

# **Town of Drumheller COUNCIL MEETING AGENDA**

**November 2, 2015 at 4:30 PM  
Council Chamber, Town Hall  
224 Centre Street, Drumheller, Alberta**



Page

## **1.0 CALL TO ORDER**

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

- 3-4 2.1 Proclamation - Veterans' Week in Drumheller, November 5 to 11, 2015  
Proclamation - Family Violence Prevention Month, November 2015

## **3.0 PUBLIC HEARING**

## **4.0 ADOPTION OF AGENDA**

## **5.0 MINUTES**

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

- 5-9 5.1.1

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

- 10-17 5.2.1 Municipal Planning Commission Minutes of September 17, 2015  
Municipal Planning Commission Minutes of October 8, 2015

### **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. CAO**

- 18 8.1.1 RFD - 2015 Spray Fountain Upgrades Tender Award  
19-20 8.1.2 RFD - 2015 Aquaplex Modernization/Retrofit Proposal Award  
8.1.3 RFD - Reconstruction of Unit #101 Sandstone Manor Proposal Award  
21-50 8.1.4 2015 Provincial Budget - Update to Council on Impact to Drumheller

**8.2. DIRECTOR OF INFRASTRUCTURE SERVICES**

**8.3. DIRECTOR OF CORPORATE SERVICES**

**8.4. DIRECTOR OF COMMUNITY SERVICES**

**8.5. DIRECTOR OF PROTECTIVE SERVICES**

**9.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION**

**10.0 PUBLIC HEARING DECISIONS**

**11.0 UNFINISHED BUSINESS**

**12.0 NOTICE OF MOTION**

**13.0 COUNCILLOR REPORTS**

**14.0 IN-CAMERA MATTERS**

- 14.1 Legal Matter

**Remembrance Week**

**November 5th through 11th, 2015**

WHEREAS Canadian men and women have proudly served in times of war and peace to uphold the tenets of democracy in all parts of the world.

Remembrance Week is our opportunity to pay tribute to those who fought for peace and freedom in the world and to pledge that their battles of courage and sacrifice be remembered and carried in our hearts and the hearts of future generations. It is also a time to salute our dedicated peacekeepers serving around the world today and lend our support to their families.

On November 11, people of all ages, from different backgrounds and walks of life, gather at cenotaphs and memorials in our communities to honour and remember our brave men and women who gave their lives for peace and freedom. On this day we proudly wear the poppy as a symbol of the poppies that grow at the final resting place of our many soldiers. We commit ourselves to lasting peace at home and around the world and resolve that the lessons of the past must never be forgotten.

NOW THEREFORE, I, Mayor Terry Yemen, on behalf of Town of Drumheller Council, do hereby proclaim **November 5th through 11th, 2015** as  
**"Remembrance Week"**

Mayor \_\_\_\_\_  
Terry Yemen



**Proclamation**

**Family Violence Prevention Month**

Whereas: there are many people in Canada and in Alberta who are living or have lived in abusive family environments, and

Whereas: the cycle of violence may be carried on from generation to generation, and

Whereas: individuals and communities have the power to break this cycle of violence,

Now, therefore, I hereby proclaim the month of November 2015 to be “**Family Violence Prevention Month**” in Drumheller and I call upon all citizens to recognize family violence for the serious and criminal problem that it is. I call upon you to make a difference by taking the time to get involved. And I call upon you to encourage all Albertans to help make our province violence free in 2015 and beyond.

Mayor \_\_\_\_\_  
Terry Yemen



**Town of Drumheller  
COUNCIL MEETING  
MINUTES**

October 19, 2015 at 4:30 PM  
Council Chamber, Town Hall  
224 Centre Street, Drumheller, AB, T0J 0Y4



**PRESENT:**

**COUNCIL:**

Jay Garbutt  
Lisa Hansen-Zacharuk  
Patrick Kolafa  
Tara McMillan  
Sharel Shoff  
Tom Zariski

**CHIEF ADMINISTRATIVE OFFICER/ENGINEER:**  
Ray Romanetz

**DIRECTOR OF CORPORATE SERVICES:**  
Barb Miller

**DIRECTOR OF COMMUNITY SERVICES:**  
Paul Salvatore

**DIRECTOR OF PROTECTIVE SERVICES:**  
Greg Peters

**RECORDING SECRETARY:**  
Linda Handy

**ABSENT:** MAYOR Terry Yemen  
DIRECTOR OF INFRASTRUCTURE SERVICES: Allan Kendrick

**1.0 CALL TO ORDER**

1.1 Councillor Jay Garbutt was sworn in as Deputy Mayor for the months of November and December, 2015.

**2.0 ACTING MAYOR'S OPENING REMARK**

- 2.1 Acting Mayor Tom Zariski provided Notice of Council's Organizational Meeting to be held on November 2, 2015 at 4:30 PM at Town Hall Council Chambers.

Acting Mayor Zariski congratulated Telus for the launch of their Future Home Tour (set up in the Canadian Tire Parking Lot this past weekend) and for their work throughout the valley with the installation of high speed technology. He stated that Telus has invested millions of dollars in our community and it is a reaffirmation that Telus considers Drumheller a sustainable community in which to invest their dollars.

Acting Mayor Zariski announced that the Drumheller Rotarians raised the "End Polo Now Flag" at the Centennial Park to commemorate the significant contributions of Rotarians Internationally to this cause. He further advised that Rotary has contributed millions of dollars to polio in the world and it is now 99.9% eradicated worldwide.

### **3.0 PUBLIC HEARING**

#### **4.0 ADOPTION OF AGENDA**

**MO2015.138** 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 October 5, 2015

**MO2015.139** Kolafa, McMillan moved to adopt the regular Council Meeting minutes of October 5, 2015 as presented. Carried unanimously.

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

5.2.1 Municipal Planning Commission Meeting Minutes of September 3, 2015

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

### **6.0 DELEGATIONS**

6.1 Delegation - Paul Andrew - Hope College (tabled until late November, 2015)

6.2 Delegation - Heidi Lambi - Habitat for Humanity

Heidi Lambi provided an overview of Habitat for Humanity activities as follows:

- Habitat builds a home every 5.5 minutes somewhere in the world;

- They were founded in 1976 in the USA;
- The first Canadian home built was in Manitoba in 1985;
- Southern Alberta became an organization in 1990 (celebrating 25<sup>th</sup> Anniversary this year);
- Families are chosen for a Habitat home based on their rental circumstances;
- Calgary, Medicine Hat, Brooks and Mountain View merged in 2012 to form Southern Alberta Habitat for Humanity and another chapter was added this year called the Foothills Chapter;
- Habitat holds the mortgage but families pay the monthly mortgage payments based on 25% of the family's income; and
- Families have to donate 500 volunteer hours towards constructing the home.

H. Lambi advised that a Drumheller private donor on Poplar Street wishes to donate his property to Habitat for Humanity. Habitat comes into a community when a need arises. She further explained that when the Town of Drumheller celebrated their centennial, Mayor Yemen approached Habitat to invite them into the community however it did not come to fruition. As of September, 2015, Habitat has title on the donated Drumheller land and when this occurred, a Chapter was formed in the community comprised of volunteers who will do fundraising, advocate, educate and recruit families so that Habitat can put them into home ownership. She further advised that Drumheller held its first meeting with members of the community who are interested in volunteering. She advised that partnerships are important to the program and they are currently working with the Drumheller Institution who is excited about assisting with the project in Drumheller – as well as Christ the Redeemer School Board. She concluded that the Committee will commence looking for a Drumheller family who is a permanent resident of Canada to be the recipient of the Habitat home. She requested the support of a Town staff member to assist with the development process and procedures for Drumheller.

Questions and Comments from Council:

Councillor J. Garbutt asked the criteria aside from the 30% income to rent threshold to determine need as well as what a realistic fundraising goal would be. H. Lambi explained that other factors of consideration other than the rent threshold are overcrowding and health issues due to non maintenance of the rental property. She further advised that a realistic fund raising platform is to assist each Chapter with 50% of their forecasted budget of building a home through build fund and debt financing and the balance is through gift in kind as well as cash donations. Typically in Chapters, Habitat is able to do \$50,000 per door on gift in kind so that reduces the cash layout. As the Regional Development manager, H. Lambi stated that she would put forward sponsorship and grant proposals to companies and foundations as well as approaching corporations. Councillor J. Garbutt asked in order to build one door in Drumheller, how much cash would have to be raised. Typically build duplexes, in the case of High River's build (which is their most current indicator) was \$525,000; of which 1/3 would need to be fundraised in collaboration with the Regional Development Manager.

Councillor S. Shoff asked how applicants are determined. H. Lambi advised that through media advertising and partnership with Drumheller Housing Administration, names are put forward for the selection process.

Councillor T. Zariski asked who pays the utilities. H. Lambi stated that once the home is built, the title is transferred to the family and they are responsible for the utilities, home maintenance and property taxes. She further explained that the 25% payment includes the principal mortgage payment, property tax and house insurance.

Councillor T. Zariski asked how one would volunteer on the Committee. H. Lambi stated that names are put forward to her and she would meet with individuals to determine their interest.

Council thanked Heidi for her presentation.

6.3 Delegation - Brooke Christianson - Drumheller Skateboard Park (did not attend)

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

## **8.0 REQUEST FOR DECISION REPORTS**

### **8.1. CAO**

#### **8.1.1 RFD - Spray Fountain Tender Award**

R. Romanetz advised that the tenders closed on October 16th and the consultants were not able to finalize their review. He further advised that there may be some options available that may save some dollars and it would be in the Town's best interest to wait for their review. He advised that the tender award will be on the agenda in two weeks.

### **8.2. DIRECTOR OF INFRASTRUCTURE SERVICES**

### **8.3. DIRECTOR OF CORPORATE SERVICES**

### **8.4. DIRECTOR OF COMMUNITY SERVICES**

### **8.5. DIRECTOR OF PROTECTIVE SERVICES**

## **9.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION**

CAO and Directors presented their quarterly reports:

9.1 CAO's Quarterly Report to September 30, 2015

9.2 Director of Infrastructure Services' Quarterly Report to September 30, 2015

9.3 Director of Corporate Services' Quarterly Report to September 30, 2015

9.4 Director of Community Services' Quarterly Report to September 30, 2015

9.5 Director of Protective Services' Quarterly Report to September 30, 2015

**10.0 PUBLIC HEARING DECISIONS**

**11.0 UNFINISHED BUSINESS**

**12.0 NOTICE OF MOTION**

**13.0 COUNCILLOR REPORTS**

**14.0 IN-CAMERA MATTERS MO2015.140** Garbutt McMillan moved to go in camera at 5:50 PM. Carried unanimously.

14.1 Personnel Matter

**MO2015.141** Shoff, McMillan to revert to regular Council meeting at 6:25 PM. Carried unanimously.

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Acting Mayor

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Chief Administrative Officer



### Municipal Planning Commission Minutes Meeting of Thursday, September 17, 2015

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**Present:** Shawn Francis, Chairperson  
Julie Steeper, Development Officer  
Sharon Clark – Vice Chair  
Clayton Gillis, Member  
Donna Kittridge, Recording Secretary  
Scott Kuntz, Member  
Paul Salvatore, Director of Community Services  
Sharel Shoff, Councillor/Member  
Stacey Gallagher, Member

**Absent:** Tom Zariski, Councillor/Member – with regrets

#### **1.0 CALL TO ORDER – 12:05 P.M.**

**Motion** to Approve Agenda: Sharel Shoff  
Seconded by Stacey Gallagher - Carried

#### **2.0 MINUTES FROM PREVIOUS MEETINGS**

September 3, 2015  
Approved and signed off by e-mail

#### **3.0 DEVELOPMENT PERMITS**

##### **3.1 HILLVIEW ESTATES SUBDIVISION**

J. Steeper submitted plans for the Hillview Estates subdivision Phase 2 for discussion on the type of Architectural controls wanted in this part of the subdivision. J. Steeper read the by-laws for R-1 and R-2 zoning. Part of the subdivision will be owned by the Town of Drumheller and the developer will retain ownership of the rest. The town lots would be sold to who ever wants to build on those lots and the town would prefer to sell these lots by the end of October.

MPC discussed the subdivision development including landscaping, front lot garages and should this phase be the same as previous phases or different? Questions that arose were would these be spec homes, at this time no, but they could be. S. Shoff reiterated councils desire to keep the pricing down in order to encourage affordable housing. The question was asked if zoning was fixed in this area and yes it is. Julie advised that some of these lots had the possibility of being designed with garages to the side or rear of the property. Members of MPC were advised to visit the area and to provide feedback if they wished to implement architectural controls.

Motion to approve: Scott Kuntz  
2<sup>nd</sup>: Clayton Gillis



### 3.2 T00064-15-D – Stacey Gallagher – Residential – “R1-A”

J. Steeper presented Development Permit T00064-15D submitted by Stacey Gallagher to have the residence s a Tourist Dwelling at 555– Riverside Drive on Plan 6495AV; Block 1; Lots 23 & 24, Drumheller. Zoning is “R1-A” Residential District. Tourist Dwellings are discretionary in this district.

MPC discussion advised this could be considered the same as an Air B & B, this is new in the R-1 and R1-A district, and there have been no issues so far with others. Traffic would not be a concern as the clients would just occupy the same space as a home owner would. At this time Stacey will be updating the house and would start rentals in the next spring/summer.

**Motion:** Clayton Gillis moved Development Permit T00064-15D submitted by Stacey Gallagher to have the residence as a Tourist Dwelling at 555– Riverside Drive on Plan 6495AV; Block 1; Lots 23 & 24, Drumheller be approved subject to the following conditions:

1. Must conform to the Town of Drumheller Land Use Bylaw 10-08.
2. Must conform to the Town of Drumheller Community Standards Bylaw (16-10).
3. Annual Business License is required
4. Tourist Dwelling means a single dwelling unit: occupied by guests for a temporary period less than 28 days; contains sleeping and sanitary facilities and may contain cooking or eating facilities; occupied by a single party at any given time; maximum occupancy to be limited by the number of rooms available for sleeping accommodation and shall be determined by the development authority.
5. If the holder of the permit wishes to make any change in the conduct of the business that departs from the description in the application or from any other condition or restrictions imposed, the holder of the permit must obtain prior permission of the Development Officer/Municipal Planning Commission.
6. A Tourist Dwelling shall not have signage associated with the use.
7. An owner or manager shall be available within the Town of Drumheller at all times when the tourist dwelling is being used.
8. The owner or manager shall maintain garbage to the satisfaction of the Development Authority.
9. Tourist dwellings shall not cause or create nuisance factors that extend beyond what is normal and incidental to residential uses.
10. The site and buildings, structures and improvements shall be maintained in a clean, neat, tidy and attractive condition and free from all rubbish and debris.
11. Development to conform to any/all Federal, Provincial and/or Municipal regulations and/or guidelines that may apply.
12. On-site parking shall be provided at all times for all guests.
13. Prior to commencement of occupancy and business activities, confirmation must be provided to the Development Officer from the Local Fire Authority and Health Authority that building is occupiable for such purposes.
14. The development shall be revocable at any time, if the use is or has become detrimental to the amenities of the neighborhood.

2<sup>nd</sup> by Sharon Clark  
Carried



### 3.3 T00065 15 D – Karen Crawford – Replace landing with decks – Residential – “R-1”

J. Steeper presented Development permit T00065 15D submitted by Karen Crawford to extend the entrance of the residence to the fence and partial wrap around at 40 – Hunts Crescent on Plan 7410338; Block 3; Lot 8, Drumheller. Zoning is “R-1” Residential District.

**MPC** discussed the application and J. Steeper advised that when the site was viewed it would not seem to have any negative effect on the neighborhood and there would still be access on the other side of the house to the back yard. The deck would be 13’ from the garage and it is allowable to extend the steps. It was decided that there did not seem to be any reason to not approve the application as presented.

**Motion:** Sharon Clark moved Development permit T00065 15D submitted by Karen Crawford to extend the entrance of the residence to the fence and partial wrap around at 40 – Hunts Crescent on Plan 7410338; Block 3; Lot 8, Drumheller be approved subject to the following conditions:

1. Development shall conform to Town of Drumheller Land Use Bylaw 10-08.
2. Placement of construction as per site plan submitted.
3. Construction to be in accordance with the Alberta Building Code.
4. All necessary permits (building, electrical, gas, or plumbing) to be in place prior to construction/installations.
5. All local improvements at owner’s expense including, however not limited to, driveways, frontage charges, water/sewer services.
6. External finished appearance of the proposed construction to be compatible with that of existing development and to the satisfaction of the Development Authority.
7. If the holder of the permit wishes to make any changes in the proposed development from application as approved, the holder of the permit must first obtain permission of the Development Officer/Municipal Planning Commission. An additional development permit may be necessary.
8. Must conform to any/all Federal, Provincial and/or Municipal regulations and/or guidelines that may apply.
9. Contractor(s) to have a valid Business License with the Town of Drumheller.

2<sup>nd</sup> by Sharel Shoff

Carried

### 4.0 Palliser Regional Municipal Services

### 5.0 Other Discussion Items

1. J. Steeper advised that D. Lunn from St. Anthony’s School brought in a revision to the plans for the Olympic sized track slated for St. Anthony’s school. They are requesting a revision as the old plan was not allowing the track to be the correct size if built according to the current design. Alberta Transportation has not given approval for the revised plans to allow encroachment further into the right of way.



MPC discussed the revision, and noted that this would increase the lack of spectator space and as the plan appears now there are power poles that would need to be moved. This revision would also take the track closer to the road allowance which would then become a question for Alberta Transportation. If approval is received from Alberta Transportation, the application will need to come back to MPC for further consideration. S. Clark posed the question as to whether a mail out to land owners who may be affected would be in order. There is already a bad drain situation in the area which would likely increase with the change of design and it appears that part of the hill has already started to fail. C. Gillis provided an alternative rough drawing for the school authority to consider that would allow for this size of project.

MPC will wait on Alberta Transportation to respond to the new application, which then could be brought back for review.

2. Fossil World stop order in regards to the sea can container behind the retail shop is waiting for a signature from Ray.
3. Clean up issues with the restaurant and Al Lemal's automotive repair shop. This should be passed on to By-law for follow-up.
4. Palliser update: interviews will be held September 29<sup>th</sup> for the position previously held by Brad Wiebe.
5. The WestPoint Co. house demolition scheduled in Bankview has gone to court and should be done in 14 days or the town will take over the demolition.
6. There was a question on the proposed development in the space between the theatre and R & J Flowers and if it is proceeding. At this time, there is still a development permit in place.

### 6.0 Adjournment – Meeting adjourned by S. Francis at 1:50 pm.

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Chairperson

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Development Officer



### Municipal Planning Commission Minutes Meeting of Thursday, October 8, 2015

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**Present:** Shawn Francis, Chairperson  
Julie Steeper, Development Officer  
Sharon Clark – Vice Chair  
Clayton Gillis, Member  
Donna Kittridge, Recording Secretary  
Scott Kuntz, Member  
Paul Salvatore, Director of Community Services  
Sharel Shoff, Councillor/Member  
Stacey Gallagher, Member  
Tom Zariski, Councillor/Member  
Cody Glydon – Economic Development

**1.0 CALL TO ORDER – 12:10 P.M.**

**Motion** to Approve Agenda: Scott Kuntz  
Seconded by Stacey Gallagher - Carried

**2.0 MINUTES FROM PREVIOUS MEETINGS**

Not Available at this time.

**3.0 DEVELOPMENT PERMITS**

**3.1 T00067 15D – Shelley Rymal & Karen Stojan- Zip line Business Application- Agricultural –  
“A”**

J. Steeper presented Development Permit T00067 15D – submitted by Shelley Rymal & Karen Stojan- for development of a Zip line Business at 230 HWY 10X on SE Sec. 19, TWP 28, Rng. 19 – w4 – Zoning is - Agricultural – “A” – Businesses are discretionary in this district.

J. Steeper provided a map outlining the path of the proposed Zip line. There will be four 100 sq. Ft. landings to accommodate the line with towers that will be approximately seven feet high. The proposed business timeline will be from May to September from 10 a.m. to 8 p.m seven days a week. There is a parking lot with room for forty vehicles just below the Zip line and in case of emergencies they will be using an Argo passenger buggy for access to any areas of the zip line.

MPC discussion encompassed questions if any of the land was at all owned by the Town and if there would be any liability to the town. All land is privately owned and a separate Business license would be required for this business to operate. T. Zariski questioned if the future Wayne waterline would at all infringe on this land and we should check on this before any decisions are made. There were also questions on public washrooms/ port potties, access from the highway, any kind of food or drink concessions be set up and how many people per hour can be accommodated. Where would people wait for access to the zip line? Is any circulation needed to neighboring properties?

MPC advised the application be tabled until further information could be provided.



### 3.2 T00070-15-D – Chris Curtis – Retail/Residential –Central Commercial District “C-B”

J. Steeper presented Development Permit T00070-15D submitted by Chris Curtis to have a retail / residential dwelling combination at 338 – Centre Street on Plan 3099AD; Block 18; Lot 42, Drumheller. Zoning is “C-B” Central Commercial District. Dwellings are discretionary in this district.

J. Steeper advised that the proposal would have the retail space at 1000 sq ft. in the front and a 1500sq ft. Residential space in the back. There is sufficient space at the back of the building for two parking spaces and a private entrance could be attained on the East side of the building. The building footprint will not change. Only interior renovations would take place.

MPC discussion noted that due to fire restrictions windows would have to be at the back or north side only. The design presented is very preliminary and can be adjusted to fit the necessary safety factors. This application would retain frontage and fit with our need to encourage more people living downtown and this perspective application has good value. There is a question of access for the retail business to the basement and it will be necessary to keep an eye that the renovation fits with building codes.

**Motion:** Tom Zariski moved Development Permit T00070-15D submitted by Chris Curtis to have the retail space as a retail/residence at 338 – Centre Street on Plan 3099AD; Block 18; Lots 42, Drumheller be approved subject to the following conditions:

1. Development shall conform to Town of Drumheller Land Use Bylaw 10-08.
2. Development shall conform to the Town of Drumheller Community Standards Bylaw (16-10).
3. All necessary permits (building, electrical, plumbing, etc) to be in place prior to any construction/installations.
4. All contractors and/or sub-trades to possess a valid Town of Drumheller Business License.
5. Development to conform and meet the requirements of the Regional Fire and Health Authority. Prior to commencement of occupancy and business activities, confirmation must be provided to the Development Officer from the Local Fire Authority that the building is occupiable for such purposes.
6. Applicant to ensure authorization from the property owner is obtained prior to any renovation/modification.
7. If the holder of the permit wishes to make any change in the conduct of the business that departs from the description in the application or from any other condition or restrictions imposed, the holder of the permit must obtain prior permission of the Development Officer/Municipal Planning Commission. An additional development application may be necessary.
8. Development application is required for signage placement and made under separate application prior to placement.
9. Applicant to ensure any/all modifications to water/sewer services to the satisfaction of the Town of Drumheller. Please contact Utilities Manager at 403-823-1330 for approval and specifications.
10. Development to conform to any/all Municipal, Provincial and Federal regulations and/or legislation that may apply.
11. Garbage and waste materials must be stored in weather proof and animal proof containers and screened from adjacent sites and public thoroughfares. Separate containment must be provided for the disposal and recycling of cardboard materials.
12. Outdoor storage shall be screened from view by fencing and landscaping to the satisfaction of the Development Authority. Where the site abuts a residential district, visual screening to a minimum height of 1.5 m (5 ft.) shall be provided.
13. Landscaping Plan to be in accordance with Policy C04-02 and Land Use Bylaw 10-08 and to the satisfaction of the Development Officer/Municipal Planning Commission.
14. Annual Business License is required.

2<sup>nd</sup> by Clayton Gillis Carried



### 3.3 T00071 15 D – Ross Burke – Retail Micro Craft Distillery and Storefront – Central Commercial District – “C-B”

J. Steeper presented Development permit T00071 15D submitted by Ross Burke to develop a craft micro distillery with storefront at 65 – 3 Avenue W. on Plan 3099AD; Block 19; Lots 4 & 5, Drumheller. Zoning is “C-B” Central Commercial District. This would be a discretionary use in this district.

J. Steeper advised the location is the old source for sports building and their intention is to produce Whisky, Vodka and liqueurs, supply tastings as well as on site sales. Ross supplied a letter of intention which is attached and it is understood that vapors will not be an issue. It is in the companies own interest to comply with fire and safety codes.

MPC discussion questioned the condition of the current building proposed and that it may pose a problem for this application. It was discussed that Cody Glydon look into alternate locations in the interest of offering alternatives to the applicants in the event the current building turns out not to be suitable. Generally this is a very neat idea to bring to the valley.

**Motion:** Stacey Gallagher moved Development permit T00071 15D submitted by Ross Burke to develop a craft micro distillery with storefront at 65 – 3 Avenue W. on Plan 3099AD; Block 19; Lots 4 & 5, Drumheller be approved subject to the following conditions:

1. Development shall conform to Town of Drumheller Land Use Bylaw 10-08.
2. Development shall conform to the Town of Drumheller Community Standards Bylaw (16-10).
3. All necessary permits (building, electrical, plumbing, etc) to be in place prior to any construction/installations.
4. All contractors and/or sub-trades to possess a valid Town of Drumheller Business License.
5. Development to conform and meet the requirements of the Regional Fire and Health Authority. Prior to commencement of occupancy and business activities, confirmation must be provided to the Development Officer from the Local Fire Authority that the building is occupiable for such purposes.
6. Applicant to ensure authorization from the property owner is obtained prior to any renovation/modification.
7. If the holder of the permit wishes to make any change in the conduct of the business that departs from the description in the application or from any other condition or restrictions imposed, the holder of the permit must obtain prior permission of the Development Officer/Municipal Planning Commission. An additional development application may be necessary.
8. Development application is required for signage placement and made under separate application prior to placement.
9. Applicant to ensure any/all modifications to water/sewer services to the satisfaction of the Town of Drumheller. Please contact Utilities Manager at 403-823-1330 for approval and specifications.
10. Development to conform to any/all Municipal, Provincial and Federal regulations and/or legislation that may apply.
11. Garbage and waste materials must be stored in weather proof and animal proof containers and screened from adjacent sites and public thoroughfares. Separate containment must be provided for the disposal and recycling of cardboard materials.
12. Outdoor storage shall be screened from view by fencing and landscaping to the satisfaction of the Development Authority. Where the site abuts a residential district, visual screening to a minimum height of 1.5 m (5 ft.) shall be provided.
13. Landscaping Plan to be in accordance with Policy C04-02 and Land Use Bylaw 10-08 and to the satisfaction of the Development Officer/Municipal Planning Commission.
14. Annual Business License is required.

2<sup>nd</sup> by Scott Kuntz

Carried



#### 4.0 Palliser Regional Municipal Services

File No 80/135 – PRMS # 2015-027 ( HUNTER SURVEYS/ INTERLOK SOLUTIONS)

There are no circulation concerns with this application and grading work should be done for both lots at the same time. Lot 14 will not have access to a laneway; lot 13 will have access to a laneway. The house orientation should face Hunter Drive. Should a 25 foot set back be required for these lots?

File No 80/137 – PRMS # 2015-035 (HUNTER SURVEYS / LUBINSKI)

A parcel has been added to lot 14 no circulation was issued, the triangular parcel will add more side yard to the parcel and this will make both lots rectangular. Property is not affected by flood fringe or floodway. There will be no rear lanes.

⇒ See attached

#### 5.0 Other Discussion Items

1. Empty buildings – there are some buildings around town especially in the main corridor that have fallen into disrepair, is there something that can be done about these buildings? This needs to go to Greg in Community standards. Tom mentioned that some communities have a Tourist corridor bylaw and council is looking at possibly implementing this. We have a lot of areas that are affected by this and upkeep has to be held at a higher standard. There could be an overlay plan that would be adopted by council and the owners would have to comply. Sharon Clark noted that retroactive enforcement is always an issue. Brown fields will have nothing done unless the town offers financial incentive to clean them up. It is good to see there are three to four buildings downtown that are being looked at for revitalization. Granting could be in line for Heritage status on these buildings and if it was the applicants would need to retain the facade of the buildings as they are.
2. Traffic in the new subdivision – this needs to go to the RCMP for them to manage the traffic and signs. Tom Zariski brought this issue up to Council as a concern as well as up the hill to 2<sup>nd</sup> street needing to have stop signs and or speed bumps in place. The situation is being monitored.
3. Feedback from Tough Mudder – Generally the event was well received again, some issues with contestants dragging mud through some of the hotels and leaving the washrooms in a mess. This is costly clean up for the hotels. The local restaurants were busy and that is a positive.
4. Railway tie clean up – is it a contamination issue, no as creosote is not in itself toxic. It is a very organic product. Greg is monitoring the removal of the ties. It is a shame that CN will not allow us to use the spaces left by the removal of the rails as walking trails and there is not much the town can do about it for the next twenty years.
5. No follow up on architectural design
6. Downtown stage issue will be readdressed next year.

#### 6.0 Adjournment – Meeting adjourned by S. Francis at 1:20 pm.

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Chairperson

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Development Officer



# DRUMHELLER

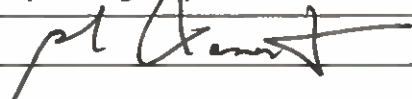
## CHIEF ADMINISTRATIVE OFFICER

Agenda Item # 8.1.1



### Request for Decision

Date: October 19, 2015

<b>Topic:</b>	2015 Spray Fountain Upgrades		
<b>Proposal:</b>	<p>Tenders for the 2015 Spray Fountain Upgrades closed on October 16, 2015 at 2:00 PM. Two tenders were received from: Pinnacle Aquatic Group and Knibb Developments Ltd.</p> <p>The low bidder was Pinnacle Aquatic Group with a tender amount of \$156,149.95 (excluding GST). Knibb Developments Ltd. submitted a tender in the amount of \$207,500.00 (excluding GST).</p> <p>The total cost for Phase 1 is estimated at \$180,000.00. To be ready for the 2016 operations, the process and installation must be completed by December 31, 2015. As outlined in the attached letter from MPE Engineering, a number of changes have been negotiated with Pinnacle Aquatic Group to reduce their tender to \$131,407.45</p>		
<b>Proposed by:</b>	Ray Romanetz, Chief Administrative Officer		
<b>Benefits:</b>	<p>Benefits of Phase 1 completion:</p> <ul style="list-style-type: none"><li>▪ Eliminate the costs to drain and refill the fountain on a daily basis – a \$30,000.00 cost savings</li><li>▪ Spray Fountain operations will meet the requirements of Alberta Health Services</li><li>▪ Spray Fountain is a key tourist attraction which brings enjoyment to our residents.</li></ul>		
<b>Disadvantages:</b>	None		
<b>Alternatives:</b>	Reject all tenders		
<b>Finance/Budget Implications:</b>	During Council's Capital Budget Discussions, \$75,000.00 was approved to allow for the upgrades to the Spray Fountain because of the new Alberta Health Services requirements. At the Regular meeting of August 24, 2015, Council authorized an additional \$65,000.00 from unbudgeted MSI funding and \$40,000 from Capital Reserves.		
<b>Budget Available:</b>	Source of Funds:	\$180,000	
	Existing Capital Budget	\$ 75,000	
	Additional approved funding	\$105,000	
	Total	\$180,000	
<b>Estimated Cost:</b>	Project Budget Summary:		
	Pinnacle Contract Amount (incl. Contingency)	\$156,149.95	
	Contract Reductions	(\$ 31,000.00)	
	Third Party Steel Fabrication Allowance	\$ 10,000.00	
	Engineering Construction Services Allowance	<u>\$ 10,000.00</u>	
	Total (excl. GST.)	\$145,149.95	
<b>Recommendations:</b>	<ul style="list-style-type: none"><li>• Council award the project to the low bidder Pinnacle Aquatic Group with a revised tender amount of \$ 131,407.45 (excluding GST).</li></ul>		
<b>Report Writer:</b>	R. M. Romanetz, P.Eng.	CAO:	
<b>Position:</b>	Chief Administrative Officer		

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

Telephone: (403) 823-1339

	Created By: Libby Vant	1
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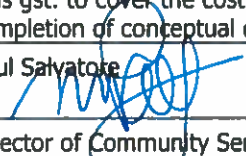



### Request for Decision

**Date:** October 30, 2015

<b>Topic:</b>	Consulting Services for Aquaplex Modernization and Retrofit
<b>Proposal:</b>	<p>This proposal is to acquire Consulting Services necessary for the modernization and retrofitting of the Drumheller Aquaplex, indoor pool constructed in 1975.</p> <p>A Request for Proposals (RFP) was developed and posted according to the Town's purchasing policy, which meets the New West Partnerships Trade Agreement (NWPTA) (formerly TILMA) requirements.</p> <p>The closing date was September 30, 2015 at 2 p.m. with 5 proposals received.</p> <p>Staff and Administration reviewed and evaluated the 5 proposals in reference to Qualifications (30%), Availability (25%), Experience (25%) and Cost (20%). The value of proposals received ranged from \$23,120.32 (lowest) to \$58,300 (highest).</p> <p>We found all proposals to have merit, however shortlisted those submitted by Group 2 and Stantec based on scoring and follow-up. The Town has notable experience with both firms. Stantec most recently in the development of the Infrastructure Master Plan and Group 2, with the retrofitting of Town Hall.</p> <p><b>Stantec's</b> proposal proved to be the lowest cost option (\$23,120.32), however upon further review we identified a gap in the costing which did not include the development of concept drawings. There was also limited public consultation activities included in this proposal. After following-up with Stantec we were informed that the combination of these two items would add an estimated \$5,300.00 to the necessary consulting work. The revised total amount of the proposal from Stantec is \$28,420.32. Stantec's price is in part, lower because of work that has been undertaken in relation to the Infrastructure Master Plan in 2015.</p> <p><b>Group 2's</b> proposal demonstrated good experience with pool retrofitting and modernization, notably the Dawe Centre in Red Deer and other pool projects in smaller communities. The Group 2 proposal was valued at \$55,900 and included the completion of concept design and a more involved community consultation process. Our previous work with Group 2 has been positive. The cost of their proposal is much higher than the Stantec proposal and if the costs were much closer we would give them stronger consideration.</p> <p>Proposals were also received from Graham Edmunds Cartier- GEC (\$43,740), JSA (\$55,800) and Gibbs Gage (\$58,300)</p>
<b>Proposed by:</b>	Administration
<b>Correlation to Municipal Sustainability Plan</b>	Quality public facilities enhance community involvement and community pride.
<b>Benefits:</b>	Consulting work on this project includes a strong community engagement process. The public, user groups and staff will be directly involved in determining the best future uses for the Aquaplex. This includes a review of current and future aquatic programs and building improvements.

## Agenda Item # 8.1.2

<b>Disadvantages:</b>	None		
<b>Alternatives:</b>	Council reject all proposals		
<b>Finance/Budget Implications:</b>	The 2015 Capital Budget includes a \$600,000 provision for Aquaplex Modernization. The initial consulting services will be funded through this budget provision.		
<b>Operating Costs:</b>	n/a	<b>Capital Cost:</b>	\$28,420.32
<b>Budget Available:</b>	\$600,000	<b>Source of Funds:</b>	2015 Capital Budget
<b>Budget Cost:</b>	\$28,420.32	<b>Under budgeted Cost:</b>	n/a
<b>Communication Strategy:</b>	Affected parties will be notified. Announcements on social media, website and with local media.		
<b>Recommendations:</b>	Council award the contract for consulting services for the modernization / retrofit of the Drumheller Aquaplex indoor pool to Stantec for \$23,120.32 plus an additional \$5,300.00 plus gst. to cover the cost of additional community engagement services and the completion of conceptual drawings.		
<b>Report Writer:</b>	Paul Salvatore 	<b>CAO:</b>	R. M. Romanetz 
<b>Position:</b>	Director of Community Services		




Treasury Board  
and Finance

## Agenda Item # 8.1.4

Deputy Minister  
9th Floor, Federal Building  
9820 - 107 Street NW  
Edmonton, Alberta T5K 1E7  
Canada  
Telephone 780-415-4515  
Fax 780-427-6596  
<http://www.finance.alberta.ca/>

42900

October 27, 2015

  
Mr. John McGowan  
Chief Executive Officer  
Alberta Urban Municipalities Association  
Alberta Municipal Place  
300, 8616-51 Avenue  
Edmonton, AB T6E 6E6

Dear Mr. McGowan:

Thank you for the October 13, 2015 email from your staff providing Alberta Urban Municipalities Association's questions on *Budget 2015*. Please find enclosed responses to your questions.

As we have done in the past, on the day the budget is tabled, a hard copy of the responses will be provided to you during the *Budget 2015* VIP lock-up. In addition, after the budget speech, an electronic copy of the responses will be sent to the AUMA office.

Thank you again for your submission.

Sincerely,

  
Ray Gilmour  
Deputy Minister

Enclosure

cc: Honourable Joe Ceci  
President of Treasury Board  
Minister of Finance

## AUMA Questions Budget 2015

1. What is the breakdown of the provincial education tax requisition? As part of the response, please complete the following chart.

Education Property Tax Requisition (\$million)			
Fiscal Year			
	2014-15 Actual	2015-16 Estimate	Percent Change
Residential	1,277	1,353	6.0
Non-Residential	825	900	9.1
<b>Total</b>	<b>2,102</b>	<b>2,253</b>	<b>7.2</b>
Calendar Year			
	2014	2015	Percent Change
Residential	1,273	1,332	4.6
Non-Residential	821	886	7.9
<b>Total</b>	<b>2,094</b>	<b>2,218</b>	<b>5.9</b>

2. How much funding is allocated to supporting communities in *Budget 2015* compared to *Budget 2014*? As part of the response, please complete the following chart.

Grants To Municipalities				
				(\$million)
Capital	2014-15 Actual	2015-16 Estimate	Explain any Grant Formula Changes	Estimates Page
Municipal Sustainability Initiative	1,271.2	497.1	None, however, additional grants were provided at the end of 2014-15.	197
Basic Municipal Transportation Grant	338.4	349.8	None	197
Federal Gas Tax Fund	213.7	209.3	None	197
Building Canada Fund – Communities Component	9.7	0.9	None	197
Small Communities Fund	-	56.2	Competitive grant (no formula)	197
Alberta Community Partnership	31.6	-	None	197
Municipal Water Wastewater Program	26.3	25.0	None	234
Water for Life	55.8	30.0	None	234
GreenTRIP	208.5	166.2	None	234
Strategic Transportation Infrastructure Program	5.2	18.7	None	234
Alberta Municipal Infrastructure Program	0.1	0.1	None	234
Municipal Transit Initiative	-	30.0	New Program	234
Support for Cultural Infrastructure	3.4	-	Funding commitments fulfilled	57

## Agenda Item # 8.1.4

Canada Winter Games 2019 – Red Deer	3.0	-	Funding finished for specific projects	68
Flood Recovery/Mitigation Grants	4.6 (Education) 59.8 (Environment and Parks) 25.2 (Municipal Affairs) 5.5 (Transportation)	10.5 (Education) 80.1 (Environment and Parks) 14.2 (Municipal Affairs) 5.8 (Transportation)	None ✓ ✓	89 (Education) 115 (Environment and Parks) 197 (Municipal Affairs) 234 (Transportation)
<b>Total Capital</b>	<b>2,262.0</b>	<b>1,493.9</b>		

<b>Grants to Municipalities</b>				
<b>(\$million)</b>				
<b>Operating</b>	<b>2014-15 Actual</b>	<b>2015-16 Estimate</b>	<b>Explain any Grant Formula Changes</b>	<b>Estimates Page</b>
Municipal Sustainability Initiative	28.7	30.0	None	196
Slave Lake Recovery Grants	0.4	-	Project Complete	196 (element 9.5 – part of Disaster Recovery)
Family and Community Support Services	75.7	100.0	None	153 (program 8 – portion that are grants)
Police Assistance Grant	52.6	54.6	None	183 (part of element 7.8 - Policing Assistance to Municipalities)
New Police Officer Program	30.0	30.0	None	183 (part of element 7.8 - Policing Assistance to Municipalities)
Victims of Crime Fund – Municipalities-Direct Funding	1.1	1.1	None	193 (part of Assistance to Victims' Organizations)
Grants in Place of Taxes	59.6	64.7	None	196
✓ Alberta Community Partnership	16.8	40.0	None	196
Community Housing Municipally Owned Debt Subsidy	2.8	2.7	None	215 (part of Family Housing – Community Housing)
Canada Winter Games 2019 – Red Deer	3.1	3.0	None	68
Alberta Traffic Safety Fund	0.1	0.4	None	234 (program 3 – part of Traffic Safety Services)
Urban Aboriginal Initiatives	0.2	0.2	None	18 (element 2.1 – part of First Nations and Métis Relations)
Water Management Grants – Growing Forward 2	2.8	4.7	None	40 (part of element 3.1 Irrigation and Farm Water)
Alberta Historical Resources Foundation	0.4	-	Funds are not specifically budgeted for municipalities. Grants are paid on the basis of applications received from non-profits or municipalities.	67 (Municipal Heritage Programs)

## Agenda Item # 8.1.4

Other Initiatives Program - Culture	2.8	-	Funds are not specifically budgeted for municipalities. Grants are paid on the basis of applications received from non-profits or municipalities. In 2014-15 \$2.8 million was paid to City of Edmonton for bid costs for the Commonwealth Games.	56 (part of element 3.4 Other Initiatives)
Flood Recovery/Mitigation Grants	0.7 (Agriculture and Forestry) 2.6 (Education) 51.3 (Infrastructure)* 20.8 (Municipal Affairs)	- (Agriculture and Forestry) 7.2 (Education) 3.5 (Infrastructure)* 15.6 (Municipal Affairs)	None	41 (Agriculture and Forestry) 88 (Education) 162 (Infrastructure) 197 (Municipal Affairs)
<b>Total Operating</b>	<b>352.5</b>	<b>357.7</b>		

\* Note: 2014-15 Actual and 2015-16 Estimate figures only reflect the grant funded portion of the Floodway Relocation program (i.e., purchasing of residential homes from floodways in affected southern Alberta communities which is categorized as grants to individuals.) It excludes other costs such as demolition, reclamation, assessments, etc. The 2015-16 figure is based on a preliminary forecast at this time and differs from what was provided in the March budget due to the exclusion of costs for demolition, reclamation, assessments, etc., as these are not considered grants.

<b>Grants To Other Community Entities</b>				
<b>(\$million)</b>				
<b>Operating and Capital</b>	<b>2014-15 Actual</b>	<b>2015-16 Estimate</b>	<b>Explain any Grant Formula Changes</b>	<b>Estimates Page</b>
Housing Capital Grants	3.4	10.2	Funding increase for fire safety systems upgrades	215 (part of Seniors Housing)
Housing Operating Grants	178.6	149.2	Elimination of ASHC's Grants in Place of Taxes	215 (part of most Housing programs)
Community Facility Enhancement Program	37.7	38.0	None	57
Library Services Grant	25.9	29.5	The increase of \$3.5 million brings the operating grant to the 2014 population, which helps public libraries serving a growing population, and provides a very modest \$0.10 increase in the per capita rate for all public libraries.	197 (part of Provincial Library Network)
Irrigation Infrastructure Assistance	21.0	19.0	None	41

## Agenda Item # 8.1.4

Major Fairs and Exhibitions	22.1	18.1	None, however, \$2 million reduction for each of Edmonton Northlands and Calgary Stampede. No change to others.	40
Organized and Serious Crime	30.7	26.5	None	183
Family and Community Safety Program	-	19.8	None	153
Victims of Crime Fund – Indirect Funding	12.6	13.7	None	193 (part of Assistance to Victims' Organizations)
Office of the Fire Commissioner	0.7	0.8	None	196 (element 8.3 – portion that are grants)
Environmentally Sustainable Agriculture Grants	1.8	1.8	None	40 (part of element 3.2 Environmental Stewardship)
Agriculture Service Board Grants	11.4	11.4	None	40 (excludes \$200,000 for administration costs)
Francophone Secretariat Grants	0.5	0.5	None	56 (part of program 4)
Municipal Affairs Central Operations, Public Safety Division	0.1	-	None	196 (part of element 8.1)
Restorative Justice Grants	0.4	0.4	None	193 (part of Assistance to Victims' Organizations)
Youth Justice Grants	0.6	0.6	None	183 (part of element 8.5 Young Offender Community Correctional Services)
Ad Hoc Justice Programs	1.6	0.2	None	182 and 183 (1.4 Corporate Services, 7.4 Policy and Program Development, 7.5 Law Enforcement Standards and Audits, 7.7 First Nations Policing, 8.4 Adult Community Correctional Services)
Environmental Stewardship Program (Growing Forward 2)	8.8	10.2	None	40 (part of element 3.2 Environmental Stewardship)
Aboriginal Friendship Centres	0.2	0.8	None	18 (part of element 2.1 First Nations and Métis Relations)
Community Initiatives Program	22.8	24.6	None	56
Other Initiatives - Culture	2.1	2.1	Budget is the same. Actual excludes payment to City of Edmonton for bid costs for the Commonwealth Games.	56
Alberta Historical Resources Foundation	1.2	-	Funds are not specifically budgeted for municipalities. Grants are paid on the basis of applications received from nonprofits or municipalities.	67 (part of Heritage Preservation Partnership Programs)

## Agenda Item # 8.1.4

Flood Recovery/Mitigation	4.0 (Aboriginal Relations)	7.0 (Aboriginal Relations)		18 (Aboriginal Relations - element 8.3 – part of Administrative and Capacity Support)
	4.6 (Culture and Tourism)	2.5 (Culture and Tourism)	Culture and Tourism funds are not specifically budgeted for municipalities. Grants are paid on the basis of applications received from non profits or municipalities.	57 (Culture and Tourism - elements 8.3, 8.4 & 8.6 – part of Historic Resources Management, Tourism and Community Facility Enhancement Program - Culture and Tourism)
	0.3 (Economic Development and Trade)	0.1 (Economic Development and Trade)		76 (Economic Development and Trade - element 5.1 - Economic Renewal Initiative)
	4.5 (Seniors)	0.5 (Seniors)		208 (Seniors – element 6.1 – Housing Support)
	<b>Total</b>	<b>400.4</b>	<b>387.5</b>	

**3. What has the Government of Alberta resourced through *Budget 2015* to support the needs of our growing seniors population (e.g., “aging in place”, continuing care, transportation services, seniors housing)? As part of the response, please complete the following chart.**

The Ministry of Seniors includes \$352 million for the Alberta Seniors benefit (Estimates page 208), supporting about 150,000 low income seniors. This budget also includes \$200 million (excluding debt servicing) for programs delivered by the Alberta Social Housing Corporation (Estimates page 215), with \$78 million for seniors housing and \$65 million for the rent supplement program.

Capital investment of \$168 million in 2015-16 (Estimates page 215) in shared provincial-federal funding is included in *Budget 2015* to ensure seniors housing is preserved, renewed and sustainable with health and safety of seniors continuing to be a priority.

The Seniors Lodge Program Renewal Committee continues to review the Seniors Lodge Program in partnership with AUMA, the Alberta Association of Municipal Districts and Counties (AAMDC), and the Alberta Senior Citizens Housing Association.

The government is committed to expanding access to long-term care. The Capital Plan includes funding under the new programs line that will provide relief for families and ease the pressure on overcrowded hospitals. The government is evaluating existing long-term care spaces and putting plans in place for the expansion and creation of additional spaces.

## Agenda Item # 8.1.4

(Million)	2014-15 Actual	2015-16 Estimate	% Change*
Seniors Housing	76.2	68.3	(10.3)
Seniors Housing Capital Grants	-	10.0	N/A
Senior Housing – Capital Programs	50.3	150.9	200
Community Housing – Capital Grants (part of Family Housing – Community Housing)	3.4	0.2	(94.1)

\* Percentage changes are based on exact numbers; the numbers in forecast and estimate columns of this table may be rounded. The amounts shown are from the Estimates page 215.

### 4. How does *Budget 2015* support the Government of Alberta's commitment to affordable housing and the elimination of homelessness? As part of the response, please complete the following chart.

There is \$178 million budgeted in 2015-16 (Estimates page 153) for homeless and outreach support programs. This budget will help house about 2,000 homeless Albertans this year and support nearly 3,200 spaces in 25 homeless shelters, 710 beds in 30 women's emergency shelters, programming in 11 second-stage shelters, and outreach supports to women and children leaving family violence. Since 2009-10, about 11,700 Albertans who were homeless have been provided housing and supports to help them remain housed.

*Budget 2015* allows the Ministry of Seniors to continue to support existing programs and allocates \$5.5 million towards preservation of the social housing supply (Estimates page 215 – various programs).

✓ Municipalities will see a \$21 million reduction due to the elimination of the Alberta Social Housing Corporation's Grants in Place of Municipal Property Taxes program (Estimates page 215 – part of Community Housing). Housing management bodies will no longer receive grant funding to cover property tax assessments for provincially and municipally-owned social housing units. This funding reduction makes up the majority of the decrease in the Community Housing program, with the remainder of the decrease owing to one-time nominal sum disposal charges in 2014-15.

(Million)	2014-15 Actual	2015-16 Estimate	%Change in Budget*
<b>Operating Support</b>			
Family Housing (Estimates page 215)			
Rent Supplement	65.6	65.3	(0.5)
Community Housing**	73.9	49.4	(33.2)
Family Housing – Other and Emergency Housing	6.1	1.5	(75.4)
Special Needs Housing (Estimates page 215)	5.4	5.8	7.4
Homeless Support (Estimates page 153)			
Homeless Shelters (Element 9.3)	39.9	37.6	(5.7)
Outreach Support Services (Element 9.5)	82.7	85.8	3.7
Womens' Shelters (Element 9.4)	34.9	49.0	40.3
Balance of Program (Elements 9.1 and 9.2)	4.7	5.6	18.7
<b>Capital</b>			
Housing Capital Programs (Estimates page 215) ***	41.5	17.3	(58.3)

\*Percentage changes are based on exact numbers; the numbers in forecast and estimate columns of this table may be rounded.

\*\*Excludes \$3.4 million in 2014-15 and \$190,000 in 2015-16 in Capital Grants.

\*\*\*For 2014-15, includes Family Housing – Community Housing, Rent Supplement and Emergency Housing.

## 5. How will *Budget 2015* strengthen community first response (i.e., fire fighters, emergency medical response, etc.) compared to 2014 resourcing?

Earlier this year, the government announced the development of a provincial EMS service delivery model. Input will be sought from communities and various groups across the province regarding the development of an effective EMS delivery model.

As the build of the Alberta First Responders Radio Communications System (AFRRCS) approaches its completion date in 2016-17, *Budget 2015* provides operational funding (\$12 million in 2015-16) for establishing and running the AFRRCS support and maintenance team within the Ministry of Justice and Solicitor General that will work with first responders from across the province to ensure that the system meets the anticipated availability, grade of service and coverage needs of law enforcement, fire and EMS.

6. What is the financial impact on municipalities of any new or revised fees, charges or other costs under *Budget 2015*? As part of the response, please complete the following chart:

New or Revised Fees, Charges, or Other Costs Impacting Municipalities				
Fee/Charge/Cost	2014-15 Rate	2015-16 Rate	Total Estimated Impact on Municipalities	Rationale
Name of item	The 2014-15 rate that was charged	The 2015-16 rate that will be charged	Aggregate estimated impact on municipalities	Policy rationale for the increase
<b>Traffic Fine Administration</b>				
Traffic Fine Administration Fee	16.67 per cent	26.67 per cent	Lost revenue caused by the increased amount retained by the province (10%) will be offset by a 35% increase to the average traffic ticket. Municipalities, collectively, will receive an estimated \$26 million more in fine revenue, based on 2013-14 volume.	Revenue initiative that benefits both municipalities and the province.
<b>Royalties</b>				
Royalty rate for sand, silt, soil, peat moss, clay and gravel	From 5 to 60 cents per cubic yard	From 10 cents to \$1.20 per cubic yard	Unknown	To obtain a fairer return on the Crown's resources; rates not changed in more than 30 years.

For a complete listing of Changes to Premiums, Fees and Fines, please refer to the *Budget 2015 Fiscal Plan*, page 114-115.

7. What are the impacts on municipalities as a result of the results based budgeting reviews to date? What future reviews are scheduled?

Results-based budgeting is a legislated process to review all programs and services, including agencies, boards and commissions, to determine whether programs are relevant and meet intended outcomes, and are delivered as efficiently and effectively as possible. The government is also required to report publicly on the process. Reviews of government programs and services were conducted over three cycles beginning in 2012, and concluding in early 2015. Reviews were conducted not through individual ministries, but through 11 "lines of business" – thematic groupings of programs and services.

Approximately 540 programs were reviewed and more than 650 recommendations have been made to improve the relevance, effectiveness or efficiency of government programs and services. A progress report will be issued in fall 2015, as is required by the *Results-based Budgeting Act*. This report will discuss the findings and recommendations from Cycle 3.

In terms of impacts on municipalities, the review process in all three cycles looked for opportunities to streamline programs and services, reduce duplication and enhance access and understanding about programs and services. Several initiatives have been undertaken to strengthen local governments and regional planning, including: more simplified access to municipal infrastructure grant funding; continuing to promote the participation of urban Aboriginal people in the development, design and delivery of programs and services provided for them; and expanded access to public library resources for Albertans. There has also been an amendment of the *Safety Codes Act* to establish an automatic code adoption process that allows municipalities and industry to enhance their competitiveness through the use of innovative technologies.

## **Agenda Item # 8.1.4**

- 8. With the upcoming changes expected out of the *Municipal Government Act* (MGA) review, how will the province provide supports to help municipalities deal with the required changes? In particular, what changes have been made through Budget 2015 as a result of the government's intention to strengthen municipal cooperation and collaboration?**

Municipal Affairs is developing a number of different strategies to work with municipalities to implement changes arising from the MGA Review. Municipal Affairs will strive to anticipate how the changes will affect different stakeholder groups and adapt communications, training and other tools to best meet the needs of municipalities, the public and other stakeholders.

In the development of these communication tools, Municipal Affairs will review input from stakeholders and utilize technical experts to develop the educational suite and will engage with municipal partners, including the AUMA, in its development and implementation.

Municipal Affairs is committed to ongoing capacity building support to municipalities, including advisory services, toolkits and information, training, municipal corporate reviews and the Municipal Internship Program, to name a few.

- 9. What changes have been made to adjust provincial transfers to municipalities to recognize growth pressures faced by municipalities? How will the province change the current funding system so that the sharing of revenues links to infrastructure ownership and services and allows municipalities to be financially sustainable?**

Municipal Sustainability Initiative (MSI) Capital, including the Basic Municipal Transportation Grant (BMTG), is \$847 million in 2015-16. Budget 2015 provides an additional \$100 million (\$50 million in 2016-17 and \$50 million in 2017-18) for Municipal Sustainability Initiative (MSI) Capital compared to the March budget.

The annual recalculation of the funding formulas ensures responsiveness to the needs of Alberta municipalities. Municipalities that grow at a significantly higher rate than the provincial average receive proportionally more funding.

The province remains committed to providing the original \$11.3 billion commitment plus BMTG funding through the MSI. However, it will take more time to reach the full commitment than initially anticipated.

- 10. How is the province supporting urban municipalities regarding their social infrastructure, their arts and cultural community and their citizens' recreation activities and programs?**

Culture and Tourism provides support to urban municipalities through customized services that enhance the capacity of community leaders, organizations, and networks, to achieve their goals, address community issues, and make a positive contribution to the lives of their citizens. These services include facilitation and skill development in areas such as community and strategic planning, organization and board development, building community collaboration and partnerships, and public/stakeholder consultation. The support can be provided directly to municipal entities such as councils, boards, task forces and committees, and also to the non-profit organizations that work within the urban municipality to deliver services to citizens. Recent examples of support directly to urban municipalities include support to the City of Edmonton - McDougall United Church; various services to Family and Community Support Services advisory boards e.g. planning (City of Leduc), board governance training (City of Red Deer), facilitation training (City of Calgary, City of Medicine Hat Jane's Walk Community

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Initiative, Edmonton Police Service diversity recruiting project, services to municipal public libraries and boards in cities such as Edmonton and Lloydminster, City of Edmonton Poverty Elimination Task Force).

The Alberta Foundation for the Arts (AFA) exists to encourage and support the development of arts as a valuable contributor to quality of life in Alberta. Funding is one of the most direct ways that the AFA supports public access to the arts. Through competitive processes and transparent formulae, the AFA provides operational grants to professional and community arts organizations, as well as project grants to individual artists.

In 2014-15, the AFA provided grant funding to artists and arts organizations in all urban municipalities. A few examples are:

- Calgary and Edmonton - \$18.7 million;
- Lethbridge and Medicine Hat - \$904,000;
- Red Deer - \$498,000; and
- St. Albert - \$320,000.

Budget 2015 delivers on the commitment to increase support for the AFA with \$5 million added in 2016-17 and \$10 million in 2017-18.

Operational funding from the AFA has also supported organizations that do not have strictly arts mandates, such as libraries, schools, hospitals, community centres, and other community non-profits, to help them incorporate arts programming into their activities.

The Heritage Division is responsible for 20 provincially owned and operated heritage facilities, including the Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology and the Provincial Archives of Alberta. With over 800,000 visitors annually, these facilities are important employers, tourist destinations and economic generators. Heritage facilities are deeply embedded within our communities. They are social gathering places where people come to celebrate, learn, volunteer and be entertained. Of particular note is the new \$375 million Royal Alberta Museum in Edmonton, which is scheduled to open in 2017.

The Alberta Historical Resources Foundation provides financial and program support to individuals and organizations engaged in heritage activities in Alberta. Albertans throughout the province are provided with a wide variety of opportunities to understand and participate in their rich history.

Culture and Tourism works with the Alberta Recreation and Parks Association to engage municipalities around recreation and encourage them to work collaboratively to provide services to citizens. A large portion of the funding goes to provincial organizations who will assist in the delivery of programs and provision of resources to municipal recreation departments to provide services to urban residents.

Aboriginal Relations provides grant funding to friendship centres to support health, employment, housing, recreation and cultural programs for Aboriginal people in urban centres. Aboriginal Relations also provides grant funding to support the Urban Aboriginal Strategy and helps improve social and economic opportunities for Aboriginal people living in urban centres.

**11. How will the province work with AUMA to (1) develop a comprehensive picture of the size, scope and nature of the municipal infrastructure deficit; and (2) commit to a long-term action plan to eliminate the deficit and deal with the underlying fiscal imbalance that causes the deficit?**

Municipalities have a responsibility to maintain and update their infrastructure to meet the needs of their residents. They have access to a number of revenue sources to do so, including municipal taxation and user fees, as well as the ability to finance infrastructure at preferential rates through the Alberta Capital Finance Authority.

The Government of Alberta has an interest in helping to ensure Albertans are served by adequate municipal infrastructure. To that end, government is providing significant support to municipalities in funding municipal infrastructure development.

The province remains committed to helping build strong, sustainable communities in Alberta. An important program to help achieve this is the Municipal Sustainability Initiative (MSI), which will fulfill its full \$11.3 billion commitment and is a key component to funding critical infrastructure in Alberta's municipalities. Including amounts specified in *Budget 2015*, almost \$6.7 billion has been allocated through the core MSI program.

In addition, the Government of Alberta recently worked with Ottawa to secure a 10-year extension to the Gas Tax Fund (GTF), which will mean an additional \$2.3 billion for Alberta communities.

The province is supporting improved asset management planning that encourages the highest level of value for each and every infrastructure dollar spent. As part of the recently signed GTF Agreement with the federal government, we have agreed to develop an approach to asset management by the end of 2015. We are working with the Municipal Sustainability Strategy Advisory Committee, which includes representatives from the AUMA, AAMDC, Local Government Administrators Association, Alberta Rural Municipal Administrators Association, and the Association of Summer Villages of Alberta, to develop this approach in a manner that recognizes the current capacity of Alberta's municipalities. As a first step towards this, Municipal Affairs has approved the re-profiling of grants of over \$600,000 to the municipal associations to work on improved asset management in Alberta.

**12. What analysis or consideration has the province done on the cumulative impacts of reducing investment into municipalities, in terms of physical and social infrastructure and recognize the implications of the municipal infrastructure deficit on Canada's competitiveness, productivity, sustainability and quality of life?**

Alberta is experiencing challenging times both economically and fiscally. The drop in oil from over \$100 per barrel to less than \$50 has reduced provincial revenue significantly. Simply put, all levels of government must work together to help address this challenge.

Despite this, the province remains committed to the \$11.3 billion in long-term funding provided through the Municipal Sustainability Initiative (MSI).

Other support includes \$1.9 billion over the five years 2015-20 through the former Basic Municipal Transportation Grant program, now part of MSI. Municipalities will also continue to benefit from funding provided through the Gas Tax Fund (GTF) which is expected to provide over \$2.3 billion in funding to Alberta's municipalities over the 2014-24 period. Under both the

## **Agenda Item # 8.1.4**

MSI and GTF, municipalities continue to have flexibility in scheduling infrastructure projects and can use funding to cover borrowing costs on amounts borrowed in advance of receiving their annual allocations.

Given the challenges of calculating the infrastructure deficit in a consistent and meaningful way, the province has not undertaken any studies to assess the impact of it on Canada's competitiveness, productivity, sustainability or quality of life. Rather, we are focusing on working towards improved asset management planning which will support the effective utilization of our scarce resources and maximize our infrastructure investments.

### **13. What does *Budget 2015* provide for transportation infrastructure funding (e.g. roads, streets and other transit infrastructure) compared to *Budget 2014*? How will municipalities continue to be engaged in prioritizing and implementing the short-term and long-term strategies indicated in the provincial transportation strategy?**

Albertans rely on a safe and efficient transportation network to move people and goods between communities and across the province.

The *Budget 2015* five-year Capital Plan provides \$8.4 billion for transportation infrastructure to foster economic growth and generate good paying jobs which support individuals and families and benefit all Albertans. This includes (Fiscal Plan page 45):

- \$4.7 billion for Alberta's provincial highway network on projects like the Edmonton and Calgary ring roads and Highways 63, 28 and 19 to provide better, safer roads for families and industry;
- \$2.1 billion for maintenance and renewal on roads and bridges to extend the life of our infrastructure and enhance safety:
  - \$1.8 billion for provincial highway rehabilitation; and
  - \$345 million for bridge construction;
- \$946 million for GreenTRIP;
- \$330 million in new funding for Transit Initiatives;
- \$150 million under the New Building Canada Fund; and
- \$119 million for the Strategic Transportation Infrastructure Program.

In 2015-16, specifically, substantial capital investment will be provided for highway infrastructure benefiting communities. Examples include (Fiscal Plan page 45):

- \$721 million for the Edmonton and Calgary ring roads;
- \$207 million for the twinning of Highway 63 from Grassland to Fort McMurray;
- \$108 million for roadway improvements in Fort McMurray, including:
  - \$67 million for Urban Area Upgrades;
  - \$24 million Parsons Creek Land Development Interchanges; and
  - \$17 million for the Fort McMurray Land Exchange Agreement; and
- Over \$717 million for other projects throughout the province, including highway rehabilitation, interchanges, intersections and bridge construction.

In addition, municipal capital grants will be provided in 2015-16, including (Estimates page 234):

- \$166 million for GreenTRIP (Element 7.3);
- \$30 million for Municipal Transit Initiatives (Element 7.4);
- \$19 million for previously approved projects under the Strategic Transportation Infrastructure Program (Element 7.2);

- \$30 million for Water for Life (Element 8.2); and
- \$25 million for Municipal Water Wastewater Program (Element 8.1).

### Transportation Strategy Engagement

Municipalities have been engaged throughout the development of a draft long-term transportation strategy for Alberta, which will guide decisions on transportation investments, policies and programs. Municipal governments and associations were invited to provide input on the strategy during public consultations held in early 2014. In January and February 2015, focus group sessions were held with external partners to review the strategy's draft goals and outcomes. These sessions included participation by municipal associations, including AUMA and a presentation to AUMA's Infrastructure and Energy Committee, specifically to discuss the transportation challenges and opportunities that are of importance to municipalities.

A series of implementation plans, including one focused on transit, will identify detailed tasks to achieve the strategy's goals. Further engagement with key partners, including AUMA, will be held prior to the strategy and implementation plans being finalized. The strategy and implementation plans are targeted to be finalized in spring 2016, at the earliest, however this timeframe may shift to a later date based on the need to incorporate additional government direction and conduct the additional engagement. The Government of Alberta recognizes that continued collaboration and conversation with partners, including municipal governments and associations, will be needed to successfully implement the strategy.

#### **14. How is the province supporting the viability of small urban municipalities through *Budget 2015* compared to *Budget 2014* (e.g., base grants, economic development, tourism, capacity building, etc.)? How will the Regional Collaboration Program be adjusted so that the operating viability of small communities is maintained?**

Municipal Affairs will maintain its capacity to continue with the implementation of the Municipal Sustainability Strategy. This strategy allows municipalities to assess their own viability and to utilize a capacity building toolkit that provides a library of resources for municipalities.

Municipal Affairs further supports municipalities in maintaining their viability by providing a range of advisory resources and training courses to build municipal capacity and support the viability review process which enables municipalities facing viability challenges to consider ways to address them.

AUMA staff participate on the advisory committee that is assisting the ministry with ongoing implementation of the Municipal Sustainability Strategy, including opportunities to strengthen the viability review process.

Municipal Sustainability Initiative (MSI) continues to support small urban municipalities. Under the MSI funding formula \$120,000 in base funding is provided to all towns and villages and \$60,000 in base funding is provided to all summer villages, in addition to funding allocated on the basis of population (48%), education property tax requisitions (48%) and kilometres of local road (4%).

In addition, small urban municipalities with less than 300 residents continue to receive base funding of \$8,000 and \$33.33 per capita from the former Basic Municipal Transportation Grant program, now part of a larger MSI program.

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In response to the requests the province has received from many smaller municipalities, the MSI operating budget is being maintained at \$30 million in 2015. In addition, small municipalities will continue to receive \$9 million in funding through Sustainable Investment (SI), which is part of the MSI operating budget allocated to municipalities with populations fewer than 10,000 and limited local assessment bases.

Small urban municipalities also continue to receive support through two components of the New Building Canada Fund, the Gas Tax Fund (GTF) and the Small Communities Fund (SCF). Under the GTF, towns and villages receive a minimum allocation of \$50,000 and summer villages receive a base allocation of \$5,000, in addition to funding allocated on a per capita basis. Under the SCF, project criteria have been set to facilitate smaller municipalities' local infrastructure projects, such as a minimum funding threshold of \$50,000 and no limit on the number of projects that a municipality can participate in as a project partner.

The Alberta Community Partnership (ACP) program, formerly known as the Regional Collaboration Program, assists municipalities with putting their regional priorities into action, helping to fund regional collaboration and capacity building projects. Municipalities have shown significant interest in the program, as evidenced by the unprecedented number of applications to the 2014-15 ACP program, and the full take-up of available funding. In 2015, a program review will be conducted to ensure that the ACP remains responsive to municipalities regional and capacity building needs. Following the review, the 2015 program is expected to be launched in fall 2015. The program budget is \$40 million in 2015-16.

**15. Does *Budget 2015* ensure that the Municipal Police Assistance Grant is increased to reflect the costs of providing policing with urban municipalities (that are currently paying for police costs) and is fair for all types of municipalities? How will police funding move towards an outcome of crime prevention and safe communities?**

*Budget 2015* provides an increase of \$2 million or 3.9% for the Municipal Police Assistance Grant (Estimates page 183, element 7.8) from the 2014-15 actual. The increase is intended to address population growth in accordance with the population-based grant formula and is distributed fairly to all urban municipalities that are eligible. Further, municipalities will see an increase in their fines revenue resulting from the increase to *Traffic Safety Act* fine amounts in May 2015.

It is widely known that every town, village and summer village that has a population of 5,000 or less, and every county, municipal district and Métis settlement (regardless of population) receive policing services from the Provincial Police Service (RCMP) provided by the province at no cost.

One of the government's objectives is for safe and secure communities and any provincial funding provided to municipalities is guided by that objective. The police funding grants are to be used for policing which includes law enforcement and crime prevention. All police services have specialized programs for community crime prevention, working with youth to prevent crime in the future, as well as working with vulnerable persons that often find themselves interacting with police (i.e. social disorder).

**16. What does *Budget 2015* provide to support improved water and watershed management (e.g. support for implementation of full cost accounting, increased funding for watershed planning and advisory councils, implementation of the new Alberta Wetland Policy, updating the provincial Stormwater Management Guidelines)?**

Last year, the Government of Alberta committed to 20 short term actions that will improve water and watershed management in *Our Water, Our Future* (Action Plan). Funding for the water policy agenda has been budgeted at \$500,000 (Estimates, page 114, a portion of Element 4.1 Water Policy) to support the Action Plan and to support previous commitments such as implementation of the Wetland Policy. Additional spending will be undertaken by our partners at Alberta Innovates and the Alberta Environmental Monitoring Evaluation and Reporting Agency.

Examples of actions identified in *Our Water, Our Future* include:

- enhance lake governance systems to clarify role and responsibilities;
- enhance public awareness about lake management to further support Albertans in keeping lakes clean and healthy;
- expand the 2006 Water Conservation and Allocation Policy for Oilfield Injection to include water conservation measures for hydraulic fracturing;
- support research that will enhance understanding and protection of natural resources in areas of hydraulic fracturing; promote information about Alberta's drinking water and wastewater systems (e.g. full cost accounting);
- work with municipalities to identify opportunities to enhance the sustainability of municipal water systems; develop a common approach for establishing source water protection plans to be used in all watersheds;
- ensure major water use sectors make concrete, measurable and demonstrative improvements in water conservation, efficiency and productivity; and
- take a provincial-level policy approach to water and wastewater re-use and support research into geographically distinct case studies in Alberta that will identify opportunities for flexibility in regulations to accommodate regional needs.

The development and implementation of regional water management frameworks are also accounted for in Environment and Parks' budget.

In addition, there is \$61.3 million budgeted in Transportation in 2015-16 for flood mitigation and water management infrastructure and another \$73.2 million in the following four years. For 2015-16:

- \$20.5 million is included for minor Water Management Infrastructure rehabilitation projects throughout the province (Estimates page 235, program 14); and
- \$40.8 million is included for the Water and Wastewater Infrastructure Recovery program in response to the 2013 Alberta floods (Estimates pages 234 and 235, element 15.2 on both pages).

Environment and Parks supports Transportation in the review and prioritization of Water for Life funding requests (a fund under Municipal Water Infrastructure Grant Programs). Transportation administers the funding for the Water for Life and the Municipal Water Wastewater Program. Over the next five years, \$545 million (Fiscal Plan page 46, portion of Water and Wastewater Management) is available under these programs, which is a \$170 million increase when compared to the March 2015 budget.

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There is \$55 million budgeted in 2015-16, including (Estimates page 234):

- \$25 million for the Municipal Water Wastewater Program (element 8.1); and
- \$30 million for Water for Life (element 8.2).

The Government of Alberta supports water management through funding partnerships with the Alberta Water Council and Watershed Planning and Advisory Councils. Funding for the Alberta Water Council in 2015-16 is anticipated to be \$900,000 (Estimates, page 114, a portion of element 4.2 Water Partners and Stewardship) - a 10 per cent reduction - while funding for Watershed Planning and Advisory Councils is anticipated to remain at levels similar to previous years.

The Government of Alberta is working with the Water Council to provide recommendations on source water protection, enhance lake governance systems to clarify roles and responsibilities; contribute to the development of a water literacy strategy; and measure improvements made in water conservation, efficiency, and productivity.

**17. How is the government moving forward with the recommendations the Brownfield Redevelopment Working Group submitted to the province in 2012, particularly around updating the Remediation Certificate Program to bring it line with successful programs in other provinces? When and how will the AUMA and municipalities be re-engaged in this important initiative?**

In May 2012, the Brownfield Redevelopment Working Group – comprised of Municipal Affairs, Environment and Parks, the AUMA, AAMDC, and the cities of Edmonton and Calgary – delivered its recommendations for a brownfield policy to Municipal Affairs and Environment and Parks. The working group's final report is available at [www.esrd.alberta.ca](http://www.esrd.alberta.ca). Recommendations from the Brownfield Redevelopment Working Group's report regarding municipal tax alterations will be considered within the larger *Municipal Government Act* Review.

Work on policy components that would support the intent of the recommendations have been undertaken by Environment and Parks (Contaminated Sites Policy Framework, Environmental Site Assessment Standard, etc.). They are currently reviewing legislation and policies regarding the clean-up of contaminated sites and are concerned with whether the sites are being remediated in a timely fashion. The 2012 report will be reviewed as part of this overarching review.

In response to the working group's recommendations regarding assistance to better address redevelopment of municipal brownfield sites, the following eligible project cost definition has been included in the Municipal Sustainability Initiative Grant's Capital Guidelines:

- "Land betterment costs (i.e. rehabilitation, reclamation and remediation) on land owned by a municipality or eligible entity, where the land is intended for a specific, eligible capital asset; or land betterment activities intended to address/mitigate health and safety concerns with or without a resulting capital asset."

Brownfield redevelopment is also eligible for funding under the federal Gas Tax Fund.

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### **18. Have the five exemption requests from Environment and Parks' energy efficient protocol been approved for the municipal streetlight initiative?**

The AUMA met with Environment and Parks in January 2015, where they provided a slide deck outlining exemptions needed. A formal deviation request has not been received to date. As communicated to AUMA, in order for Environment and Parks to formally consider the exemption requests, the proponent will need to submit a written deviation request to the Director of Air and Climate Change Policy Branch at ESRD.GHG@gov.ab.ca. An analysis of the request(s) as they relate to the Alberta carbon offset system would then be conducted and a response provided.

The exemptions being sought represent a significant variance to the requirements of the Alberta carbon offset system and may not meet system requirements.

### **19. Given the increasing desire for regional decision-making and approaches, how will the province take a leadership role in enabling strategic decisions and ensuring that regional collaboration is linked to the sharing of revenues between municipalities?**

The Government of Alberta encourages municipalities to work together in the best interests of all of their residents. To that end, Municipal Affairs provides support to municipalities to build strong working relationships through the Mediation and Collaborative Processes components of the Alberta Community Partnership program. The ministry also provides information and advice to municipalities seeking to formalize their regional collaboration activities through the development of intermunicipal or regional partnerships, collaborative governance initiatives, and municipal amalgamations. Municipal Affairs also provides support to municipalities on controlled corporations and regional services commissions which enable municipalities to collaborate to provide services across regions.

As stated during Minister of Municipal Affairs' address to delegates at the recent AUMA convention in Calgary, a key component of the updated MGA will be a focus on municipal partnerships. With the growing number of families in our province, a collaborative, forward thinking approach to service delivery is needed now more than ever. As a result, the metropolitan regions of Calgary and Edmonton will form Growth Management Boards. Growth Management Boards will lead not only to better coordination of growth and land use but to more efficient planning, funding and delivery of services and infrastructure. With our municipal partners and the AUMA, we can achieve a generational shift in municipal governance that will result in regional collaboration instead of competition.

Through our grant programs, the province continues to provide significant funding support to municipalities. We have worked hard to ensure stable and predictable funding through our flagship program, the MSI. The March 2015 allocation was provided to ensure that municipalities received similar funding this calendar year as they had in 2014, despite the Alberta government's significant fiscal challenges. In fact, the 2015 calendar year allocation is \$926 million, a \$25 million increase from 2014 calendar year. In Budget 2015, there is an additional \$100 million (\$50 million in 2016-17 and \$50 million in 2017-18) budgeted for MSI Capital.

As the province works to provide stable funding for municipalities it also expects that municipalities will work together to maximize the taxpayer funded resources they are receiving. There are many examples of successful voluntary funding sharing agreements throughout the province and municipalities are encouraged to continue adding to these successful relationships

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moving forward. Accordingly, the government is also reviewing the Alberta Community Partnership program to ensure that it continues to enhance and build new partnerships across the province. This review will be completed later this year and we look forward to working with our municipal partners on projects that encourage regional collaboration. Other programs like the Small Communities Fund had a significant portion of their evaluation criteria targeted at municipalities working together.

This government values cooperation that gets the most value for our taxpayer's dollars and as such will continue to evaluate opportunities to incent further cooperation moving forward.

**20. As the province and municipalities are partners in striving for the same outcome of "Enhancing Albertans' quality of life", what does the province suggest is an appropriate manner for the AUMA, municipalities and the province to work together more collaboratively to further our collective agendas? What can AUMA do to assist in making this relationship stronger?**

The Government of Alberta (GoA) values its partnership with municipalities in building strong and safe communities. Government has a well-established practice of consulting with AUMA and other key stakeholders as it develops legislation, programs and policies that affect municipalities, such as city charters. The GoA's stakeholder engagement process for the *Municipal Government Act* Review is a prime example of this strong collaboration.

Municipal Affairs will continue to seek ways to enhance this partnership, through continued collaboration with AUMA on major initiatives such as regulation reviews associated with the MGA Review, and the evolution of the Municipal Sustainability Strategy. Relationships are maintained through ongoing dialogue and the GOA will continue to look to AUMA and other key stakeholders as it continues to evolve the legislative and policy framework supporting municipal government in the province.



## **AUMA Provincial Budget Analysis Fall 2015**

**October 27, 2015**



## Budget 2015 - Municipal Impacts

The NDP's 2015-16 budget was introduced on October 27, 2015 and replaces the budget tabled earlier this spring by the prior government.

In addition to taking action on a number of election commitments, the budget reflects the NDP's priorities to:

- **protect and stabilize front-line public services** including health care, education and social services;
- **stimulate economic growth, jobs and diversification;** and
- **plan to return to balanced budgets in 2019-20** through steadily phasing out the deficit as the economy recovers.

In light of the low oil prices, the NDP is increasing personal and corporate taxes, insurance premium tax,

alcohol and tobacco tax, as well as some fees and fines to reduce dependency on resource revenue.

The province is projecting to hold overall spending growth to an average of two per cent per year. However, infrastructure spending will be accelerated by 15 per cent to create jobs and take advantage of lower costs during this period of economic slowdown.

The province expects to fully exhaust the savings in its Contingency Fund by 2017 and is taking on significant debt. Debt will be allowed through new legislation that will permit provincial borrowing to a maximum of 15 per cent of GDP.

The result will be a **\$6.1 billion deficit budget for 2015-16.**

**Consolidated  
Revenue:  
\$43.8 B**

**Consolidated  
Expense  
\$49.9 B**

**Consolidated  
Deficit:  
\$6.1 B**

### Plan to Return to Balance (billions of dollars)

	2014-15 Actual	2015-16 Estimate
Consolidated Revenue	49.5	43.8
Consolidated Expense	48.4	49.9
<b>Consolidated Surplus / (Deficit)</b>	<b>1.1</b>	<b>(6.1)</b>
Other Key Metrics:		
Capital / Other Non-financial Assets	44.8	48.4
Heritage Fund Year-end Balances	15.0	15.1
Contingency Account Year-end Balances	6.5	3.3
Liabilities for Capital Projects / Fiscal Plan Borrowing	12.9	18.9



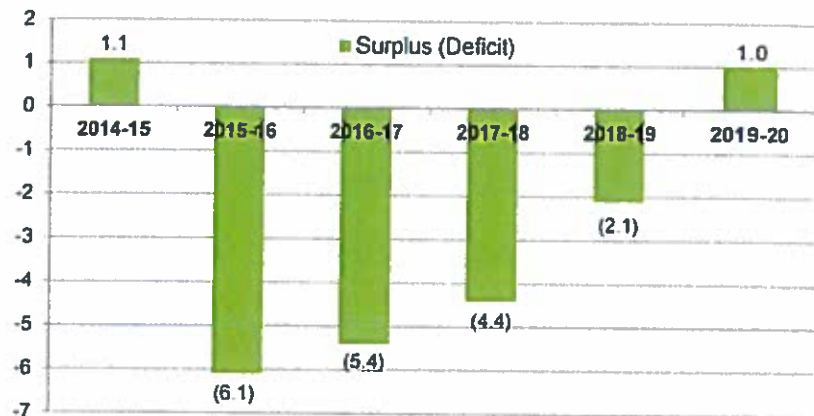
Alberta is the only province that owns more financial assets than it owes in debt.

There will be four consecutive years of deficits. The deficit is expected to fall to \$5.4 billion in 2016-17, \$4.4 billion in 2017-18, and \$2.1 billion in 2018-19.

The province expects to return to a balanced budget by 2019, with a projected surplus of \$1.0 billion.

These projections are based on the following economic assumptions:

**Plan to Return to Balance**  
(billions of dollars)



Source: Alberta Treasury Board and Finance

	2014-15 Actual	2015-16 Estimate	2016-17 Target	2017-18 Target
WTI Oil (US\$/bbl)	\$80.48	\$50.00	\$61.00	\$68.00
Differential (US\$/bbl)	\$17.30	\$13.60	\$16.30	\$18.50
Natural gas (US\$/GJ)	\$3.51	\$2.60	\$2.80	\$3.20
Exchange rate (US\$/Cdn\$)	88.0	78.0	80.0	82.0
Real GDP (% change)	4.4	(1.0)	0.9	2.4
Unemployment rate (%)	4.7	5.8	6.2	5.8
Alberta CPI (% change)	2.6	0.9	1.7	1.9

## Budget 2015 - Municipal Impacts

AUMA has been diligent in advocating for increased funding to support municipal infrastructure and community services. It is clear that the NDP government understands these needs and intends to take action on many fronts. Some of these actions are funded in the 2015-16 provincial budget, while others are a pledge for future budgets.

### 2015-16 Impacts

As the shortfalls in provincial revenue created a challenging fiscal environment, Budget 2015 largely protected municipal funding levels and only included some modest increases:

- MSI Capital – A modest \$25 million increase was provided.
- FCSS Funding – The NDP honoured its commitment to increase FCSS by \$25 million.



- Transportation – The province created a new \$30 million Municipal Transit Fund, provided a small increase to the Basic Municipal Transportation Grant, and reversed a decision of the prior government to cancel the Strategic Transportation Infrastructure Program.

The NDP's decision to continue with the cancellation of the grant in lieu of tax on government owned and supported social housing is a key concern for AUMA as it amounts to a downloading of about \$15 million in costs onto Alberta municipalities.

## Pledges for 2016-17

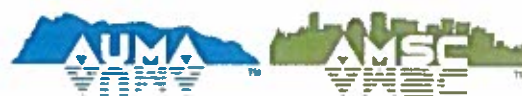
The province pledged to increase funding for the following programs in Budget 2016:

- An increase of \$50 million for MSI Capital
- An increase of \$25 million for the Alberta Municipal Water and Wastewater Partnership
- An increase of \$50 million for Water for Life funding for new and expanding regional systems
- A new \$8 million fund for enhancing bus services for smaller communities
- A reinstatement of the \$10 million STEP program

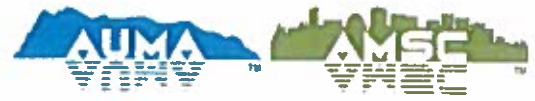
While these pledges are promising, they will be dependent on the province's fiscal situation and will not be finalized until Budget 2016-17 is presented. In the interim, municipalities can plan and prioritize their infrastructure projects.

## Summary of Core Municipal Grants

Grants to municipalities (\$ millions)			
	Budget 2014-15	Budget 2015-16	Comments
Municipal Sustainability Initiative - Capital	871  (\$398.9 was advanced from 2015/16 bringing the revised budget to \$1,271 million)	497.1	The province confirmed its intention to provide the full \$11.3 billion but indicated it will take more time than expected.  Although it appears that funding for 2015-16 dropped, this is simply a reflection that \$398.9 million of it had been accelerated and provided in 2014-15. 2015-16 funding actually reflects an increase of \$25 million that had been in the original spring budget tabled by the prior government.  Funding for future years will increase as part of additional investments in infrastructure (see capital plan section).
Municipal Sustainability Initiative - Operating	30.0	30.0	



	Budget 2014-15	Budget 2015-16	Comments
Municipal Sustainability Initiative - Operating	30.0	30.0	
Federal Gas Tax Fund	208.7	209.3	
Building Canada – Small Communities Fund (under 100,000 population)	0	56.2	Funding was fully allocated earlier this year to 56 municipal projects spanning 53 municipalities.
Alberta Community Partnerships	48.8	40.0	The 2015-16 program will be launched later this fall once the \$40 million has been allocated to the various components of this program.
Alberta Social Housing Corporation Grants in Place of Municipal Property Taxes	15	0	The NDP upheld the prior government's decision to terminate this grant in lieu of taxes for seniors' apartments and family housing units that are operated by public Housing Management Bodies. The net impact, after the education portion is removed, is about \$15 million.
Basic Municipal Transportation Grant	343.1	349.8	
Strategic Transportation Infrastructure Program	17.1	18.7	Funding has been renewed with another \$100 million targeted for 2017-18 and 2018-19.
<b>NEW</b> Municipal Transit Initiative	-	30.0	AUMA is seeking information on the scope of this program and the funding process.
GreenTrip	246.9	166.2	Reflects timing in the completion of projects. A third call will be made for applications for this fund which still has \$415 million in uncommitted funding. Of this, \$130 million will be available to the Calgary Regional Partnership and \$285 for other municipalities. The Capital Region has already accessed their full allocation.
Municipal Water and Wastewater Program	25.0	25.0	
Water for Life	50.0	30.0	This is the same reduction that had been announced by the prior government.
FCSS	76.1	101.1	This \$25 million increase was an election promise of the NDP.
Municipal Police Assistance Grant	53.4	54.6	Reflects adjustment for population growth.
New Police Officer Program	30.0	30.0	



## Other changes (\$ millions)

**Traffic fine revenue** - The budget maintained a 35 per cent increase to the average traffic ticket announced in spring 2015.

After factoring in the 10 per cent increase for administration fees (i.e., from 16.67 per cent to 26.67 per cent), there could be an overall net increase of \$26 million in traffic fine revenue for municipalities.

**Sand and Gravel Rates** - The royalty rate doubled for sand, silt, soil, peat moss, clay, and gravel. This rate had been static for 30 years.

**Library Funding** - The Library Services Grant was increased by a very modest \$0.10 per capita.

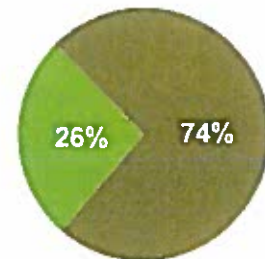
## Budget 2015 - Fiscal Plan

### Education Property Tax

The 2015-16 education tax revenue is about \$2.3 billion. This is the same requisition proposed by the prior government and reflects a seven per cent or \$151 million increase, which impacts municipalities' changing tax needs.

This is the last year that the education property tax revenue will be set to a fixed 32 per cent of education costs. Beginning in 2016-17, the education property tax will be determined annually.

### DISTRIBUTION OF PROPERTY TAX



2013

■ Provincial ■ Municipal

Sources: Alberta Treasury Board and Finance, Alberta Municipal Affairs.

### Education Property Tax Requisition\* (\$ millions)

Fiscal year	2014-15	2015-16	Percent Change
Residential	1,277	1,353	6.0
Non-Residential	825	900	9.1
Total	2,102	2,253	7.2
Calendar year	2014	2015	Percent Change
Residential	1,273	1,332	4.6
Non-Residential	821	886	7.9
Total	2,094	2,218	5.9

\* The 2015 residential/farmland rate will decrease from \$2.53 to \$2.50 per \$1,000 of equalized assessment and the non-residential rate will decrease from \$3.72 to \$3.67 per \$1,000 of equalized assessment.



## Revenue

Even with the personal and corporate tax rates and changes to fees and charges, provincial revenue will only be about \$400 million higher than originally planned.

Albertans will continue to pay the

lowest overall taxes compared to other provinces, with no provincial sales tax, no payroll tax, no health care premiums and the lowest gasoline taxes. When all changes announced in the budget are fully implemented, Alberta will still maintain an overall tax advantage of at least \$8.5 billion.

While the government has embarked on a review of the energy royalty system, no changes will be made until 2017.

## Budget 2015 Consolidated Revenue

(millions of dollars)	2014-15 Actual	2015-16 Estimate	2016-17 Target	2017-18 Target
Income and Other Taxes	21,436	22,099	23,121	23,803
Non-Renewable Resource Revenue	8,948	2,768	3,412	4,365
Transfers from Government of Canada	5,982	6,984	7,288	7,559
Investment Income	3,113	2,820	2,564	2,512
Net Income from Government Business Enterprises	2,665	2,736	2,822	3,003
Premiums, Fees and Licences	3,564	3,687	3,734	3,854
Other	3,773	2,694	2,769	2,823
<b>Total Consolidated Revenue</b>	<b>49,481</b>	<b>43,788</b>	<b>45,710</b>	<b>47,919</b>

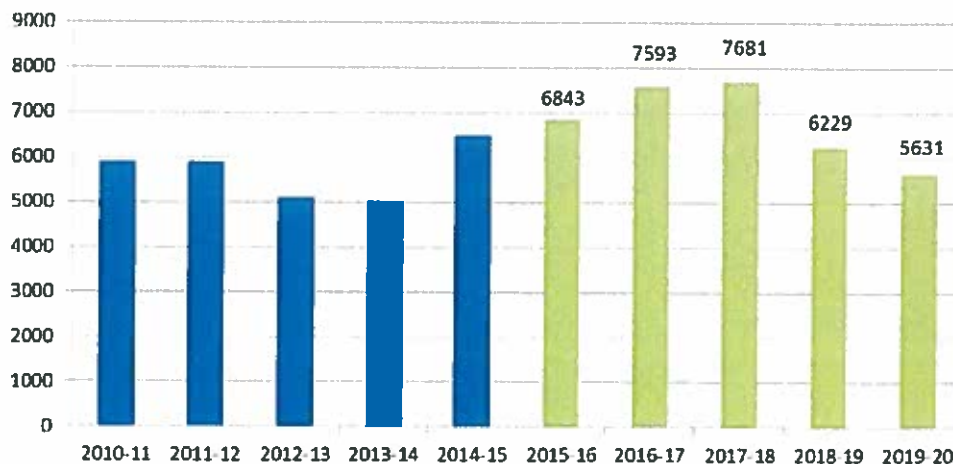
## Capital Plan

The \$34 billion five-year capital plan is intended to create jobs, get Alberta's economy moving and upgrade or expand existing infrastructure. Of this, almost \$10 billion is for municipal infrastructure and community facilities, spanning public transit (\$330 million) and transportation, water and wastewater facilities and flood recovery and mitigation projects.

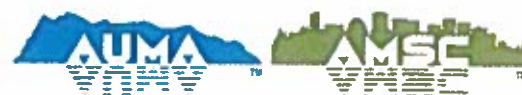
The budget is projecting \$6.9 billion in core government infrastructure spending in 2015-16, rising to \$7.6 billion in 2016-17 and \$7.7 billion in 2017-18.

## Capital Plan 2015-2020 (Core Government)

(millions of dollars)



Data Source: Alberta Treasury Board and Finance



Highlights of the 2015-2020 Capital Plan include:

- \$8.6 billion for municipal infrastructure including the Municipal Sustainability Initiative which is targeted to increase in future years;
- \$2.2 billion to build and expand health infrastructure;
- \$4.7 billion for roads and bridges including the Edmonton and Calgary ring roads and Highways 63, 28 and 19;
- \$3.8 billion for schools;
- \$1.6 billion for government facilities including courthouse renewal, wildfire towers and camps, and the Alberta First Responders Radio Communications System;
- \$926 million for flood recovery and mitigation projects;
- \$706 million for water and wastewater management;
- \$581 million for post-secondary facilities including NAIT Centre for Applied Technology, Red Deer College Multiplex, University of Calgary Schulich School of Engineering, and Lethbridge College Trades and Technology;
- \$454 million for community facilities; and,
- \$387 million for rural and urban sustainable housing renewal.

## Capital Plan Details (millions of dollars)

	2015-16 Estimate	2016-17 Target	2017-18 Target	2018-19 Target	2019-20 Target	5-Year Total
<b>Municipal Infrastructure Support</b>						
Municipal Sustainability Initiative:						
Municipal Sustainability Initiative – Capital	498	896	896	846	776	3,912
Basic Municipal Transportation Grant	350	360	370	380	391	1,851
Federal Gas Tax Fund	209	219	219	229	229	1,105
GreenTRIP	166	175	205	200	200	946
Transit Initiatives	-	100	100	130	-	330
New Building Canada – Small Communities Fund	56	74	31	17	10	188
New Building Canada Fund	30	30	30	30	30	150
Strategic Transportation Infrastructure Program	19	-	35	65	-	119
<b>Total Municipal Infrastructure Support</b>	<b>1,328</b>	<b>1,854</b>	<b>1,886</b>	<b>1,897</b>	<b>1,636</b>	<b>8,601</b>

Much of the capital plan will be funded through direct borrowing (\$29.9 billion over 5 years).

## Operating

Operating expenditures in 2015-16 are forecasted to be \$49.9 billion, an increase of \$1.5 billion over the 2014-15 budget.

Similar to prior years, health and education and social services account for about 75 per cent of spending.

Health spending includes the implementation of a new mental health and addictions strategy (\$10 million), the creation of 2,000 new public long term care spaces over four years and a phase in of a new model for expanded public homecare.



Education spending reflects the reversal of the three per cent reduction to school boards that had been proposed by the prior government, a decrease to school fees and funding for a school nutrition program. There is a two year tuition freeze for post secondary institutions and a two per cent increase to base operating funding.

The spending for human services reflects additional investments in child care, child intervention, FCSS and adding beds to women's shelters.

With a budget of \$299 million, the newly created ministry of Economic Development and Trade will strive to build a more diversified and stronger economy. \$50 million in new funding over two years has been allocated for the Alberta Enterprise Corporation and \$10 million per year for enhanced community development initiatives. As well, \$178 million is budgeted over two years for job creation incentive grants.

The budget included \$1 million for 2015-16 and another \$3 million in the following year to implement the UN Declaration on the Rights of Indigenous Peoples.

Total public sector compensation is budgeted at about \$25 billion in 2015-16, and is forecasted to rise by about 2.5 per cent per year over the following two years. While continued hiring restraint by government departments will limit the growth in public sector employment, there will be increases in front-line staffing for school boards and Alberta Health Services. In addition, Budget 2015 will honour all existing collective bargaining agreements.

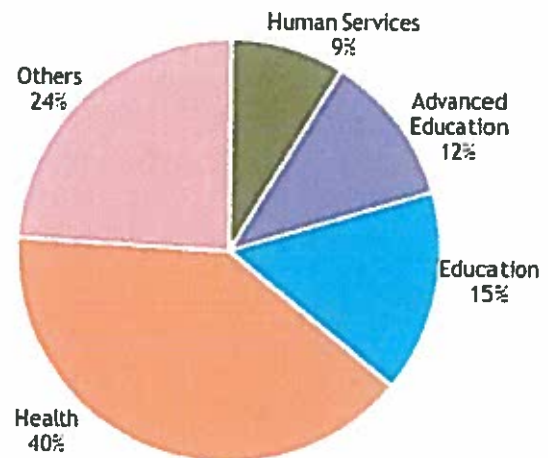
The province is undertaking a comprehensive review of agencies, boards and commissions. It is expected that this could have an impact on some municipal processes.

### Conclusion and Next Steps

Budget 2015 signals some significant progress in AUMA's call for municipal funding. Despite unprecedented low resource revenue and a challenging fiscal environment, the province has acknowledged the imperative to invest in municipal infrastructure. It is reassuring that the new government is working with municipalities to begin to address the \$26 billion municipal infrastructure deficit, particularly regarding transportation/transit and water and wastewater facilities.

As conditional grants are not a sustainable funding solution, AUMA will continue to use the MGA review to press for substantive reforms to the way in which municipalities are funded.

### Operating Expense by Ministry





# DRUMHELLER

## CORPORATE SERVICES



To: Mayor and Council

Date: October 28, 2015

Subject: **2015 Provincial Budget- Impact on Drumheller**

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On October 27<sup>th</sup>, 2015, the newly elected NDP government presented their 2015-16 budget. Since then several papers providing analysis of the budget have become available and are being circulated through several sources including AUMA.

Following is a summary of the budget items that will have a direct impact on the Town of Drumheller.

**1. Increase to personal and corporate tax rates**

- Less disposable income for ratepayers may make it more difficult to absorb any increases to municipal tax

**2. Elimination of the Grant in Lieu of Taxes (GILT) on government owned and supported social housing**

- Municipal taxes assessed against properties managed by Drumheller Housing Administration and the Drumheller and District Seniors Foundation have been supported through this grant program.
- Revenue budgeted for 2015 is \$62,500. This revenue will not be realized. At this point in time, barring any additional unforeseen operational expense, it is expected that we will see an operational surplus this year that will likely fund the shortfall of 2015 GILT;
- Moving forward, the revenue no longer realized through GILT will have to be collected from Drumheller ratepayers through an increase to the mill rate or a decrease in services.

**3. Education Tax increasing provincially by 5.9% (calendar year)**

- Based on equalized assessment, the true effect on Drumheller rate payers is undetermined at this time however,
- all things remaining equal, it is expected that there will be an increase of 4.6% to residential allocation portion and 7.9% increase to the non-residential allocation portion of the annual education tax requisition

**4. Traffic Fine Fee expense and Revenue increase**

- Fine revenue generated within our boundaries is collected by the provincial government and distributed back to the municipality. For this, an administration fee is charged. Currently at 16.67%, the administration fee charged to municipalities is increasing by 10% to 26.67%
- Average traffic ticket has been increased by 35%, which will offset the increased administration fee. The 2015 budget included a provision of \$120,000 in fine revenue.

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**5. MSI Operating, MSI Capital, BMTG Grants**

- MSI operating budget remained the same
- MSI capital saw slight increase
- BMTG saw slight increase (6.1 million provincially)

**6. Family, Community Support Services (FCSS)**

- Budget increased by 25million provincially, confirming previous notification of increase to annual operating grant

**7. Public Library funding increase**

- Drumheller library will see a very modest increase of \$0.10 per capita however, being somewhat behind, the population stats will be updated to 2014 which may result in an additional boost

**8. Policing Grant and New Police Officer Program**

- Both grant programs remain in place with slight increase to policing grant to reflect provincial population growth

**9. Flood Mitigation (2015-2020 Capital Plan)**

- The budget includes \$926million for flood recovery and mitigation programs over the next five years. The Town of Drumheller has multiple flood mitigation applications that have been submitted for funding approval

New/Modified Program(s)

**10. Alberta Community Partnership – 40 million budget**

- Formerly known as the Regional Collaboration Grant, this program was temporarily suspended. Now renamed, program details will be released later in the fall. Focus on regional collaboration and working partnerships remains high with an expectation that municipalities work together to maximize taxpayer funded resources [1]. Administration will continue to work to identify areas where we can partner with our neighbouring municipalities in order to access this funding

**11. Municipal Transit Initiative – 30 million budget (New)**

- Little program information available at this time, unsure if Drumheller needs will fit into program requirement

[1] Alberta Treasury Board and Finance – October 27<sup>th</sup>/15 response to AUMA