NOW THEREFORE BE IT RESOLVED that:

the Council of the Town of Drumheller endorses the objectives of *Freedom to Read Week*, and recognizes, reaffirms, and defends the rights of the citizens of Drumheller individually to decide what they will or will not read; and

calls on all residents to actively work to achieve these objectives, and in so doing ensure Drumheller continues to be a Freedom to Read zone in which the freedom to read and the right to seek information will not be violated.

NOW, THEREFORE I, Mayor Terry Yemen

DO HEREBY PROCLAIM the week of February 26 – March 3, 2012 as

# FREEDOM TO READ WEEK

in

Drumheller

Facts do not cease to exist because they are ignored.



**Town of Drumheller  
COUNCIL MEETING  
MINUTES**

February 13, 2012 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**

Mayor Yemen called the Regular Council Meeting to order at 4:30 PM.

**2.0 MAYOR'S OPENING REMARK**

**3.0 PUBLIC HEARING**

**4.0 ADOPTION OF AGENDA**

**MO2012.15** Garbutt, Shoff moved that the agenda be adopted as presented.

Councillor J. Garbutt requested timelines of when Council will hear reports on the following outstanding matters: 2012 Water and Sewer Rates, 2012 Capital Plan and the Schedule for Council Outreach.

R. Romanetz responded with the following timelines: 2012 Water and Sewer Rates – next Council Committee meeting of February 21<sup>st</sup>; 2012 Capital Plan – next Council

meeting of February 28<sup>th</sup>; and P. Salvatore is working on the Council Community outreach schedule for Council's review shortly.

Vote on Motion: Carried unanimously.

## **5.0 MINUTES**

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

5.1.1 Regular Council Meeting Minutes of January 30, 2012

**MO2012.16** Shoff, Zariski moved that the minutes of the Regular Council Meeting 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**

8.1.1 Bylaw 02.12 being a bylaw to amend Bylaw 01.03 by excluding the provisions of Schedule D

R. Romanetz presented Bylaw 02.12 which proposes to amend Bylaw 01.03, a bylaw respecting the regulation and control of vehicle, animal and pedestrian traffic. He stated that an amendment to Section 39 has been brought forward as a recommendation from the Solicitor resulting from a matter that went before the Courts. He explained that the existing clause refers to a maximum fine of \$500.00 and conflicts with the fine permitted under Schedule D which would be a greater fine based on a \$100.00 for each 500 kilograms overweight. He further explained that if there was significant damage to a roadway, the maximum fine allowed as worded would be \$500 unless the wording "*except in respect of a violation under Section 21(1) to which the provisions of Schedule D apply*" is added to Section 39.

**MO2012.17** Shoff, Hansen-Zacharuk moved first reading of Bylaw 02.12. Carried unanimously.

**MO2012.18** Zariski, Garbutt moved second reading of Bylaw 01.12. Carried unanimously.

**MO2012.19** Shoff, Hansen-Zacharuk moved no objections to the third reading of Bylaw 01.12. Carried unanimously.

**MO2012.20** Berdahl, Hansen-Zacharuk moved third reading of Bylaw 01.12. Carried unanimously.

**8.1.2 RFD (Direction) - Rocky View County's Proposal to Amend Water Supply Agreement Boundaries**

R. Romanetz advised that further to the Memo from the CAO dated February 3, 2012, an RFD dated November 17, 2011, and meetings between Mayors / Administrations regarding Rocky View County's proposal to amend the boundaries as presented in a letter from Aqua 7 Regional Water Commission dated November 7, 2011, Administration is seeking direction from Council on the matter. He stated that the purpose of the amendment to the Agreement is to allow Aqua 7 to include the entire boundaries of Rocky View County as a party to whom the Commission may resell the Town water as opposed to just a small portion of Rocky View County (Hamlet of Kathryn), as provided for in Schedule "F" of the Water Supply Agreement, dated December 10, 2008. Rocky View's proposal is for the resale of water at the same allotment to Kathryn (at a maximum of 2200 m<sup>3</sup>/day) as identified by the Commission as being the apportionment made available to Rocky View County by Aqua 7. He explained that the amendment would include water being delivered to Rocky View County's boundaries based on interconnection of water lines. He further explained that there is no immediate need for the water - their request is based on their growth and security of supply and would allow Rocky View County to plan for the future.

**MO2012.21** Shoff, Hansen-Zacharuk that Council direct Administration to amend Schedule F of the Water Supply Agreement between Aqua 7 (formerly Kneehill Regional Water Services Commission) and the Town of Drumheller dated December 10, 2008 to include the entire boundaries of Rocky View County.

Council discussed the motion expressing deferring viewpoints.

**Vote on Motion:**

In Favour – Stanford, Shoff, Yemen

Opposed – Garbutt, Zariski, Berdahl, Hansen-Zacharuk

Motion defeated.

**8.1.3 RFD (Direction) - Letter from Drumheller Association of Skateboarding Enthusiasts (DASE)**

R. Romanetz advised that the group is looking at moving forward with the development of a skateboard park on some potential sites (Town owned land). No specific locations have been chosen at this time. The Committee intends to apply for grant funding through the Building Communities through Arts and Heritage Legacy Program. This grant requires the Town to make a motion of support for the project as identified in their letter dated February 3, 2012. The Town would be expected to contribute in kind support (labour and equipment).

**MO2012.22** Berdahl, Zariski moved that Council support the Drumheller Association of Skateboarding Enthusiast's application for the Building Communities through Arts and Culture Legacy fund for the development of a skateboard park as a legacy project for Drumheller's Municipal Centennial in 2013.

Discussion on Motion:

In response to questions from Council, R. Romanetz explained that the proposal is for the larger sites to include the development of both a junior level and senior level skateboard park on the same site. He further advised that public input needs to be gained on the site locations. Councillor A. Berdahl requested that the Skateboard Park be included in the Financial Capital Strategy.

Vote on Motion:

Carried unanimously.

**8.1.4 AUMA Questions Regarding 2012 Provincial Budget**

R. Romanetz presented AUMA's summary of questions on the 2012 Provincial Budget as well as a document forwarded from AUMA's CEO John McGowan. He provided the following comments:

- The area most significantly impacting municipalities is the summary of capital grant programs listed in Section 2. Although the MSI capital grant shows an increase in subsequent years (2013-14 and 2014-15), the Province, in the past, has not met their full commitment to this program.
- There are no changes to the funding formulas for municipal policing assistance grants or new police officer grants. There is however grants dollars available for rural policing with the hire of 90 new officers by the end of 2013 / 2014 of which Drumheller has a rural component within our Municipal Policing Agreement (from the former M.D. of Badlands).
- The Family and Community Support Services, Municipal Transportation Grants and Library funding programs remain at the same per capita formula.
- The 2012 / 2013 funding for municipal water and wastewater will decrease significantly from \$260M to \$170M. There will be a lot more communities lined up trying to get their projects approved. Lobbying will continue on the Town's east and west water line extension projects.
- John McGowan's comments on the Alberta Municipal Affairs' Business Plan reflect the feelings of municipalities and reads as follows: *"Despite the government's assurance that Budget 2012 establishes three-year predictable funding for municipalities, the budget process remains unchanged. Municipal funding is approved on an annual basis, with no guarantee that the targets for years two and three will be realized"*.
- Under other Ministry Business Plan initiatives two strategies which AUMA is continuing to support which are of interest to Council: Regional Land Use plan implementation and Improvements to the Seniors' Lodge Program.

**8.2. Director of Infrastructure Services**

**8.2.1 RFD - Purchase of Skidsteer / Loader**

A. Kendrick advised that the proposal is to purchase a new skidsteer to replace an older unit that was sold at a public auction in 2011 when the Town's mechanical services staff deemed the unit too expensive to repair. Since then the Town has been without a unit to do sidewalk snow removal. He further explained that the replacement of the existing unit was part of the ongoing capital replacement plan for equipment but was initially budgeted for in 2014. In the annual capital plan review Administration is requesting \$30,000 for the purchase of a skidsteer in 2012 instead of 2014 due to the



unanticipated mechanical issues of the old unit. On January 19<sup>th</sup>, 2012 quotations packages were sent out and three quotations were received with the lowest bid from Drumheller Equipment Sales in the amount of \$27,798.94.

**MO2012.23** Shoff, Berdahl moved that the Town of Drumheller pursue the purchase of the S185 Bobcat skidsteer for the quoted price of \$27,798.94 excluding GST from Drumheller Equipment Sales.

**Discussion on Motion:**

In response to questions from Council, A. Kendrick explained that it is an essential piece of equipment that is used throughout the year. He further explained that in addition to the old unit being expensive to repair, the staff had expressed safety concerns. Administration has reviewed other options such as leasing however the cost would exceed the purchase of a new unit. He further explained that the old unit was sold in the fall because it was more saleable at that time of the year as the unit had a heater and was still in working order. Councillor J. Garbutt advised that he could not support the motion without the reviewing the 2012 capital plan.

**Vote on Motion:**

In Favour – Hansen-Zacharuk, Berdahl, Zariski, Yemen, Stanford, Shoff

Opposed - Garbutt

Carried.

**8.3. Director of Corporate Services**

**8.3.1 RFD - 2012 - 2014 Service Fee Schedule**

B. Wulff advised that the 2012-2014 Service Fee Schedule was reviewed by Council at their meeting of February 6, 2012 and the recommended changes have been incorporated.

**MO2012.24** Garbutt, Hansen-Zacharuk moved that Council adopt the 2012-2014 Service Fee Schedule as presented. Carried unanimously.

**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 5:23 PM.

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Mayor

\_\_\_\_\_  
Chief Administrative Officer

**TOWN OF DRUMHELLER**

**BYLAW NO. 03.12**

**A BYLAW OF THE TOWN OF DRUMHELLER TO ESTABLISH UTILITY RATES.**

This Bylaw shall be cited as the "Utility Rate Bylaw".

The Council for the Town of Drumheller, duly assembled enacts as follows:

**1. Definitions**

"Commercial Premises" or "Industrial Premises" for the purpose of this bylaw shall mean one or more spaces useable for business purposes and having its own sanitary facilities connected to a single meter.

"Dwelling Unit" shall mean a complete building or self contained portion of a building containing a room or suite of rooms operated as a single housekeeping unit, intended to be used as a permanent or semi-permanent domicile by one or more persons and usually containing cooking, eating, living, sleeping, and sanitary facilities, and including serviced lots in a manufactured home park, and not necessarily connected to an individual meter, excluding institutional premises.

"Group 1" includes connections with meters 1" and under

"Group 2" includes connections with meters from 1 1/4" to 2"

"Group 3" includes connections with meters from 3" to 4"

"Group 4" includes connections with meters from 6" to 8"

"Institutional Premises" shall mean a complete building that operates as a school, hospital, nursing home, or seniors lodge.

"Manufactured Home Park" means a parcel of land under one title which has been planned, divided into manufactured home lots and improved for placement of manufactured homes for permanent residential use and may include convenience stores, parking facilities, home occupations and other accessory uses;

"Unit" shall mean a Dwelling Unit, Commercial Premises, Industrial Premises, or Institutional Premises.

2. Monthly Meter Charges – zero (0) consumption included

Rate Group	Water	Wastewater
Group 1	\$ 10.50	\$ 11.50
Group 2	\$ 36.00	\$ 77.00
Group 3	\$ 490.00	\$ 278.00
Group 4	\$ 922.00	\$ 927.00

3. Water Rate

Per cubic meter (Per thousand gallons) \$1.3600 (\$6.1818)

4. Waste Water Rate

Per cubic meter (Per thousand gallons) \$1.8500 (\$8.409)  
Sewage volume is calculated at 80% of water consumption

Or

Properties with only a sewer connection \$33.50 monthly

5. Bulk Water per cubic meter \$4.40

6. Recycling Fee per unit \$2.00

7. Penalty Rate

All accounts are subject to a penalty of 2% per month compounded monthly (effective rate of 26.82% per annum) if unpaid within thirty (30) days from the date the account is rendered.

8. Utility Deposit

Tenant \$150.00  
New rate to apply to all new applications or reconnections.

9. Disconnection/Reconnection

Disconnection notice service fee \$25.00  
Reconnection/Disconnection during business hours \$50.00  
Reconnection/Disconnection during non-business hours \$150.00  
If the water supply has been disconnected for non-payment of accounts, all fees and costs must be paid prior to reconnection



10. Bylaw 02.11 is hereby repealed.

This bylaw comes into effect on March 1, 2012.

READ A FIRST TIME this 27<sup>th</sup> day of February, 2012

READ A SECOND TIME as amended this 27<sup>th</sup> day of February, 2012

READ A THIRD AND FINAL TIME as amended this 27<sup>th</sup> day of February, 2012

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MAYOR

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CHIEF ADMINISTRATIVE OFFICER

# **TOWN OF DRUMHELLER**



## **MUNICIPAL WATER RATE REPORT REPORT FOR 2012**

Adopted by Council  
27-Feb-12

# Agenda Item # 8.1.1

## Town of Drumheller Summary of Water Rates

Number of months at the new rate 10

### Base Rates

	Count per Month	Premiums		Charges 2012		
		Old Rate	New Rate	Old Rates	New Rates	Total
Group 1	3,079	10.00	10.50	61,580	323,295.00	384,875
Group 2	80	35.00	36.00	5,600	28,800.00	34,400
Group 3	9	475.00	490.00	8,550	44,100.00	52,650
Group 4	-	895.00	922.00	-	-	-
	3,168			75,730	396,195	471,925

### Metered Rates

	2011 Annual Consumption	Premiums		Charges 2012		
		Old Rate	New Rate	Old Rates	New Rates	Total
Commercial	328,464	1.320	1.360	72,262	372,259	444,521
Residential	627,852	1.320	1.360	138,127	711,566	849,693
Town Metered	24,472	1.320	1.360	5,384	27,735	33,119
Unmetered	30,100	1.320	1.360	6,622	34,113	40,735
Bulk Water	29,568	4.250	4.400	20,944	108,415	129,359
Penitentiary	140,503	0.726	1.360	17,001	159,237	176,238
	1,180,959		TotalTown	260,340	1,413,325	1,673,665
W11 Starland/Munson	84,369	1.244	1.244	17,493	87,463	104,956
W10 Kneehill/Churchill	10,325	1.391	1.391	2,394	11,968	14,362
W12 Kneehill/Aqua7	570,708	1.077	1.077	102,442	512,210	614,652
	1,846,361		Total Regional	122,329	611,641	733,970
			Total Water Consumption.	382,669	2,024,966	2,407,635
			Annual Totals	458,399	2,421,161	2,879,560

Budgeted Sales - Drumheller	1,922,583	
Budgeted Sales - Regional Contracts	685,600	
Total Budgeted Sales		2,608,183
Sales Revenue <Surplus>/Deficit		(271,377)
'Revenue Required' worksheet for required revenue		2,822,665
Variance of 'Annual Totals' to 'Revenue Required'		(56,895)

### ***Agenda Item # 8.1.1***

TOTAL	2,958	1,846,361	100.00%	624	2,149,418
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451,030	484,072
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2,600,448	



**TOWN OF DRUMHELLER - WATER SYSTEM**  
**Utility Rate Base**

	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Budget 2012
<b>1. Gross Plant In Service (Schedule "A-1")</b>					
a) Opening Balance	34,518,348	68,856,325	71,653,813	72,829,023	74,806,752
b) Additions	580,171	2,822,488	1,175,210	1,977,729	6,971,051
c) Retirements	-	25,000	-	-	-
d) Closing Balance	34,518,348	71,653,813	72,829,023	74,806,752	81,777,803
<b>2. Accumulated Depreciation (Schedule "A-2")</b>					
a) Opening Balance	13,436,062	18,929,183	20,085,946	20,812,781	21,554,483
b) Additions	843,137	1,181,763	726,835	741,703	810,997
c) Retirements	-	25,000	-	-	-
d) Closing Balance	18,929,183	20,085,946	20,812,781	21,554,483	22,365,480
<b>3. Net Plant in Service</b>					
a) Opening Balance (Line 1. a) - Line 2. a))	21,082,287	49,927,142	51,567,867	52,016,242	53,252,269
b) Closing Balance (Line 1. d) - Line 2. d))	15,589,165	51,567,867	52,016,242	53,252,269	59,412,323
c) Total	36,671,452	101,495,009	103,584,109	105,268,511	112,664,591
d) Mid Year Balance	18,335,726	50,747,505	51,792,055	52,634,255	56,332,296
<b>4. Necessary Working Capital</b>					
a) Cash Expenses (Schedule "D")	1,933,254	1,564,642	1,683,670	1,587,622	1,929,952
b) One-Eighth of Cash Expenses	241,657	195,580	210,459	198,453	241,244
c) Prepaid Expenses	-	-	-	-	-
d) O&M Inventory	-	-	-	-	-
e) Necessary Working Capital (b+c+d)	241,657	195,580	210,459	198,453	241,244
<b>5. Utility Rate Base @ Mid Year</b>	<u>18,577,383</u>	<u>50,943,085</u>	<u>52,002,513</u>	<u>52,832,708</u>	<u>56,573,540</u>

**TOWN OF DRUMHELLER - WATER SYSTEM  
Capitalization, Cost of Capital and Return**

# Agenda Item # 8.1.1

<b>Actual 2009</b>		<b>Mid-Year Capitalization</b>	<b>Capital Ratio Including NCC</b>	<b>Capital Ratio Excluding NCC</b>	<b>Notional Capital Structure</b>	<b>Rate Base</b>	<b>Cost Rate</b>	<b>Return</b>
1.	Long Term Debt (Schedule "B-1")	3,256,006	6.42%	8.80%	70.00%	3,256,006	4.64%	150,965
	Deemed Debt					22,773,037	4.58%	1,043,005
2.	Equity	33,732,761	66.47%	91.20%	30.00%	11,155,304	8.75%	976,089
3.	Sub Total	36,988,767	72.89%	100.00%		37,184,348	5.84%	2,170,059
4.	No-Cost Capital (Schedule "B-2")	13,758,737	27.11%			13,758,737	0.00%	-
5.	Total	50,747,505	100.00%			50,943,085	4.26%	2,170,059
<b>Actual 2010</b>		<b>Mid-Year Capitalization</b>	<b>Capital Ratio Including NCC</b>	<b>Capital Ratio Excluding NCC</b>	<b>Notional Capital Structure</b>	<b>Rate Base</b>	<b>Cost Rate</b>	<b>Return</b>
1.	Long Term Debt (Schedule "B-1")	3,110,648	6.01%	8.31%	70.00%	3,110,648	4.68%	145,477
	Deemed Debt					23,241,784	4.58%	1,064,474
2.	Equity	34,325,225	66.28%	91.69%	30.00%	11,293,899	8.75%	988,216
3.	Sub Total	37,435,873	72.28%	100.00%		37,646,331	5.84%	2,198,167
4.	No-Cost Capital (Schedule "B-2")	14,356,182	27.72%			14,356,182	0.00%	-
5.	Total	51,792,055	100.00%			52,002,513	4.23%	2,198,167
<b>Budget 2011</b>		<b>Mid-Year Capitalization</b>	<b>Capital Ratio Including NCC</b>	<b>Capital Ratio Excluding NCC</b>	<b>Notional Capital Structure</b>	<b>Rate Base</b>	<b>Cost Rate</b>	<b>Return</b>
1.	Long Term Debt (Schedule "B-1")	2,996,481	5.69%	7.91%	70.00%	2,996,481	4.68%	140,132
	Deemed Debt					665,488	4.68%	31,122
2.	Equity	34,869,159	66.25%	92.09%	30.00%	1,569,415	8.75%	137,324
3.	Sub Total	37,865,640	71.94%	100.00%		5,231,384	5.90%	308,577
4.	No-Cost Capital (Schedule "B-2")	14,768,616	28.06%			14,768,616	0.00%	-
5.	Total (Schedule "A")	52,634,255	100.00%			20,000,000	1.54%	308,577
<b>Budget 2012</b>		<b>Mid-Year Capitalization</b>	<b>Capital Ratio Including NCC</b>	<b>Capital Ratio Excluding NCC</b>	<b>Notional Capital Structure</b>	<b>Rate Base</b>	<b>Cost Rate</b>	<b>Return</b>
1.	Long Term Debt (Schedule "B-1")	2,876,708	5.47%	7.02%	70.00%	2,876,708	4.68%	134,523
	Deemed Debt					3,886,440	4.68%	181,741
2.	Equity	38,117,227	72.42%	92.98%	30.00%	2,898,492	8.75%	253,618
3.	Sub Total	40,993,935	77.88%	100.00%		9,661,639	5.90%	569,882
4.	No-Cost Capital (Schedule "B-2")	15,338,361	29.14%			15,338,361	0.00%	-
5.	Total (Schedule "A")	56,332,296	107.03%			25,000,000	2.28%	569,882

= 'Utility Rate Base'!AG25 = 57,187,376

## TOWN OF DRUMHELLER Composite Cost of Debt

Debt Number	Allocation to Water	Effective Cost Rate	2007	2008	2009	2010	2011	2012
1-82	100.00%	12.50%	-	-	-	-	-	-
2-75	100.00%	9.38%	-	-	-	-	-	-
2-95	100.00%	8.13%	-	-	-	-	-	-
2-81	100.00%	12.50%	-	-	-	-	-	-
6-82	100.00%	12.00%	-	-	-	-	-	-
5-83	100.00%	12.00%	128,403	-	-	-	-	-
4-04	100.00%	0.00%	109,840	55,789	-	-	-	-
2-06	100.00%	4.76%	2,145,687	2,078,616	2,008,151	1,934,118	1,856,336	1,774,618
18-06	100.00%	4.57%	-	339,684	328,446	320,511	312,203	303,503
24-06	100.00%	4.52%	-	871,560	829,767	800,303	769,490	737,266
proposed	100.00%	4.58%	-	-	-	-	-	-
proposed	100.00%	4.14%	-	-	-	-	-	-
Total Debt Debt @ Year-End			2,383,930	3,345,649	3,166,363	3,054,932	2,938,029	2,815,386
Average Cost of Debt			4.93%	4.60%	4.68%	4.68%	4.68%	4.68%

Debt Number	Effective Cost Rate	2007	2008	2009	2010	2011	2012
1-82	12.50%	42,222	-	-	-	-	-
2-75	9.38%	-	-	-	-	-	-
2-95	8.13%	-	-	-	-	-	-
2-81	12.50%	-	-	-	-	-	-
6-82	12.00%	1,386	-	-	-	-	-
5-83	12.00%	185,726	64,202	-	-	-	-
4-04	0.00%	136,024	82,815	27,895	-	-	-
2-06	4.76%	2,161,843	2,112,152	2,043,383	1,971,134	1,895,227	1,815,477
18-06	4.57%	-	169,842	334,065	324,479	316,357	307,853
24-06	4.52%	-	435,780	850,663	815,035	784,897	753,378
proposed	4.58%	-	-	-	-	-	-
proposed	4.14%	-	-	-	-	-	-
Total Debt Debt @ Mid-Year		2,527,201	2,864,790	3,256,006	3,110,648	2,996,481	2,876,708
Cost of Debt @ Mid-Year		5.17%	4.74%	4.64%	4.68%	4.68%	4.68%

## ACFA Average Annual Rates (Costs of Deemed Debt)

15 Year Debt	4.756%	4.433%	4.223%	4.223%	4.223%	4.223%	4.223%
20 Year Debt	4.831%	4.534%	4.580%	4.580%	4.580%	4.580%	4.580%
25 Year Debt	4.870%	4.586%	4.761%	4.761%	4.761%	4.761%	4.761%

**TOWN OF DRUMHELLER - WATER SYSTEM**  
**Calculation of No-Cost Capital @ Mid-Year**

	2007	2008	2009	2010	2011
	Actual	Actual	Budget	Budget	Budget
<b>1. No-Cost Capital (CIAC &amp; Grants, Schedule "A-3")</b>					
a) Opening Balance	17,203,811	19,599,026	20,069,381	21,961,179	22,048,635
b) Additions	2,395,215	470,355	1,891,798	87,456	1,558,023
c) Retirements	-	-	-	-	-
d) Closing Balance	19,599,026	20,069,381	21,961,179	22,048,635	23,606,658
<b>2. Accumulated Amortization (Schedule "A-4")</b>					
a) Opening Balance	6,367,227	6,706,735	7,065,400	7,447,685	7,849,764
b) Additions	339,509	358,664	382,286	402,078	418,533
c) Retirements	-	-	-	-	-
d) Closing Balance	6,706,735	7,065,400	7,447,685	7,849,764	8,268,297
<b>3. Net No-Cost Capital</b>					
a) Opening Balance (Line 1. a) - Line 2. a))	10,836,584	12,892,290	13,003,981	14,513,493	14,198,871
b) Closing Balance (Line 1. d) - Line 2. d))	12,892,290	13,003,981	14,513,493	14,198,871	15,338,361
c) Total	23,728,874	25,896,271	27,517,474	28,712,364	29,537,231
<b>4. Net No-Cost Capital @ Mid-Year</b>	11,864,437	12,948,136	13,758,737	14,356,182	14,768,616



**TOWN OF DRUMHELLER - WATER SYSTEM**  
Utility Revenue Requirement, Revenue by Source

**Agenda Item # 8.1.1**

	2009 Budget	2010 Budget	2011 Budget	2012 Budget
<b>1. Net Cash Operating Expenses (Schedule "D")</b>	1,564,642	1,683,670	1,587,622	1,929,952
<b>2. Non-Cash Expenses</b>				
a) Depreciation (Schedule "A-2")	1,181,763	726,835	741,703	810,997
b) Amortization of NCC (Schedule "A-4")	(382,286)	(402,078)	(418,533)	(488,166)
c) Total	799,477	324,756	323,170	322,831
<b>3. Return (Schedule "B")</b>	2,170,059	2,198,167	308,577	569,882
<b>4. Gross Revenue Requirement</b>	<b>4,534,178</b>	<b>4,206,594</b>	<b>2,219,369</b>	<b>2,822,665</b>
<b>5. Revenues @ Actual/Budgeted Rates</b>				
a) Sale of Water (Drumheller & Regional)	5,113,210	2,584,599	2,574,377	2,608,183.00
b) Custom Work, Maintenance	59,311	46,543	45,591	34,100.00
c) Water Tower Space Rentals	-	-	-	-
d) Return on Investments	-	-	-	-
e) Penalties on Water	9,272	10,078	10,717	10,000.00
f) Interest Stabilization	-	-	-	-
g) Total	5,181,793	2,641,220	2,630,685	2,652,283
<b>6. Surplus (Deficiency) @ Actual</b>	<b>647,615</b>	<b>(1,565,374)</b>	<b>411,316</b>	<b>(170,382)</b>
<b>7. Revenues @ Breakeven</b>				
a) Sale of Water	4,465,595	4,149,973	2,163,061	2,778,565
b) Custom Work, Maintenance	59,311	46,543	45,591	34,100
c) Water Tower Space Rentals	-	-	-	-
d) Return on Investments	-	-	-	-
e) Penalties on Water	9,272	10,078	10,717	10,000
f) Interest Stabilization	-	-	-	-
g) Total	4,534,178	4,206,594	2,219,369	2,822,665
<b>8. Surplus (Deficiency) @ Breakeven</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TOWN OF DRUMHELLER - WATER SYSTEM**  
Cash Operating Expenses

# Agenda Item # 8.1.1

Account Code	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Budget
<b>Water Works Administration</b>					
1-1-4101-942 Transfer from Reserve				(87,752)	(250,000)
1-2-4101-111 Salary	106,035	173,570	143,930	88,895	88,794
1-2-4101-121 Wages	-	-	131	50,059	49,399
1-2-4101-151 Payroll Benefits	19,052	22,175	23,536	26,153	26,307
1-2-4101-152 Wellness Program	-	415	403	410	318
1-2-4101-212 Communication Equipment	4,499	9,089	3,876	1,818	3,300
1-2-4101-214 Conventions, Registration	680	1,445	530	530	2,000
1-2-4101-215 Postage	8,032	7,650	10,166	8,024	9,641
1-2-4101-216 Telephone, Telegraph	30,164	30,885	27,101	21,911	23,690
1-2-4101-217 Travel and Subsistence	1,246	1,989	2,378	1,155	3,000
1-2-4101-218 T.W.A.C.S. Reading Service	7,418	9,300	9,679	9,418	10,000
1-2-4101-221 Advertising and Promotion	-	372	573	-	2,500
1-2-4101-222 Memberships, Subscriptions	1,291	1,807	1,129	1,467	1,350
1-2-4101-234 Education	1,392	760	1,703	1,675	6,000
1-2-4101-239 Other Professional	8,384	800	-	12,441	8,000
1-2-4101-252 Repairs: Equipment	78,232	1,503	-	-	-
1-2-4101-255 Capital Reinvestment	-	-	-	87,752	250,000
1-2-4101-262 Rental: Equipment	-	-	-	-	-
1-2-4101-272 Insurance and Bond Premiums	44,494	51,933	53,432	54,392	56,650
1-2-4101-291 Other General Services	10,962	39,245	49,546	3,835	12,450
1-2-4101-295 Project: (specify)	-	-	-	-	-
1-2-4101-514 Rebate Program	-	2,325	2,400	(36)	7,500
1-2-4101-515 Stationery, Office Supplies	2,852	4,163	2,486	5,099	4,300
1-2-4101-519 Other General Supplies	-	-	-	-	-
1-2-4101-761 Contributed to Capital	904,443	669,099	709,720	508,054	440,134
1-2-4101-911 Rebates	-	-	-	-	-
1-2-4101-926 Uncollectible Accounts	13,497	20,016	50,750	(25)	40,000
1-2-4101-930 Amortization Expense	-	1,181,763	1,219,776	1,237,674	1,237,674
1-2-4101-961 Transfer to General	170,000	170,000	170,000	170,000	170,000
1-2-4101-962 Transfer to Computer	6,000	6,000	6,000	6,000	8,000
1-2-4101-963 Transfer to Policing	1,200	1,200	1,200	1,200	1,200
<b>Subtotal</b>	<b>1,419,873</b>	<b>2,407,504</b>	<b>2,490,445</b>	<b>2,210,149</b>	<b>2,212,207</b>
<b>River Intake Pump Station</b>					
1-2-4102-111 Salary	-	-	-	-	-
1-2-4102-121 Wages - Own Staff	6,667	5,458	6,817	9,238	9,046
1-2-4102-122 Wages: Equipment Repair	-	-	-	-	-
1-2-4102-151 Payroll Benefits	1,075	778	1,196	1,493	1,579
1-2-4102-241 Janitorial Services & Supplies	-	-	-	-	170
1-2-4102-251 Repairs: Buildings	-	-	-	-	700
1-2-4102-252 Repairs: Equipment	7,812	577	9,506	12,016	1,000
1-2-4102-253 Repairs: Other	-	-	-	-	200
1-2-4102-254 Repairs: Structures	22,902	680	2,170	320	7,450
1-2-4102-291 Other General Services	1,784	5,853	9,488	11,876	18,975
1-2-4102-519 Other General Supplies	64	7	-	137	-
1-2-4102-524 Consumable, Small Tools	-	-	-	-	280
1-2-4102-531 Chemicals and Salts	-	7,226	11,269	7,536	9,000
1-2-4102-541 Utilities: Electricity	22,782	27,181	20,105	22,735	25,000
1-2-4102-542 Utilities: Gas	1,216	1,938	1,864	2,229	2,588
<b>Subtotal</b>	<b>64,302</b>	<b>49,698</b>	<b>62,415</b>	<b>67,580</b>	<b>75,988</b>
<b>Low Lift Pump Station</b>					
1-2-4103-111 Salary	-	-	-	-	-
1-2-4103-121 Wages - Own Staff	3,277	2,962	2,797	3,562	3,098
1-2-4103-122 Wages: Equipment Repair	63	27	-	-	-
1-2-4103-151 Payroll Benefits	520	370	440	480	430
1-2-4103-251 Repairs: Buildings	-	-	-	-	650
1-2-4103-252 Repairs: Equipment	229	8,876	6,967	7,496	1,425
1-2-4103-253 Repairs: Other	-	-	-	-	250
1-2-4103-254 Repairs: Structures	230	341	1,244	-	1,025
1-2-4103-291 Other General Services	-	1,639	1,276	416	8,000
1-2-4103-519 Other General Supplies	-	-	156	-	925
1-2-4103-542 Utilities: Gas	944	1,511	1,482	1,083	1,035
<b>Subtotal</b>	<b>5,263</b>	<b>15,726</b>	<b>14,362</b>	<b>13,037</b>	<b>16,838</b>
<b>Raw Water Reservoir</b>					
1-2-4104-111 Salary	-	-	-	-	-
1-2-4104-121 Wages - Own Staff	3,821	3,765	4,481	4,622	5,349

**TOWN OF DRUMHELLER - WATER SYSTEM  
Cash Operating Expenses**

**Agenda Item # 8.1.1**

Account Code	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Budget
1-2-4104-122 Wages: Equipment Repair	101	-	-	-	-
1-2-4104-151 Payroll Benefits	718	570	807	586	677
1-2-4104-252 Repairs: Equipment	51,361	(6,168)	-	-	600
1-2-4104-254 Repairs: Structures	108	4,177	4,215	1,000	5,500
1-2-4104-291 Other General Services	520	-	-	6,288	152,825
1-2-4104-519 Other General Supplies	520	-	-	120	5,625
Subtotal	57,149	2,344	9,503	12,616	170,576
<b>Purification and Treatment</b>					
1-1-4105-942 Transfer from Reserve	(2,025)	(43,244)	-	-	(35,700)
1-2-4105-111 Salaries	21,186	27,664	29,120	29,843	29,402
1-2-4105-121 Wages - Own Staff	241,052	217,452	194,643	221,698	214,643
1-2-4105-122 Wages: Equipment Repair	509	354	-	-	-
1-2-4105-151 Payroll Benefits	38,723	37,669	39,137	46,518	48,644
1-2-4105-152 Wellness Program	-	1,642	567	1,224	937
1-2-4105-216 Telephone	2,447	2,543	2,506	2,234	2,575
1-2-4105-221 Advertising and Promotion	-	-	-	-	400
1-2-4105-222 Municipal Membership Fees	-	-	-	-	675
1-2-4105-241 Janitorial Services & Supplies	3,788	4,568	6,069	6,280	5,625
1-2-4105-251 Repairs: Buildings	10,333	11,680	43,071	9,079	5,350
1-2-4105-252 Repairs: Equipment	215,743	35,994	40,318	28,419	4,200
1-2-4105-253 Repairs: Other	-	-	-	-	5,125
1-2-4105-254 Repairs: Structures	-	45,203	423	1,707	32,525
1-2-4105-255 Capital Re-Investment	-	-	-	-	35,700
1-2-4105-291 Other General Services	88,052	59,240	48,095	25,694	84,995
1-2-4105-511 Safety Materials	5,051	3,152	1,456	2,404	2,375
1-2-4105-519 Other General Supplies	1,710	6,922	2,764	381	600
1-2-4105-521 Fuel, Oil, Grease	5,612	1,860	785	3,152	3,120
1-2-4105-524 Consumable, Small Tools	-	-	-	-	1,000
1-2-4105-531 Chemicals and Salts	218,309	161,829	201,997	221,258	217,100
1-2-4105-541 Utilities: Electricity	124,533	111,731	138,941	150,698	156,285
1-2-4105-542 Utilities: Gas	29,872	49,494	48,615	51,115	51,750
1-2-4105-831 Debenture Interest	121,845	102,906	99,343	95,745	91,808
1-2-4105-832 Debenture Principal	249,043	126,255	74,033	77,781	81,719
Subtotal	1,375,783	964,914	971,883	975,230	1,040,853
<b>Transmission and Distribution</b>					
1-1-4106-942 Transfer from Reserve	(40,247)	-	(30,200)	(8,597)	(19,500)
1-2-4106-111 Salaries	22,669	22,056	45,012	22,382	22,051
1-2-4106-121 Wages - Own Staff	186,790	147,090	151,035	172,022	166,761
1-2-4106-122 Wages: Equipment Repair	5,331	7,471	9,316	-	-
1-2-4106-151 Payroll Benefits	32,494	30,530	34,129	39,274	40,231
1-2-4106-152 Wellness Program	-	126	50	500	582
1-2-4106-251 Repairs: Buildings	-	-	-	-	1,000
1-2-4106-252 Repairs: Equipment	28,623	25,196	29,904	19,592	23,850
1-2-4106-254 Repairs: Structures	123,979	56,578	101,512	59,160	57,850
1-2-4106-255 Capital Reinvestment	-	-	-	8,597	19,500
1-2-4106-291 Other General Services	31,227	40,518	23,587	18,800	46,700
1-2-4106-511 Safety Materials	171	531	352	1,112	3,700
1-2-4106-519 Other General Supplies	11,206	4,087	3,377	5,869	3,400
1-2-4106-521 Fuel, Oil, Grease	30,772	15,079	13,516	26,764	28,080
1-2-4106-524 Consumable, Small Tools	-	-	-	-	3,500
1-2-4106-535 Sand and Gravel	-	-	-	-	4,000
1-2-4106-541 Utilities: Electricity	22,135	23,444	24,484	31,124	31,050
1-2-4106-542 Utilities: Gas	1,065	1,773	1,860	1,665	2,070
1-2-4106-769 Contributed to TCA	-	9,260	-	-	-
1-2-4106-831 Debenture Interest	43,325	53,634	52,369	50,731	56,516
1-2-4106-832 Debenture Principal	17,280	35,751	37,398	39,122	48,654
Subtotal	516,820	473,124	497,701	488,117	539,995
Total Water System Operating Expenses	3,439,190	3,913,310	4,046,309	3,766,729	4,056,457
Non Cash Operating Expenses	1,505,936	2,348,668	2,362,639	2,179,107	2,126,505
Net Cash Operating Expenses	1,933,254	1,564,642	1,683,670	1,587,622	1,929,952



**TOWN OF DRUMHELLER - WATER SYSTEM**  
**Continuity Schedule of Fixed Assets**

TCA	Land	Engineered Structures			Machinery and Equipment	Vehicles	Buildings	Land Improvements	Construction Work in Progress	Total
		Non-mains	Trunk Mains	Distribution Mains						
YE 2005	293,695	20,076,271	4,052,939	2,191,170	155,987	424,446	72,263	247,632	-	27,514,403
Additions in 2006	-	3,512,690	-	286,623	1,535	75,662	-	161,410	648	4,038,568
Retirements in 2006	-	-	-	-	-	-	-	-	-	-
YE 2006	293,695	23,588,961	4,052,939	2,477,793	157,522	500,108	72,263	409,042	648	31,552,971
Additions in 2007	-	154,642	-	2,677,597	-	88,904	-	31,526	12,708	2,965,377
Retirements in 2007	-	-	-	-	-	-	-	-	-	-
YE 2007	293,695	23,743,603	4,052,939	5,155,390	157,522	589,012	72,263	440,568	13,356	34,518,348
Additions in 2008	-	163,918	17,880	398,373	-	-	-	-	-	580,171
Retirements in 2008	-	-	-	-	-	-	-	-	-	-
YE 2008	-	16,441,547	21,049,532	29,996,898	799,228	216,565	188,637	-	163,918	68,856,325
Additions in 2009	-	2,160,936	-	-	-	51,204	-	-	610,348	2,822,488
Retirements in 2009	-	-	-	-	-	25,000	-	-	-	25,000
YE 2009	-	18,602,483	21,049,532	29,996,898	799,228	242,769	188,637	-	774,266	71,653,813
Additions in 2010	-	774,266	25,000	1,150,210	-	-	-	-	(774,266)	1,175,210
Retirements in 2010	-	-	-	-	-	-	-	-	-	-
YE 2010	-	19,376,749	21,074,532	31,147,108	799,228	242,769	188,637	-	-	72,829,023
Additions in 2011	-	-	1,500,354	-	339,295	-	-	-	138,080	1,977,729
Retirements in 2011	-	-	-	-	-	-	-	-	-	-
YE 2011	-	19,376,749	22,574,886	31,147,108	1,138,523	242,769	188,637	-	138,080	74,806,752
Additions in 2012	-	-	4,497,800	-	2,551,331	-	60,000	-	(138,080)	6,971,051
Retirements in 2012	-	-	-	-	-	-	-	-	-	-
YE 2012	-	19,376,749	27,072,686	31,147,108	3,689,854	242,769	248,637	-	-	81,777,803

**TOWN OF DRUMHELLER - WATER SYSTEM  
Continuity Schedule of Accumulated Depreciation**

**Agenda Item # 8.1.1**

TCA	Land	Engineered Structures			Machinery and Equipment	Vehicles	Buildings	Land Improvements	Total
		Non-mains	Trunk Mains	Distribution Mains					
YE 2005	9,923,644	1,040,798	586,286	63,186	79,225	23,197	182,832	-	11,899,167
Additions in 2006	545,815	54,039	31,126	3,135	23,114	964	65,667	6	723,867
Retirements in 2006									-
YE 2006	10,469,460	1,094,837	617,412	66,321	102,339	24,160	248,499	6	12,623,035
Additions in 2007	591,657	54,039	50,888	3,150	27,228	964	84,961	140	813,027
Retirements in 2007									-
YE 2007	11,061,117	1,148,876	668,300	69,471	129,567	25,124	333,460	147	13,436,062
Additions in 2008	595,639	54,158	71,394	3,150	29,451	964	88,114	267	843,137
Retirements									-
YE 2008	-	9,639,842	1,563,012	7,182,744	312,920	142,006	88,659	-	18,929,183
Additions in 2009	-	385,477	280,660	399,144	90,272	22,437	3,773	-	1,181,763
Retirements in 2009						25,000			25,000
YE 2009	-	10,025,319	1,843,672	7,581,888	403,192	139,443	92,432	-	20,085,946
Additions in 2010	-	280,827	407,627	15,985	12,138	2,515	-	7,743	726,835
Retirements in 2010									-
YE 2010	-	10,306,146	2,251,299	7,597,873	415,330	141,958	92,432	7,743	20,812,781
Additions in 2011	-	290,996	415,295	19,378	12,138	2,515	-	1,381	741,703
Retirements in 2011									-
YE 2011	-	10,597,142	2,666,593	7,617,250	427,469	144,473	92,432	9,123	21,554,483
Additions in 2012	-	330,984	415,295	48,284	12,138	2,915	-	1,381	810,997
Retirements in 2012									-
YE 2012	-	10,928,126	3,081,888	7,665,534	439,607	147,388	92,432	10,504	22,365,480
Useful Service Life	40	75	75	50	20	75	5	50	
Depreciation Rate	2.50%	1.33%	1.33%	2.00%	5.00%	1.33%	20.00%	2.00%	



**TOWN OF DRUMHELLER - WATER SYSTEM  
Continuity Schedule of No-Cost Capital**

**Agenda Item # 8.1.1**

	Grants	Grants Distribtution	Customer Contributions	Local Improvement Levies	Other	Total
YE 2003	12,794,665		2,405,415	249,710		15,449,790
Additions in 2004	-		-	30,108		30,108
Retirements in 2004						-
YE 2004	12,794,665		2,405,415	279,818		15,479,898
Additions in 2005	-		208,268	28,690		236,958
Retirements in 2005						-
YE 2005	12,794,665		2,613,683	308,508		15,716,856
Additions in 2006	1,319,997		162,086	4,872		1,486,955
Retirements in 2006						-
YE 2006	14,114,662		2,775,769	313,380		17,203,811
Additions in 2007	1,445,215		-	950,000		2,395,215
Retirements in 2007						-
YE 2007	15,559,877		2,775,769	1,263,380		19,599,026
Additions in 2008	470,355					470,355
Retirements						-
YE 2008	16,030,232		2,775,769	1,263,380		20,069,381
Additions in 2009		1,891,798				1,891,798
Retirements in 2009						-
YE 2009	16,030,232	1,891,798	2,775,769	1,263,380		21,961,179
Additions in 2010		87,456				87,456
Retirements in 2010						-
YE 2010	16,030,232	1,979,254	2,775,769	1,263,380		22,048,635
Additions in 2011		1,558,023				1,558,023
Retirements in 2011						-
YE 2011	16,030,232	3,537,277	2,775,769	1,263,380		23,606,658
Additions in 2012		5,405,251				5,405,251
Retirements in 2012						-
YE 2012	16,030,232	8,942,528	2,775,769	1,263,380		29,011,909

**Agenda Item # 8.1.1**

**TOWN OF DRUMHELLER - WATER SYSTEM**  
**Continuity Schedule of Amortization of No-Cost Capital**

	Grants	Grants Distribution	Customer Contributions	Local Improvement Levies	Other	Total
YE 2008	6,162,427	-	867,482	35,491	-	7,065,400
Additions in 2009	320,605	18,918	37,010	5,753	-	382,286
Retirements in 2009						-
YE 2009	6,483,032	18,918	904,492	41,244	-	7,447,685
Additions in 2010	320,605	38,711	37,010	5,753	-	402,078
Retirements in 2010						-
YE 2010	6,803,636	57,629	941,502	46,997	-	7,849,764
Additions in 2011	320,605	55,165	37,010	5,753	-	418,533
Retirements in 2011						-
YE 2011	7,124,241	112,794	978,513	52,750	-	8,268,297
Additions in 2012	320,605	124,798	37,010	5,753	-	488,166
Retirements in 2012						-
YE 2012	7,444,846	237,592	1,015,523	58,503	-	8,756,463
Useful Service Life	50	50	75	75	75	75
Amortization Rate	2.00%	2.00%	1.33%	1.33%	1.33%	1.33%

# **TOWN OF DRUMHELLER**



## **MUNICIPAL WASTE WATER RATE REPORT REPORT FOR 2012**

Adopted by Council  
27-Feb-12

2/23/2012  
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## Agenda Item # 8.1.1

### TOWN OF DRUMHELLER - WASTEWATER SYSTEM Utility Rate Base

	Actual 2009	Actual 2010	Actual 2011	Budget 2012
1. Gross Plant In Service				
a) Opening Balance	7,421,766	28,021,810	37,554,390	37,597,090
b) Additions	10,149,004	9,532,580	42,700	1,689,500
c) Retirements	-	-	-	-
d) Closing Balance	28,021,810	37,554,390	37,597,090	39,286,590
2. Accumulated Depreciation				
a) Opening Balance	3,292,803	8,981,040	9,537,813	10,315,768
b) Additions	334,935	556,773	777,955	777,955
c) Retirements	-	-	-	-
d) Closing Balance	8,981,040	9,537,813	10,315,768	11,093,723
3. Net Plant in Service				
a) Opening Balance	4,128,964	19,040,770	28,016,577	27,281,322
b) Closing Balance	19,040,770	28,016,577	27,281,322	28,192,867
c) Total	23,169,734	47,057,348	55,297,899	55,474,189
d) Mid Year Balance	11,584,867	23,528,674	27,648,950	27,737,095
4. Necessary Working Capital				
a) Cash Operating Expenses	923,518	972,643	1,258,733	1,140,367
b) One-Eighth Thereof	115,440	121,580	157,342	142,546
c) Prepaid Expenses	-	-	-	-
d) O&M Inventory	-	-	-	-
e) Necessary Working Capital	115,440	121,580	157,342	142,546
5. Utility Rate Base @ Mid Year	11,700,307	23,650,254	27,806,291	27,879,641



TOWN OF DRUMHELLER - WASTEWATER SYSTEM  
Capitalization, Cost of Capital and Return

2009	Mid-Year Capitalization	Capital Ratio Including NCC	Capital Ratio Excluding NCC	Notional Capital Structure	Rate Base	Cost Rate	Return
1. Long Term Debt	773,404	23.95%	8.23%	70.00%	773,404	4.28%	33,092
Deemed Debt					5,886,915	4.65%	273,742
2. Equity	8,625,898	267.09%	91.77%	30.00%	2,854,423	8.75%	249,762
3. Sub Total	9,399,303	291.04%	100.00%		9,514,742	5.85%	556,596
4. No-Cost Capital	2,185,564	67.67%			2,185,564	0.00%	-
5. Total	11,584,867	358.72%			11,700,307	4.76%	556,596
2010	Mid-Year Capitalization	Capital Ratio Including NCC	Capital Ratio Excluding NCC	Notional Capital Structure	Rate Base	Cost Rate	Return
1. Long Term Debt	2,134,138	66.08%	14.62%	70.00%	2,134,138	4.43%	94,532
Deemed Debt					8,166,641	4.65%	379,749
2. Equity	12,459,681	385.80%	85.38%	30.00%	4,414,620	8.75%	386,279
3. Sub Total	14,593,819	451.89%	100.00%		14,715,400	5.85%	860,560
4. No-Cost Capital	8,934,855	276.66%			8,934,855	0.00%	-
5. Total	23,528,674	728.55%			23,650,254	3.64%	860,560
2011	Mid-Year Capitalization	Capital Ratio Including NCC	Capital Ratio Excluding NCC	Notional Capital Structure	Rate Base	Cost Rate	Return
1. Long Term Debt	3,441,605	106.57%	23.58%	70.00%	3,441,605	4.46%	153,620
Deemed Debt					4,869,563	4.65%	226,435
2. Equity	8,274,151	256.20%	56.70%	30.00%	3,561,929	8.75%	311,669
3. Sub Total	11,715,756	362.77%	80.28%		11,873,097	5.83%	691,724
4. No-Cost Capital	15,933,194	493.36%			15,933,194	0.00%	-
5. Total	27,648,950	856.13%			27,806,291	2.49%	691,724
2012	Mid-Year Capitalization	Capital Ratio Including NCC	Capital Ratio Excluding NCC	Notional Capital Structure	Rate Base	Cost Rate	Return
1. Long Term Debt	3,294,275	102.00%	22.57%	70.00%	3,294,275	4.48%	147,443
Deemed Debt					4,821,251	4.65%	224,188
2. Equity	8,156,787	252.57%	55.89%	30.00%	3,478,082	8.75%	304,332
3. Sub Total	11,451,062	354.57%	78.47%		11,593,608	5.83%	675,964
4. No-Cost Capital	16,286,032	504.28%			16,286,032	0.00%	-
5. Total	27,737,095	858.86%			27,879,641	2.42%	675,964

**TOWN OF DRUMHELLER - WASTEWATER SYSTEM**  
**Composite Cost of Debt**

Debtenture Number	Allocation to Sewer	Effective Cost Rate	2010	2011	2012
Rosedale I	100.00%	4.65%	400,191	391,958	383,342
Rosedale II	100.00%	4.06%	99,472	84,498	68,916
Rosedale III	100.00%	3.75%	99,168	-	-
9-95A	100.00%	5.13%	-	-	-
2-82	100.00%	12.00%	-	-	-
Drum WWTP	100.00%	4.46%	2,952,777	2,855,145	2,804,690
3-80A	100.00%	12.00%	-	-	-
Total Debtenture Debt @ Year-End			3,551,608	3,331,602	3,256,948
Average Cost of Debt			4.45%	4.47%	4.48%

Debtenture Number	Effective Cost Rate	2010	2011
Rosedale I	4.65%	404,124	396,074
Rosedale II	4.06%	106,667	91,985
Rosedale III	3.75%	146,958	49,584
9-95A	5.13%	-	-
2-82	12.00%	-	-
Drum WWTP	4.46%	1,476,388	2,903,961
3-80A	12.00%	-	-
Mid-Year Debt		2,134,138	3,441,605
Cost of Debt @ Mid-Year		4.43%	4.46%

**ACFA Cost Rates (Interest on Deemed Debt)**

15 Year Debtenture	4.500%	4.500%
20 Year Debtenture	4.650%	4.650%
25 Year Debtenture	4.750%	4.750%

# **Agenda Item # 8.1.1**

## **TOWN OF DRUMHELLER - WASTEWATER SYSTEM Net No-Cost Capital @ Mid-Year**

	2009	2010	2011	2012
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
1. No-Cost Capital (Contributions & Grants)				
a) Opening Balance	2,466,850	2,466,850	16,161,706	16,161,706
b) Additions	-	13,694,856	-	975,000
c) Retirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
d) Closing Balance	2,466,850	16,161,706	16,161,706	17,136,706
2. Accumulated Amortization				
a) Opening Balance	260,747	301,823	457,023	726,347
b) Additions	41,076	155,200	269,324	277,449
c) Retirements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
d) Closing Balance	301,823	457,023	-	-
3. Net No-Cost Capital				
a) Prior Year-End	2,206,102	2,165,026	15,704,683	15,435,359
b) Current Year-End	<u>2,165,026</u>	<u>15,704,683</u>	<u>16,161,706</u>	<u>17,136,706</u>
c) Total	4,371,129	17,869,709	31,866,388	32,572,065
4. Net No-Cost Capital @ Mid-Year	<u><u>2,185,564</u></u>	<u><u>8,934,855</u></u>	<u><u>15,933,194</u></u>	<u><u>16,286,032</u></u>

# Agenda Item # 8.1.1

## TOWN OF DRUMHELLER - WASTEWATER SYSTEM Utility Revenue Requirements

	2010 Actual	2011 Actual	2012 Budget
1. Cash Operating Expenses	972,643	1,258,733	1,140,367
2. Non-Cash Expenses			
a) Depreciation	556,773	777,955	777,955
b) Amortization of NCC	(155,200)	(269,324)	(277,449)
c) Total	401,573	508,631	500,506
3. Return	860,560	691,724	675,964
4. Gross Revenue Requirement	<u>2,234,776</u>	<u>2,459,088</u>	<u>2,316,837</u>
5. Revenues @ Actual/Budgeted Rates			
a) Sewer Revenue	1,823,513	1,955,381	1,973,381
b) Custom Work	41,690	12,000	12,000
c) Penalties on Sewer	10,252	10,000	10,000
d) Interest on Investments	-	-	-
e) Interest Stabilization	-	-	-
f) Total	1,875,455	1,977,381	1,995,381
6. Surplus (Deficiency) @ Actual	<u>(359,321)</u>	<u>(481,707)</u>	<u>(321,456)</u>
7. Revenues @ Breakeven/Proposed Rates			
a) Sewer Revenue	2,182,834	2,437,088	2,294,837
b) Custom Work	41,690	12,000	12,000
c) Penalties on Sewer	10,252	10,000	10,000
d) Interest on Investments	-	-	-
e) Interest Stabilization	-	-	-
f) Total	<u>2,234,776</u>	<u>2,459,088</u>	<u>2,316,837</u>
8. Surplus (Deficiency) @ Breakeven	<u>-</u>	<u>-</u>	<u>-</u>

# Agenda Item # 8.1.1

## TOWN OF DRUMHELLER - WASTEWATER SYSTEM CASH OPERATING EXPENSES

Account Code	2009 Actual	2010 Actual	2011 Actual	2012 Budget
<b>Administration - Drumheller</b>				
1-2-4201-111 Salaries	156,978	133,842	88,895	88,794
1-2-4201-121 Wages - Own Staff	-	-	43,582	42,995
1-2-4201-151 Payroll Benefits	21,741	22,739	24,620	25,519
1-2-4201-152 Wellness Program	415	352	390	318
1-2-4201-212 Communication System	13,101	7,876	7,611	11,050
1-2-4201-214 Conventions, Registrations	-	-	-	1,500
1-2-4201-215 Postage	7,791	8,575	8,023	9,641
1-2-4201-216 Telephone, Telegraph	5,324	4,692	5,349	3,605
1-2-4201-217 Travel and Subsistence	-	767	1,109	2,000
1-2-4201-221 Advertising and Promotion	218	-	-	2,500
1-2-4201-234 Education	-	-	1,264	2,000
1-2-4201-239 Other Professional	800	508	-	1,000
1-2-4201-252 Repairs: Equipment	-	100	-	-
1-2-4201-262 Rental/Lease: Equipment/Furnishings	-	-	-	-
1-2-4201-272 Insurance and Bond Premiums	42,003	43,276	44,035	45,320
1-2-4201-291 Other General Services	1,356	1,014	1,836	2,700
1-2-4201-514 Rebate Program	-	-	-	7,500
1-2-4201-515 Stationery, Office Supplies	60	-	-	-
1-2-4201-519 Other General Supplies	4,250	-	-	-
1-2-4201-761 Contributed to Capital Reserves	480,826	430,532	96,723	96,723
1-2-4201-831 Debenture Interest	-	-	-	-
1-2-4201-832 Debenture Principle	-	-	-	-
1-2-4201-911 Rebates	-	-	-	-
1-2-4201-926 Uncollectable Accounts	9,516	18,644	13	18,000
1-2-4201-930 Amortization Expense	349,012	553,098	788,722	394,361
1-2-4201-961 Transfer to Computer Services	6,000	6,000	6,000	8,000
1-2-4201-962 Transfer to General	70,000	70,000	70,000	70,000
1-2-4201-963 Transfer to Policing	800	800	800	800
1-2-4201-993 Loss on Disposal of Asset	-	22,735	-	-
Subtotal	1,170,191	1,325,550	1,188,972	834,326
<b>Administration - Rosedale</b>				
1-2-4202-111 Salaries	-	-	-	-
1-2-4202-151 Payroll Benefits	-	-	-	-
1-2-4202-214 Conventions, Registrations	-	-	-	-
1-2-4202-215 Postage	-	-	-	-
1-2-4202-216 Telephone, Telegraph	-	-	-	-
1-2-4202-272 Insurance and Bond Premiums	-	-	-	-
1-2-4202-291 Other General Services	-	-	-	-
1-2-4202-761 Contributed to Capital Reserves	-	-	-	-
1-2-4202-831 Debenture Interest	-	-	-	-
1-2-4202-832 Debenture Principle	-	-	-	-
1-2-4202-926 Uncollectable Accounts	-	-	-	-
Subtotal	-	-	-	-
<b>Administration - East Coulee</b>				
1-2-4203-111 Salaries	-	-	-	-
1-2-4203-151 Payroll Benefits	-	-	-	-
1-2-4203-215 Postage	-	-	-	-
1-2-4203-216 Telephone, Telegraph	-	-	-	-
1-2-4203-272 Insurance and Bond Premiums	2,483	2,547	2,583	2,678
1-2-4203-291 Other General Services	-	-	-	-
1-2-4203-761 Contributed to Capital Reserves	13,877	13,877	13,877	13,877
1-2-4203-831 Debenture Interest	-	-	-	-
1-2-4203-832 Debenture Principle	-	-	-	-



# Agenda Item # 8.1.1

## TOWN OF DRUMHELLER - WASTEWATER SYSTEM CASH OPERATING EXPENSES

Account Code		2009 Actual	2010 Actual	2011 Actual	2012 Budget
1-2-4203-926	Uncollectable Accounts	-	-	-	-
		-	-	-	-
		-	-	-	-
	Subtotal	16,360	16,424	16,460	16,555
<b>Sewage Collection - Drumheller</b>					
1-2-4211-111	Salaries	20,748	21,840	22,382	22,051
1-2-4211-121	Wages - Own Staff	61,886	67,370	64,022	58,846
1-2-4211-122	Wages - Equipment Repair	7,779	14,936	-	-
1-2-4211-151	Payroll Benefits	14,791	17,414	16,169	16,511
1-2-4211-152	Wellness Program	126	50	-	-
1-2-4211-241	Janitorial Services	547	-	1,233	2,000
1-2-4211-251	Repairs: Buildings	-	-	-	6,250
1-2-4211-252	Repairs: Equipment	43,533	37,708	34,687	30,350
1-2-4211-253	Repairs: Other	-	-	-	3,250
1-2-4211-254	Repairs: Structures	85,423	84,805	60,164	32,950
1-2-4211-255	Capital Reinvestment	-	-	41,698	53,000
1-2-4211-291	Other General Services	34,843	36,509	37,722	74,000
1-2-4211-511	Safety Materials	179	1,208	565	1,000
1-2-4211-519	Other General Supplies	1,564	1,029	712	1,200
1-2-4211-521	Fuel, Oil, Grease	12,446	13,108	14,689	9,568
1-2-4211-524	Consumables, Small Tools	-	-	-	2,000
1-2-4211-531	Chemicals and Salts	4,927	3,721	3,767	10,000
1-2-4211-535	Sand and Gravel	-	-	-	4,000
1-2-4211-541	Utilities :Electricity	42,953	61,443	58,379	72,450
1-2-4211-542	Utilities: Gas	9,664	9,524	7,714	8,280
1-2-4211-831	Debenture Interest	22,502	21,758	21,007	20,185
1-2-4211-832	Debenture Principal	14,841	15,586	16,368	17,190
		-	-	-	-
	Subtotal	378,752	408,009	401,278	445,081
<b>Sewage Collection - East Coulee</b>					
1-2-4213-111	Salaries	-	-	-	12,620
1-2-4213-121	Wages - Own Staff	3,550	4,401	12,290	-
1-2-4213-122	Wages - Equipment Repair	-	-	-	-
1-2-4213-151	Payroll Benefits	508	684	1,743	1,831
1-2-4213-216	Telephone, telegraph	-	-	-	-
1-2-4213-251	Repairs: Building	-	-	-	500
1-2-4213-252	Repairs: Equipment	-	593	14,978	1,700
1-2-4213-253	Repairs: Other	-	-	-	250
1-2-4213-254	Repairs: Structures	-	23	722	1,800
1-2-4213-291	Other General Services	1,243	1,328	-	8,550
	Subtotal	5,301	7,029	29,733	27,251
<b>Sewage Treatment - Drumheller</b>					
1-2-4221-111	Salaries	-	-	-	-
1-2-4221-121	Wages - Equipment Repair	59	2,105	118,564	105,626
1-2-4221-122	Wages: Equipmwnt Repair	284	340	264	-
1-2-4221-128	Wages - Detailed (CCI) 2006	-	-	-	-
1-2-4221-131	Wages - Sewage Lagoons	2,380	8,855	-	-
1-2-4221-132	Wages - Sewage Plant	80,634	95,460	-	269
1-2-4221-151	Payroll Benefits	11,158	15,534	15,582	15,902
1-2-4221-216	Telephone, Telegraph	8,600	7,582	7,207	6,695
1-2-4221-241	Janitorial Services	-	-	475	1,500
1-2-4221-251	Repairs: Building	-	-	-	2,500
1-2-4221-252	Repairs: Equipment	15,436	12,780	11,357	3,700
1-2-4221-253	Repairs: Other	-	-	-	4,000

# Agenda Item # 8.1.1

## TOWN OF DRUMHELLER - WASTEWATER SYSTEM CASH OPERATING EXPENSES

Account Code		2009 Actual	2010 Actual	2011 Actual	2012 Budget
1-2-4221-254	Repairs: Structures	15,306	15,200	13,176	19,950
1-2-4221-255	Capital Reinvestment	-	-	-	2,500
1-2-4221-291	Other General Services	4,295	8,087	4,150	22,700
1-2-4221-511	Safety Materials	1,459	100	660	1,150
1-2-4221-519	Other General Supplies	140	202	224	1,500
1-2-4221-521	Fuel, Oil, Grease	-	-	-	4,000
1-2-4221-524	Consumables, Small Tools	-	-	-	500
1-2-4221-531	Chemicals and Salts	6,207	6,249	11,701	14,000
1-2-4221-538	Other Construction Materials	-	-	-	-
1-2-4221-541	Utilities :Electricity	88,176	80,585	147,628	165,600
1-2-4221-542	Utilities: Gas	17,155	27,908	36,325	38,295
1-2-4221-543	Utilities: Water	-	-	-	-
1-2-4221-831	Debenture Interest	-	101,448	125,166	120,866
1-2-4221-832	Debenture Principal	-	48,199	99,510	103,812
Subtotal		251,289	430,634	591,989	635,065
<b>Sewage Treatment - East Coulee</b>					
1-2-4223-111	Salaries	-	-	-	-
1-2-4223-121	Wages - Own Staff	20,209	23,256	27,548	27,078
1-2-4223-122	Wages - Equipment Repair	866	476	-	-
1-2-4223-151	Payroll Benefits	3,116	4,098	4,405	4,613
1-2-4223-216	Telephone, Telegraph	750	840	789	721
1-2-4223-251	Repairs: Buildings	-	391	740	4,500
1-2-4223-252	Repairs: Equipment	9,757	3,433	2,085	800
1-2-4223-253	Repairs: Other	-	-	-	-
1-2-4223-254	Repairs: Structures	1,136	1,151	7,946	9,700
1-2-4223-255	Capital Reinvestment	-	-	-	1,500
1-2-4223-291	Other General Services	2,971	14,646	7,442	7,200
1-2-4223-511	Safety Materials	249	801	116	600
1-2-4223-519	Other General Supplies	-	176	-	-
1-2-4223-521	Fuel, Oil and Grease	4,432	4,597	4,762	6,032
1-2-4223-524	Consumables, Small Tools	-	-	-	200
1-2-4223-531	Chemicals and Salts	2,902	1,813	1,776	5,500
1-2-4223-538	Other Construction Materials	-	-	-	-
1-2-4223-541	Utilities :Electricity	4,441	4,414	4,638	5,175
1-2-4223-542	Utilities: Gas	1,854	2,138	2,157	2,484
Subtotal		52,683	62,230	64,404	76,103
Total Wastewater System Expenses		1,874,576	2,249,876	2,292,836	2,034,381
Non Cash Operating Expenses		951,058	1,277,233	1,034,103	894,014
Net Cash Operating Expenses		923,518	972,643	1,258,733	1,140,367

## Agenda Item # 8.1.1

### TOWN OF DRUMHELLER - WASTEWATER SYSTEM Continuity Schedule of Fixed Assets

TCA	Land	Engineered Structures	Machinery and Equipment	Vehicles	Buildings	CWIP	
YE 2008	-	17,008,892	255,286	197,623	-	411,005	17,872,806
Additions in 2009	-	-	39,681	-	-	10,109,323	10,149,004
Retirements in 2009	-	-	-	-	-	-	-
YE 2009	-	17,008,892	294,967	197,623	-	10,520,327	28,021,810
Additions in 2010	-	20,052,907	-	-	-	(10,520,327)	9,532,580
Retirements in 2010	-	-	-	-	-	-	-
YE 2010	-	37,061,800	294,967	197,623	-	-	37,554,390
Additions in 2011	-	42,700	-	-	-	-	42,700
Retirements in 2011	-	-	-	-	-	-	-
YE 2011	-	37,104,500	294,967	197,623	-	-	37,597,090
Additions in 2012	-	1,689,500	-	-	-	-	1,689,500
Retirements in 2012	-	-	-	-	-	-	-
YE 2012	-	38,794,000	294,967	197,623	-	-	39,286,590

**TOWN OF DRUMHELLER - WASTEWATER SYSTEM  
Continuity Schedule of Accumulated Depreciation**

TCA	Engineered Structures	Machinery and Equipment	Vehicles	Buildings	Total
YE2008	8,385,116	160,838	100,150		8,646,105
Additions in 2009	306,167	18,569	10,199		334,935
Retirements in 2009					-
YE 2009	8,691,283	179,407	110,349		8,981,040
Additions in 2010	527,349	19,225	10,199		556,773
Retirements in 2010					-
YE 2010	9,218,632	198,632	120,548		9,537,813
Additions in 2011	748,531	19,225	10,199		777,955
Retirements in 2011					-
YE 2011	9,967,163	217,857	130,748		10,315,768
Additions in 2012	748,531	19,225	10,199		777,955
Retirements in 2012					-
YE 2012	10,715,694	237,082	140,947		11,093,723
<b>Useful Service Life</b>	75	75	25	25	50
<b>Depreciation Rate</b>	1.33%	1.33%	4.00%	4.00%	2.00%

# Agenda Item # 8.1.1

## TOWN OF DRUMHELLER - WASTEWATER SYSTEM

### Continuity Schedule of No-Cost Capital

	Grants	Customer Contributions	Developer Contributions	Other	Total
YE 2003	179,112	231,367	67,237	-	477,716
Additions in 2004	196,258	18,180	-	-	214,438
Retirements in 2004					-
YE 2004	375,370	249,547	67,237	-	692,154
Additions in 2005	963,519	-	-	-	963,519
Retirements in 2005					-
YE 2005	1,338,889	249,547	67,237	-	1,655,673
Additions in 2006	133,723		28,000	-	161,723
Retirements in 2006					-
YE 2006	1,472,612	249,547	95,237	-	1,817,396
Additions in 2007	239,129	-		-	239,129
Retirements in 2007					-
YE 2007	1,711,741	249,547	95,237	-	2,056,525
Additions in 2008	410,325	-	-	-	410,325
Retirements in 2008					-
YE 2008	2,122,066	249,547	95,237	-	2,466,850
Additions in 2009		-	-	-	-
Retirements in 2009					-
YE 2009	2,122,066	249,547	95,237	-	2,466,850
Additions in 2010	13,694,856	-	-	-	13,694,856
Retirements in 2010					-
YE 2010	15,816,922	249,547	95,237	-	16,161,706
Additions in 2011		-	-	-	-
Retirements in 2011					-
YE 2011	15,816,922	249,547	95,237	-	16,161,706
Additions in 2012	975,000	-	-	-	975,000
Retirements in 2012					-
YE 2012	16,791,922	249,547	95,237	-	17,136,706



Customer Developer

**Schedule "A-4"**



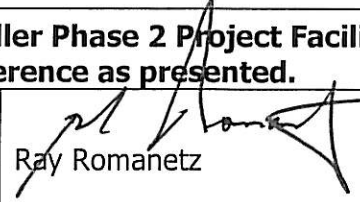
# DRUMHELLER

## CHIEF ADMINISTRATIVE OFFICER

Agenda Item # 8.1.2



### Request for Decision

		<b>Date:</b>	February 23, 2012
<b>Topic:</b>	<b>Drumheller Phase 2 Project Facility(s) Steering Committee – Terms of Reference</b>		
<b>Proposal:</b>	Council at their meeting of February 21 <sup>st</sup> reviewed the draft Drumheller Phase 2 Project Facility(s) Steering Committee Terms of Reference. The Terms of Reference for the Steering Committee outlines the steps that have to be taken to prepare a Business Case Analysis / Plan that will ensure a shovel ready project should any available grant dollars become available.		
<b>Proposed by:</b>	Town Council		
<b>Correlation to Business (Strategic) Plan</b>	2012 Corporate Priority		
<b>Benefits:</b>	<ul style="list-style-type: none"><li>• Municipal Census / Survey identified a need for a new curling rink and a second ice surface;</li><li>• Process will include community involvement; and</li><li>• Steering Committee roles and responsibilities have been defined.</li></ul>		
<b>Disadvantages:</b>			
<b>Alternatives:</b>			
<b>Finance/Budget Implications:</b>			
<b>Operating Costs:</b>		Capital Cost:	
<b>Budget Available:</b>		Source of Funds:	
<b>Communication Strategy:</b>	Public consultation process.		
<b>Recommendations:</b>	<b>That Council approve the Drumheller Phase 2 Project Facility(s) Steering Committee Terms of Reference as presented.</b>		
<b>Report Writer:</b>		CAO:	 Ray Romanetz
<b>Position:</b>			

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# DRUMHELLER PHASE 2 PROJECT FACILITY (S) STEERING COMMITTEE TERMS OF REFERENCE

Approved by Council:  
Town of Drumheller



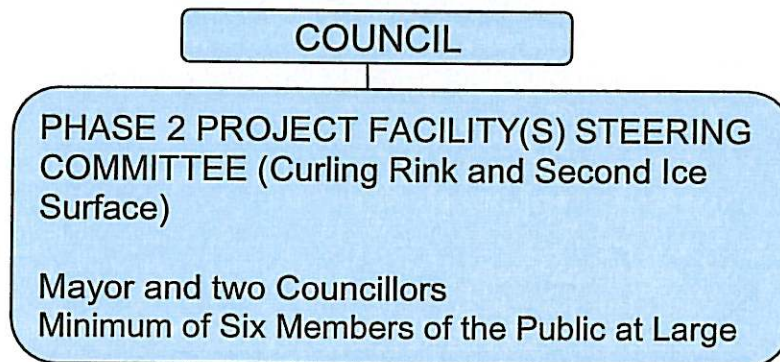


**PHASE 2 PROJECT FACILITY(S) EXPANSION  
CURLING RINK AND SECOND ICE SURFACE**  
*TERMS OF REFERENCE*

**BACKGROUND AND RATIONALE**

In 2008, the Badlands Community Facility Terms of Reference was approved by Council and provided the framework to relocate the Drumheller Public Library, develop a multi-use facility that promotes health and well-being and provides a community centre for multi-functional meeting space. A lot of the work was carried out by dedicated community volunteers. The Steering Committee for the Badlands Community Facility was community driven and community based.

Council, at their Strategic Business Workshop, identified Phase 2 Project Facility(s) Expansion as one of their 2012 priorities. Phase 2 includes a new curling rink and a second ice surface. The purpose of the Project Facility Committee Structure is to assist Council with community recreation opportunities for the future as outlined in the following Decision Making Steps.



**PHASE 2 DECISION MAKING PROCESS**

The Steering Committee comprised of political, community leaders from the Town of Drumheller and area, and Administration work together to make the recommendations to move the project(s) forward as outlined in the following Steps.

**STEP ONE** - Plan for the construction of a future curling rink and /or second ice surface with the development of preliminary plans so the project is "shovel ready" should submissions to available grant programs be successful. This would include the Business Case Analysis/Plan and any supporting public information.

**Business Case Analysis/Business Plan Preparation and Grant Submissions**  
*(The deliverable, a business plan, will be prepared to a standard that will allow the Town to use it as a basis for grant submissions to senior government and other funding agencies.)*

1. Review conception design options.

## ***Agenda Item # 8.1.2***

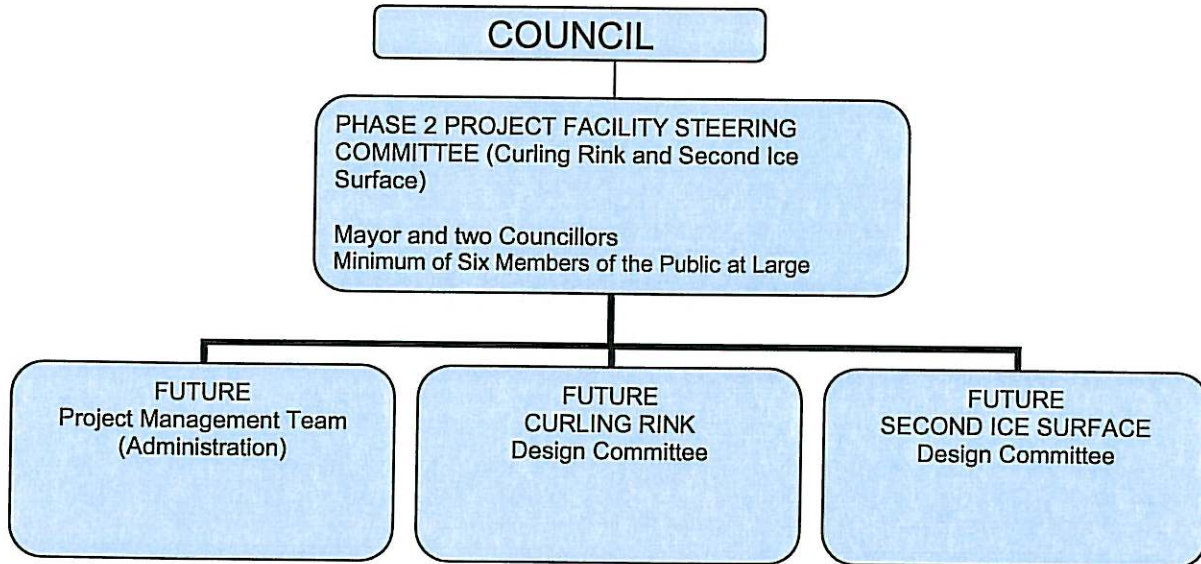
2. Research available grants (federal and provincial).
3. Research partnerships.
4. Hold meetings with stakeholders / community groups to define the project scope and deliverables.
5. Define the building footprint including uses and end users.
6. Identify capital costs (in association with the architect).
7. Identify programming for the facility (with Town administration) based on the Drumheller Facility Needs Assessment.
8. Identify operating costs (in association with the architect).
9. Define appropriate assumptions about usage levels in each facility component.
10. Identify revenue streams (user fees, sponsorships, advertising, facility rentals, etc.)
11. Define and quantify community benefits (convenience, travel time savings, employment, health and wellness, etc.)
12. Complete benefit/cost analysis.
13. Define operating deficit/surplus associated with the facility.
14. Define taxation and/or user fee impacts.
15. Review and finalization meeting with Council.

**STEP TWO** – Present the community with an information package that would allow informed discussion, ensuring that the residents understand the plans and the benefits to the community. Hold public open houses that would present the plans, including information on costs and options for location and concept design, phasing and potential development partnerships.

**STEP THREE** - Final Report to Council.

## APPENDIX A - DEFINING THE ROLES FOR FUTURE SUB COMMITTEES

The following represents the governance and organization for future Committee(s):



### **Curling Rink and Second Ice Surface Design Sub Committees**

The Committees will consist of one member from Council and 3 to 5 other members from the community.

Responsibilities shall include:

- 1) Engage specific groups/organizations with a particular interest in the established components of the project in identifying detailed aspects of the building and equipment.
- 2) Oversees the preparation of the detailed design, specifications and tenders in consultation with the Project Facility Steering Committee.

### **Project Management Team (Town Administration)**

- 1) Work with the architect to develop a construction procurement and delivery model (be it traditional design / public tender / build or alternatively a bridging document preparation / design / build process) that will work in Drumheller. The design of the facility will include many specialized "green elements" or green technologies.
- 2) Oversees the construction of the project.
- 3) Shall report to the Project Facility Steering Committee on progress and request input as required.

### **Project Manager / Coordinator (Construction) and Architect**

The Project Manager / Coordinator is typically a contracted professional who is charged with the responsibility of coordinating all of the technical resources once the project has



## ***Agenda Item # 8.1.2***

been approved for construction. The project coordinator ensures that project meetings are organized and completed consistently, resolves issues where necessary and works to protect the public interest in the project's delivery.

The architect is responsible for consulting with the community through the Design Committee(s) to ensure that needs are built into the design, assisting with developing the building programming, completing the building design, and preparing construction tender documents for public tender. Some architects will then hire a project manager/co-ordinator to monitor the construction phase of the project to ensure that the building is built in accordance with the plans and specifications that were professionally sealed by the architect.

### **Finance and Cost Control**

The finance representative will be the Director of Corporate Services. He/she is responsible for reviewing submissions and ensuring that payment to contractors and other professionals occurs in a timely manner. He/she will cost control with assistance from the project manager / co-ordinator (construction) who all are involved in reviewing progress claims submitted by the contractors to ensure that they are accurate and within approved tendered amounts. His/her responsibilities will include reporting to the Steering Committee and Town Council.

**Appendix B - Inventory of Previous Studies / Drawings / Documents**

- a. Badlands Community Facility Drawings (GEC) – 2011
- b. Phase 2 Conceptual Design Drawings "Community Enhancement Curling & Arena Twinning dated January 12, 2011" and Steering Committee meeting minutes of January 12, 2011
- c. Curling Club Presentation to the Steering Committee June 10, 2009 and supporting documents
- d. Library and Cultural Centre Business Case Building Canada Fund Communities Component – March 20, 2009
- e. Council Motion MO2009.49 Project Scope (Council Meeting Minutes of February 17, 2009)
- f. Council Meeting Presentation by the Steering Committee April 28, 2008
- g. Municipal Census Survey – Mike Roma August, 2008
- h. Facilities Review – September 8, 2008
- i. Drumheller Recreation Feasibility Study (Final Draft) – GEC (February 2006) – represents community input



# DRUMHELLER

## REQUEST FOR DECISION

Agenda Item # 8.1.3



### Request for Decision

<b>Date:</b> February 24, 2012	
<b>Topic:</b>	Drumheller & District Solid Waste Management Association (DDSWMA) membership with the Southern Alberta Energy from Waste Alliance (SAEWA).
<b>Proposal:</b>	<p>The Southern Alberta Energy from Waste Alliance (SAEWA) was formed in 2008 to explore alternative options to landfilling, Specifically Energy from Waste facilities. The Alliance believes that Energy from Waste is the disposal method of the future however it is only viable on a large scale. In order for the Energy from Waste Facility to succeed and be economically viable they need to supply the plant with a consistent 1,000 metric tonnes of waste per day. The type of technology, industry partners, site location and designated feed stock has yet to be determined.</p> <p>SAEWA is currently applying for a legal entity status with the Provincial Government, their bylaws, membership agreement and structure was to be discussed and approved by the group at their last meeting on February 24, 2012.</p> <p>SAEWA has approached the Drumheller &amp; District Solid Waste Management Association through the DDSWMA Vice Chairman Mr. Ben Armstrong; requesting that the Association join their initiative. After discussing the SAEWA proposal and identifying a number of concerns such as not knowing the type of technology, the location of the facility or the structure of the agreement with SAEWA; the DDSWMA passed a motion at their last regular meeting on February 16, 2012 to retain legal counsel. Not all members of the Association agreed with participating in SAEWA and legal counsel was required in order to determine if individual members of the DDSWMA could opt out of participating.</p> <p>The Associations Solicitor Mr. Kloot has been requested to provide a letter to the DDSWMA, giving his legal opinion on how the Association should proceed.</p>

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## Agenda Item # 8.1.3

<b>Proposed by:</b>	Jay Garbutt Ray Romanetz P. Eng.		
<b>Correlation to Business (Strategic) Plan</b>			
<b>Benefits:</b>	<p>From the perspective of SAEWA this would be new technology that creates a more environmentally friendly way of handling the waste stream that reduces the reliance on Landfills. It should be noted at the Drumheller &amp; District Regional Landfill (DDRL) was recently upgraded and is considered to be a "State of the Art" Facility which meets all of Alberta Environments approval requirements. The Landfill has capacity to meet our communities' needs for the next 30- 35 years.</p>		
<b>Disadvantages:</b>	<p>Studies have shown that the operational costs associated with this new technology may result in a higher per capita requisition.</p> <p>These plants require a large continuous supply of solid waste in order to operate efficiently and economically. The Red Deer group reviewed available technology and declined the proposal from the private sector due to concern with their ability to provide a guaranteed volume of waste.</p> <p>If significant portions of waste were diverted from the DDR Landfill our operating costs per tonne would increase significantly, unless alternative revenue sources were established.</p> <p>From a due diligence perspective the DDSWMA needs to be advised of SAWEA's organizational structure; the obligations that our municipality would face, and the environmental impact resulting from the plants emissions.</p>		
<b>Alternatives:</b>	Continue operating and maintaining a traditional Landfill		
<b>Finance/Budget Implications:</b>	Annual membership of forty cents per capita		
<b>Operating Costs:</b>		<b>Capital Cost:</b>	
<b>Budget Available:</b>	\$0.00	<b>Source of Funds:</b>	
<b>Budget Cost:</b>	\$0.00	<b>Underbudgeted Cost:</b>	
<b>Communication Strategy:</b>			
<b>Recommendations:</b>	That Council provide direction regarding the request received from Southern Alberta Energy from Waste Alliance to have the Town of Drumheller as part of the Drumheller & District Solid Waste Management Association serve as a member of their organization.		
<b>Report Writer:</b>	Tammi Nygaard	<b>CAO:</b>	R.M. Romanetz, P. Eng.
<b>Position:</b>	Landfill Co-ordinator		