

**Town of Drumheller
COUNCIL MEETING
AGENDA**

November 26, 2018 at 4:30 PM
Council Chamber, Town Hall
224 Centre Street, Drumheller, Alberta



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1.0 CALL TO ORDER

2.0 MAYOR'S OPENING REMARK

3.0 ADOPTION OF AGENDA

4.0 MINUTES

4.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

4-9 4.1.1 Regular Council Meeting Minutes of November 13, 2018

10-11 4.1.2 Special Council Meeting Minutes of November 19, 2018

4.2. MINUTES OF MEETING PRESENTED FOR INFORMATION

4.3. BUSINESS ARISING FROM THE MINUTES

5.0 DELEGATIONS

5.1 Trisha Sewell - EDO - Cactus Corridor Economic Development Corporation - Dinosaur Trail Signate

5.2 SPARKS - Leslie Pepper (to be in attendance at 6:00 PM)

6.0 REQUEST FOR DECISION REPORTS

6.1. CAO

12-48 6.1.1 Bylaw 13.18 ATCO Franchise Agreement - second and third readings

49 6.1.2 Bylaw 16.18 being a bylaw to amend the Land Use Bylaw 10.08 by redesignating Plan 4317CQ, Block 1 Lots 24 and 25 - first reading

50-52 6.1.3 Bylaw 17.18 being a bylaw for the purpose of implementing a non residential development incentive program - first reading

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6.1. CAO

- 53 6.1.4 Bylaw 19.18 being a bylaw for the purpose of waiving fees for new businesses in existing non residential vacant buildings - first reading
- 54-62 6.1.5 Bylaw 21.18 being a bylaw to set the 2019 utility rates - first reading
- 63 6.1.6 Draft Bylaw 22.18 being a bylaw for the purpose of implementing a tax incentive program for owners of an existing non residential vacant building
- 64-65 6.1.7 RFD - Appointment to Economic Development Advisory Committee

6.2. DEPUTY CAO / DIRECTOR OF CORPORATE SERVICES

6.3. DIRECTOR OF INFRASTRUCTURE SERVICES

6.4. DIRECTOR OF EMERGENCY / PROTECTIVE SERVICES

6.5. REVIEW OF STRATEGIC BUSINESS PLAN WORK PRIORITIES

- 6.5.1 CAO - Toboggan Hill Lease
CAO (Economic Development Officer) - Dino Brand Standards
CAO (Infrastructure Director) - Recycling Options Survey

7.0 PRESENTATION OF QUARTERLY REPORTS BY ADMINISTRATION

8.0 PUBLIC HEARING TO COMMENCE AT 5:30 PM

- 66 8.1 Public Hearing to consider Bylaw 14.18 to amend the Land Use Bylaw 10.08 Section 56 "Home Occupations"

9.0 PUBLIC HEARING DECISIONS

- 67 9.1 Bylaw 14.18 - second and third readings

10.0 UNFINISHED BUSINESS

11.0 NOTICE OF MOTION

12.0 COUNCILLOR REPORTS

13.0 IN-CAMERA MATTERS

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13.0 IN-CAMERA MATTERS

13.1 Labour Matter (*FOIPP* Section 23) - Long Service Awards

13.2 Labour Matter (*FOIPP* Section 17) - CAO Review

**Town of Drumheller
COUNCIL MEETING
MINUTES**

November 13, 2018, 2018 at 5:30 PM
Council Chamber, Town Hall
224 Centre Street, Drumheller, AB, T0J 0Y4



PRESENT:

MAYOR:

Heather Colberg

COUNCIL:

Kristyne DeMott

Jay Garbutt

Lisa Hansen-Zacharuk

Tony Lacher

Fred Makowecki

Tom Zariski

CHIEF ADMINISTRATIVE OFFICER:

Darryl Drohomerski

DEPUTY CAO / DIRECTOR OF CORPORATE SERVICES:

Barb Miller

DIRECTOR OF EMERGENCY PROTECTIVE SERVICES:

Greg Peters

COMMUNICATIONS OFFICER:

Julia Fielding

RECORDING SECRETARY:

Linda Handy

CALL TO ORDER

Mayor Heather Colberg called the meeting to order at 5:30 PM.

2.0 MAYOR'S OPENING REMARK

Mayor Heather Colberg thanked the Legion, schools and East Coulee for organizing Remembrance Day Services.

Mayor Colberg announced the Festival of Lights events to be held on November 17th commencing at 4:00 PM. She stated that the stunning Christmas tree was donated by Darcy Manziak.

Councillor L. Hansen-Zacharuk congratulated the Drumheller Dynos Junior A Valleyball team who took the gold medal.

3.0 PUBLIC HEARING

4.0 ADOPTION OF AGENDA

MO2018.179 Lacher, DeMott moved to adopt the agenda as amended. Carried Unanimously.

5.0 MINUTES

5.1. ADOPTION OF REGULAR COUNCIL MEETING MINUTES

5.1.1 Organizational Meeting Minutes of October 29, 2018

MO2018.180 Zariski, Hansen-Zacharuk moved to approve the Organizational Meeting Minutes of October 29, 2018 as presented. Carried unanimously.

Regular Council Meeting Minutes of October 29, 2018

MO2018.181 Garbutt, Hansen-Zacharuk moved to approve the Regular Council Meeting Minutes of October 29, 2018 as presented. Carried Unanimously.

5.2 MINUTES OF MEETING PRESENTED FOR INFORMATION

- 5.2.1 Municipal Planning Commission Meeting Minutes of October 5, 2018
- Municipal Planning Commission Meeting Minutes of October 11, 2018

6.0 DELEGATIONS

7.0 COMMITTEE OF THE WHOLE RECOMMENDATIONS

8.0 REQUEST FOR DECISION REPORTS

8.1. CAO

8.1.1 Bylaw 09.18 being a bylaw to close a portion of an unused and undeveloped public street (6th Street West) – second and third readings

D. Drohomerski advised Bylaw 09.18 was given first reading at Council's meeting of July 9th and a public hearing was held on August 20th. He explained that the bylaw results from a homeowner hiring a contractor to construct a deck and the contractor chose not to go through the proper permitting. He further advised that upon inspection of the property, it was determined that the deck was too close to the sidewalk. He explained that the Town issued a Stop Order as the Real Property Report showed that the deck was one foot onto Town property. He further explained that the Town does not need this strip of land and will sell the land to the property owner as well as the property owner being responsible to pay the survey and consolidation of the parcel costs. He explained that the bylaw has been signed off by the Minister of Transportation. He recommended that Council proceed to second and third readings.

MO2018.182 Garbutt, Zariski moved second reading of Bylaw 09.18.

Councillor T. Zariski requested Administration to prepare a policy that sets out sanctions in place for contractors who are irresponsible in obtaining the proper development permits.

Vote on Motion: Carried unanimously.

MO2018.183 Garbutt, Hansen-Zacharuk moved third reading of Bylaw 09.18. Carried unanimously

8.1.2 Bylaw 18.18 being a bylaw to close a portion of an unused and undeveloped street (Newcastle Area) – first reading

D. Drohomerski advised that Bylaw 18.18 proposes to close a portion of roadway which has been a long standing issue where the adjacent property owner has been using the land. He explained that the town intends to retain some of this land for flood mitigation purposes with the unused portion of the roadway to be sold to the adjacent property owner. He further explained that a public hearing will be held on December 10th.

MO2018.184 Zariski, Hansen-Zacharuk moved first reading of Bylaw 18.18. Carried unanimously.

8.1.3 RFD – 2018 / 2019 Strategic Business Plan

D. Drohomerski presented the 2018 / 2019 Strategic Business Plan based on Council and Administration's workshop held on October 4th with Gord McIntosh. He explained that dates for bringing forward items to Council for status updates have been added to the work priorities.

MO2018.185 DeMott, Hansen-Zacharuk moved to adopt the 2018/2019 Strategic Business Plan as presented.

Councillor J. Garbutt requested that in addition to a status update, he would like a request for extension with the rationale as well as whether resources are needed in light of the fact that there are significant staff vacancies.

Vote on Motion: Carried unanimously.

8.1.4 RFD – Recognition Policy 4.02.10.16

D. Drohomerski advised that former policy existed for staff since 2002 and the recognition gift for service awards is dated (lapel pins). He stated that the policy has been updated with recognition for resignation and retirement to be local gift cards and the recognition for long service awards in five year increments to be local gift cards or days off.

MO 2018.186 Makowecki DeMott moved to adopt Recognition Policy 4.02.10.16 as amended. Carried unanimously.

8.1.5 RFD – Appointment to the Drumheller Public Library Board

D. Drohomerski advised that further to Council's appointment of two members to the Drumheller Public Library Board at their Organizational Meeting of October 29th, one vacancy still remains. Caleb Brown's application has now been reviewed by the Library Board and they have provided a recommendation in favour of Caleb's appointment.

MO2018.187 Lacher, Makowecki moved that Council accept the recommendation of the Drumheller Public Library Board and approve the appointment of Caleb Brown for a three year term to the Drumheller Public Library Board expiring on the date of Council's 2021 Annual Organizational Meeting. Carried unanimously.

8.1.6 Draft Bylaw to provide a Tax Incentive for Non Residential Property

D. Drohomerski presented the draft bylaw as a result of Councillor Fred Makowecki's recommendation to Council at the meeting of October 29th. He explained that the Municipal Government Act does not allow for multi-year tax waivers and the Town's bylaw is annually based – one year waiver of municipal taxes for new development up to a tax waiver of \$25,000 or renovations up to a maximum of \$50,000 new assessment. He further stated that a tax waiver for a first year new build or renovations would not impact the budget. He further explained that first year waiver of taxes would be granted after construction and occupancy. Council requested that the bylaw be presented for first reading at their meeting of November 26th.

8.1.7 Draft Bylaw for the purpose of waiving fees for New Businesses in Existing Vacant Buildings

D. Drohomerski presented the draft bylaw, explaining that the bylaw proposes incentives for occupying a vacant building which is geared towards the tenant of the building, not the building owner. He explained that the total tax incentive for the tenant would be in the range of \$1000 for development / building permit fees and a business license fee. Council requested that the bylaw be presented for first reading at their meeting of November 26th. Councillor Tony Lacher stated that the component missing would be a tax incentive for a new business owner based on purchasing a vacant building. CAO D. Drohomerski agreed and stated that a draft bylaw would be prepared for Council's review.

8.1.8 RFD – Amendment to Policy C-01-01 Derelict Building Removal and Redevelopment Program

D. Drohomerski presented Policy C-01-01 Derelict Building Removal and Redevelopment Program with amendments to allow for residential priorities a credit towards taxes of \$2,000 with submission of receipts and for commercial priorities a \$5,000 credit towards taxes with submission of receipts.

MO2018.188 Garbutt, DeMott moved that Council approve Policy C-01-01 Derelict Building Removal and Redevelopment Program with the following amendment: Clause 9 – Upon issue of occupancy permit and submission of landfill receipts, the Town will apply the rebate to the property taxes of the subject property in the following manner: a. Total Tax Rebate shall be (i) for residential assessed properties - \$2,000 with submission of receipts; and (ii) for commercial assessed properties - \$5,000 with submission of receipts.

In response to a question from Council, D. Drohomerski explained that although the average demolition cost for a house is in the range of \$700, the property owner would be able to offset other costs of the demolition with the new credit amount. He further stated that any large size commercial building demolition cost should come back to Council for a discussion.

Councillor T. Zariski requested that Administration prepare a policy on brownfields with a possible tie into a provincial component.

Vote on Motion: Carried unanimously.

8.1.9 RFD – Amendment to Storefront Grant Program

MO2018.189 Garbutt, Hansen-Zacharuk moved to table Item 8.1.9 until after budget deliberations. Carried unanimously.

8.2. DIRECTOR OF INFRASTRUCTURE SERVICES

8.3 DIRECTOR OF CORPORATE SERVICES

8.3.1 RFD – Request for Waiver of 2018 Property Tax Penalty

B. Miller presented a request to waive the property tax penalty because the property owner paid by online banking resulting in a delay of processing the payment to the Town. She explained that the staff has done a significant amount of work to advise of the online payment delay via the website, Town Page and radio (the message did state that the date for online banking payment had expired).

MO2018.190 Zariski, Lacher moved that Council approve the request to waive penalties against roll no's 08010506 and 17007808 assessed due to outstanding 2018 property tax.

In response to a request from Council, B. Miller explained that an amendment to the tax penalty bylaw will come forward in February with wording that taxes are due to be paid on August 31st however the Town will allow five (5) days grace period if paying by online banking. She stated that the date paid at the bank must be stamped Aug 31st.

Vote on Motion: Defeated unanimously.

8.3.2 RFD – Extension for Remuneration Task Force Report to Council

B. Miller advised that the Remuneration Task Force has requested more time to prepare their report to Council on or before December 17th.

MO2018.191 Makowecki, Zariski moved that Council grant an extension to the Remuneration Task Force to mid-December. Carried unanimously.

8.4 DIRECTOR OF COMMUNITY SERVICES

8.5 DIRECTOR OF EMERGENCY / 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 CLOSED MEETING MATTERS

MO2018.192 Hansen-Zacharuk, Garbutt to go into closed meeting of Council at 5:50 PM. Carried unanimously.

14.1 Legal Matter (*FOIPP Section 23 – Local Public Body Confidences*) Visitor Information Centre

MO2018.193 Zariski, Lacher moved to revert to open meeting of Council at 8:07 PM. Carried unanimously.

There being no further business, Mayor Heather Colberg adjourned the meeting at 8:07 PM.

Chief Administrative Officer

Mayor

**Town of Drumheller
SPECIAL COUNCIL MEETING
MINUTES**

November 19, 2018, 2018 at 4:30 PM
Council Chamber, Town Hall
224 Centre Street, Drumheller, AB, T0J 0Y4



PRESENT:

MAYOR:

Heather Colberg

COUNCIL:

Kristyne DeMott

Jay Garbutt

Tony Lacher

Fred Makowecki

Tom Zariski

CHIEF ADMINISTRATIVE OFFICER:

Darryl Drohomerski

DEPUTY CAO / DIRECTOR OF CORPORATE SERVICES:

Barb Miller

DIRECTOR OF EMERGENCY / PROTECTIVE SERVICES:

Greg Peters

COMMUNICATIONS OFFICER:

Julia Fielding

RECORDING SECRETARY:

Linda Handy

ABSENT: Councillor Lisa Hansen-Zacharuk

CALL TO ORDER

Mayor Heather Colberg called the meeting to order at 4:30 PM.

2.0 CAO

RFD – DISASTER MITIGATION AND ADAPTATION FUND

D. Drohomerski advised that the Town of Drumheller's plans are to implement a flood mitigation and climate adaptation system for the entire community. He explained that for the past two decades Drumheller has been challenged with rising waters, ice jams and storms along with declarations of a State of Local Emergency to combat rising floodwaters. Drumheller will be submitting an application under the Disaster Mitigation and Adaptation Fund to the Federal and Provincial governments to help pay for this system. He stated that the funding for this project will be cash flowed over several years with the total commitment for the Town being \$5.0M.

MO2018.SP01 Zariski, Lacher moved that Council approve \$5.0M as the Town's share of funding under the Federal government's Disaster Mitigation and Adaptation Fund to build a climate adaptable dyke system along a 40 km stretch of the Town of Drumheller in the Red Deer River Basin..

In response to questions from Council, D. Drohomerski confirmed that this would be a further commitment from the Town of \$4M as \$1M has already been earmarked for flood mitigation. He further advised that the Town has a policy in place, stating that the Town debt will not exceed 60% of provincially legislated debt limit. He stated that the Provincially legislated debt limit for the Town is \$30M ceiling (1.5x estimated 2017 revenue) – Policy C-02—04 sets a self imposing debt limit for the Town at 60% which equates to \$18M. The total debt for year end 2018 is \$9.2M so we are at 51% of our self imposing debt limit. The remaining debt limit available as per Policy C-02-04 is \$8.8M. He further confirmed that the borrowing is dependent on the funding approval and if approved, the cash will be flowed appropriately as the project moves forward. Councillor J. Garbutt explained that any borrowing needs to be spread out through the life span of the infrastructure.

Vote on Motion: Carried unanimously.

There being no further business, Mayor Heather Colberg adjourned the meeting at 4:40 PM.

Chief Administrative Officer

Mayor

TOWN OF DRUMHELLER

BYLAW NO. 13.18

A Bylaw of the Municipality to authorize the Mayor and Chief Administrative Officer to enter into an agreement granting ATCO ELECTRIC LTD., (the “**Company**”), the right to provide electric distribution service within the Municipality.

WHEREAS pursuant to the provisions of the Municipal Government Act R.S.A. 2000 c. M-26, as amended (the “**Act**”), the Municipality desires to grant and the Company desires to obtain, an exclusive franchise to provide electric distribution service within the Municipality for a period of ten (10) years subject to the right of renewal as set forth in the said agreement and in the said Act;

WHEREAS the Council of the Municipality and the Company have agreed to enter into an Electric Distribution System Franchise Agreement (the “**Agreement**”), in the form annexed hereto;

WHEREAS it is deemed that the Agreement would be to the general benefit of the consumers within the Municipality.

NOW THEREFORE the Council of the Municipality enacts as follows:

- 1) THAT the Electric Distribution System Franchise Agreement, a copy of which is annexed hereto as Schedule “A”, be and the same is hereby ratified, confirmed and approved, and the Mayor and Chief Administrative Officer are hereby authorized to enter into the Electric Distribution System Franchise Agreement for and on behalf of the Municipality, and the Chief Administrative Officer is hereby authorized to affix thereto the corporate seal of the Municipality.

- 2) THAT the Electric Distribution System Franchise Agreement annexed hereto as Schedule “A” is hereby incorporated in, and made part of, this Bylaw.

...

Agenda Item # 6.1.1

- 3) THAT the Council consents to the exercise by the Company within the Municipality of any of the powers given to the Company by the Water, Gas and Electric Companies Act, R.S.A. 2000 c. W-4, as amended.

- 4) THAT this Bylaw shall come into force upon the Electric Distribution System Franchise Agreement being approved by the Alberta Utilities Commission and upon being given third reading and finally passed.

Read a First time in Council assembled this 20th day of August, 2018

Read a Second time in Council assembled this ____ day of _____, 201__.

Read a Third time in Council assembled and Passed this ____ day of _____, 201__.

Mayor (seal)

Chief Administrative Officer

ELECTRIC DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

BETWEEN

Town of Drumheller

- AND -

ATCO Electric Ltd.

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ELECTRIC DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

THIS AGREEMENT made effective the ____ day of _____, 20__.

BETWEEN:

Town of Drumheller,
a Municipal Corporation located in the Province of Alberta
(the “Municipality”)

OF THE FIRST PART

- and -

ATCO Electric Ltd.,
a body corporate and public utility with its
head office in the Edmonton in the Province of Alberta
(the “Company”)

OF THE SECOND PART

WHEREAS:

The Municipality desires to grant and the Company desires to obtain an exclusive franchise to provide Electric Distribution Service within the Municipal Service Area on the terms and conditions herein contained;

NOW THEREFORE:

In consideration of the mutual covenants and promises herein contained, the Parties hereby agree as follows:

1) DEFINITIONS AND INTERPRETATION

Unless otherwise expressly provided in this Agreement, the words, phrases and expressions in this Agreement shall have the meanings attributed to them as follows:

- a) **“Commission”** means the Alberta Utilities Commission, as established under the Alberta Utilities Commission Act (Alberta);
- b) **“Company”** means the Party of the second part to this Agreement and includes its successors and assigns;
- c) **“Construct”** means constructing, reconstructing, upgrading, extending, relocating or removing any part of the existing Distribution System or proposed Distribution System;
- d) **“Consumer”** means any individual, group of individuals, firm or body corporate, including the Municipality, with premises or facilities located within the Municipal Service Area from time to time that are provided with Electric Distribution Service by the Company pursuant to the Company’s Distribution Tariff;
- e) **“Core Services”** means all those services set forth in Schedule “A”;
- f) **“Detailed Street Light Patrol”** means a detailed street light patrol of Company-owned street lights conducted by the Company on a schedule reasonably determined by the Company from time to time, currently a seven to nine year cycle as at the date of this Agreement;
- g) **“Distribution System”** means any facilities owned by the Company which are used to provide Electric Distribution Service within the Municipal Service Area, and, without limiting the generality of the foregoing, shall include street lighting, where applicable, and poles, fixtures, luminaires, guys, hardware, insulators, wires, conductors, cables, ducts, meters, transformers, fences, vaults and connection pedestals, excluding any transmission facilities as defined in the EUA;
- h) **“Distribution Tariff”** means the Distribution Tariff prepared by the Company and approved by the Commission on an interim or final basis, as the case may be;
- i) **“Electric Distribution Service”** means electric distribution service as defined in the EUA;
- j) **“Electronic Format”** means any document or other means of communication that is created, recorded, transmitted or stored in digital form or in any other intangible form by electronic, magnetic or optical means or by any other computer-related means that have similar capabilities for creation, recording, transmission or storage;
- k) **“EUA”** means the *Electric Utilities Act* (Alberta);
- l) **“Extra Services”** means those services set forth in Schedule “B” that are requested by the Municipality for itself or on behalf of a Consumer and provided by the Company in accordance with Article 7;
- m) **“First Subsequent Term”** means the Term of this Agreement as set out in Article 3;
- n) **“HEEA”** means the *Hydro and Electric Energy Act* (Alberta);

Initials

- o) **“Initial Term”** means the Term of this Agreement as set out in Article 2;
- p) **“Maintain”** means to maintain, keep in good repair or overhaul any part of the Distribution System;
- q) **“Major Work”** means any work to Construct or Maintain the Distribution System that costs more than One Hundred Thousand (\$100,000.00) Dollars;
- r) **“MGA”** means the *Municipal Government Act* (Alberta);
- s) **“Municipal Property”** means all property, including lands and buildings, owned, controlled or managed by the Municipality within the Municipal Service Area;
- t) **“Municipal Service Area”** means the geographical area within the legal boundaries of the Municipality as altered from time to time;
- u) **“Municipality”** means the Party of the first part to this Agreement;
- v) **“Operate”** means to operate, interrupt or restore any part of the Distribution System in a safe and reliable manner;
- w) **“Party”** means any party to this Agreement and **“Parties”** means all of the parties to this Agreement;
- x) **“Plans and Specifications”** means the plans, drawings and specifications reasonably necessary to properly assess and review proposed Work prior to issuing any approval that may be required under this Agreement;
- y) **“Second Subsequent Term”** means the Term of this Agreement as set out in Article 3;
- z) **“Term”** means, as the context requires, the Initial Term, First Subsequent Term or the Second Subsequent Term, and **“Terms”** means all of them;
- aa) **“Terms and Conditions”** means the terms and conditions contained within the Distribution Tariff in effect from time to time for the Company as approved by the Commission; and
- bb) **“Work”** means any work to Construct or Maintain the Distribution System.

The words “hereof”, “herein”, “hereunder” and other words of similar import refer to this Agreement as a whole, including any attachments hereto, as the same may from time to time be amended or supplemented and not to any subdivision contained in this Agreement. Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. References to provisions of statutes, rules or regulations shall be deemed to include references to such provisions as amended, modified or re-enacted from time to time. The word “including” when used herein is not intended to be exclusive and in all cases means “including without limitation”. References herein to a section, paragraph, clause, Article or provision shall refer to the appropriate Article in this Agreement. The descriptive headings of this Agreement are inserted for convenience of reference only and do not constitute a part of and shall not be utilized in interpreting this Agreement.

2) TERM

This Agreement shall be for an initial term (the "Initial Term") of ten (10) years, commencing on the later of:

- a) First day of November, 2017 or
- b) the first day after both of the following have occurred:
 - i) Commission approval of this Agreement; and
 - ii) the Municipality having passed third reading of the applicable adopting bylaw _____.

3) EXPIRY AND RENEWAL OF AGREEMENT

Following the expiration of the Initial Term, this Agreement shall be renewed for a further period of five (5) years (the "First Subsequent Term"), provided the Company gives written notice to the Municipality not less than twelve (12) months prior to the expiration of the Initial Term of its intention to renew this Agreement and the Municipality agrees in writing to the renewal not less than six (6) months prior to the expiration of the Initial Term.

- a) During the first (1st) year following the expiration of the Initial Term all the rights and obligations of the parties under this Agreement shall continue to be in effect. Following the expiration of the First Subsequent Term, the Parties agree that this Agreement may be extended for an additional five (5) year term (the "Second Subsequent Term") commencing at the end of the First Subsequent Term, provided that one of the Parties shall provide notice to the other Party of its wish to extend this Agreement for the Second Subsequent Term and the other Party confirms, no later than one (1) year prior to the end of the First Subsequent Term, that it also wishes to extend the Term of this Agreement for the Second Subsequent Term.
- b) If the Municipality has not provided notice to the Company to exercise its right under Article 10 to require the Company to sell the Distribution System within the Municipal Service Area to the Municipality, either Party may submit any items in dispute pertaining to the entering into of a new agreement to binding arbitration before the Commission who shall determine the terms of the new agreement;
- c) Unless either Party has provided notice to the other Party of its intent to terminate or to extend this Agreement, following any expiration of any Term, the respective rights and obligations of the Parties under this Agreement shall continue to be in effect for a period of one (1) year following the expiration of the applicable Term in order to provide the Parties with a reasonable opportunity to negotiate a subsequent agreement;

- d) Commencing one (1) year following the expiration or termination of any Term of this Agreement, unless either Party has invoked the right to arbitration referred to in subparagraph b), this Agreement shall continue to be in effect but shall be amended to provide for the following:
 - i) the franchise fee percentage used to calculate the franchise fee payable by the Company under Article 5 shall be reduced to fifty percent (50%) of the average annual franchise fee percentage used to calculate the franchise fee paid by the Company to the Municipality for the previous five (5) calendar years; and
 - ii) the costs of any relocation requested by the Municipality pursuant to Article 15 shall be paid by the Municipality.

4) GRANT OF FRANCHISE

- a) Subject to subparagraph b) below, and to the terms and conditions hereof, the Municipality hereby grants to the Company the exclusive right within the Municipal Service Area:
 - i) to provide Electric Distribution Service;
 - ii) to Construct, Operate, and Maintain the electric distribution system, as defined in the EUA, within the Municipal Service Area; and
 - iii) to use designated portions of roads, rights-of-way, and other lands owned, controlled or managed by the Municipality necessary to provide Electric Distribution Service or to Construct, Operate and Maintain the Distribution System, including the necessary removal, trimming of trees, shrubs or bushes or any parts thereof.

This grant shall not preclude the Municipality from providing wire services to municipally owned facilities where standalone generation is provided on site or immediately adjacent sites excepting road allowances. Such services are to be provided by the Municipality directly and not by any other third party wire services provider.

Subject to Article 12 of this Agreement, in the event that a third party (including a Rural Electrification Association (REA)) owns, operates or controls any electrical distribution facilities or lighting within the Municipal Service Area at any time during the Term of this Agreement, the Municipality agrees that it will support the Company's efforts, as is reasonable, to purchase such electrical distribution facilities or, to the extent that it has the authority to do so, the Municipality shall otherwise require such third party to sell such facilities to the Company. Where the Municipality supports the Company's efforts to purchase such electrical distribution facilities or, to the extent that it has the authority to do so, otherwise requires a third party to sell its facilities to the Company, the Company shall be responsible for

all reasonable fees, costs and disbursements of external legal counsel incurred by the Municipality in expending such good faith efforts.

b) The Company agrees to:

- i) bear the full responsibility of an owner of an electric distribution system within the Municipal Service Area and to ensure all services provided pursuant to this Agreement are provided in accordance with the Distribution Tariff, insofar as applicable;
- ii) Construct, Operate and Maintain the Distribution System within the Municipal Service Area;
- iii) use designated portions of roads, rights-of-way, and other lands including other lands owned, controlled or managed by the Municipality necessary to Construct, Operate and Maintain the Distribution System, including the necessary removal, trimming of trees, shrubs or bushes or any parts thereof; and
- iv) use the Municipality's roads, rights-of-way and other Municipal Property granted hereunder solely for the purpose of providing Electric Distribution Service and any other service contemplated by this Agreement.

5) FRANCHISE FEE

a) Calculation of Franchise Fee

In consideration of the provisions of Article 4 and the mutual covenants herein, the Company agrees to pay to the Municipality a franchise fee. For each calendar year, the franchise fee will be calculated as a percentage of the Company's actual revenue in that year from the Distribution Tariff rates charged for Electric Distribution Service within the Municipal Service Area, excluding any amounts refunded or collected pursuant to riders.

For the first (1st) calendar year of the Term of this Agreement, the franchise fee percentage shall be nine percent (9.0%).

By no later than September first (1st) of each year, the Company shall:

- i) advise the Municipality in writing of the revenues that were derived from the Distribution Tariff within the Municipal Service Area for the prior calendar year (excluding any amounts refunded or collected pursuant to riders); and
- ii) with the Municipality's assistance, provide in writing an estimate of revenues to be derived from the Distribution Tariff (excluding any amounts refunded or collected pursuant to riders) within the Municipal Service Area for the next calendar year.

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b) Adjustment to Franchise Fee

At the option of the Municipality, the franchise fee percentage may be changed annually by providing written notice to the Company.

If the Municipality wishes to amend the franchise fee percentage so that the amended franchise fee percentage is effective January first (1st) of the following calendar year, then the Municipality shall, no later than November first (1st) of the immediately preceding year, advise the Company in writing of the franchise fee percentage to be charged for the following calendar year.

If the Municipality provides such notice after November first (1st) of the immediately preceding year for a January first (1st) implementation, or at any other time with respect to a franchise fee change that will be implemented after January first (1st) of the following year, the Company will implement the new franchise fee percentage as soon as reasonably possible.

c) Franchise Fee Cap

The municipal franchise fee cap is twenty percent (20%) and shall not at any time exceed twenty percent (20%), unless there has been prior Commission approval and provided that the Municipality has complied with Article 5d) below.

d) Adjustment to Franchise Fee Cap

At the option of the Municipality, the franchise fee cap may be changed annually by providing written notice to the Company, subject to Commission approval. If the Municipality wishes to amend the franchise fee cap so that the amended franchise fee cap is effective January first (1st) of the following calendar year, then the Municipality shall, no later than November first (1st) of the immediately preceding year, advise the Company in writing of the franchise fee cap to be in effect for the following calendar year.

If the Municipality provides such notice after November first (1st) of the immediately preceding year for a January first (1st) implementation, or at any other time with respect to a franchise fee cap change that will be implemented for January first (1st) of the following year, the Company will recognize the new franchise fee cap as soon as reasonably possible, subject to Commission approval.

e) Payment of Franchise Fee

The Company shall pay the franchise fee amount, billed to each Consumer, to the Municipality on a monthly basis, within forty-five (45) days after billing each retailer.

f) Reporting Considerations

Upon request, the Company shall provide to the Municipality along with payment of the franchise fee amount, the financial information used by the Company to verify the franchise fee amount as calculated under this Article.

6) CORE SERVICES

The Company agrees to provide those Core Services to the Municipality as set forth in Schedule "A" and further agrees to the process contained in Schedule "A". The Company and the Municipality may amend Schedule "A" from time to time upon mutual agreement.

7) PROVISION OF EXTRA SERVICES

Subject to an agreement being reached on cost and other terms, the Company agrees to provide to the Municipality those Extra Services, if any, as set forth in Schedule "B", as requested by the Municipality from time to time.

The Company is entitled to receive from the Municipality a reasonable amount for the provision of those Extra Services in accordance with Schedule "B". The Company and the Municipality may amend Schedule "B" from time to time upon mutual agreement.

8) MUNICIPAL TAXES

Amounts payable to the Municipality pursuant to the terms and conditions hereof shall be in addition to the municipal taxes and other levies or charges made by the Municipality against the Company, its land and buildings, linear property, machinery and equipment, and the Distribution System.

9) RIGHT TO TERMINATE ON DEFAULT

In the event either Party breaches any material provision of this Agreement, the other Party may, at its option, provide written notice to the Party in breach to remedy such breach.

If the said breach is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required by the Party in breach using best efforts on a commercially reasonable basis to remedy the breach, the Party not in breach may give six (6) months notice in writing to the other Party of its intent to terminate this Agreement, and unless such breach is remedied to the satisfaction of the Party not in breach, acting reasonably, this Agreement shall terminate six (6) months from the date such written notice is given, subject to prior Commission approval.

10) SALE OF DISTRIBUTION SYSTEM

Upon the expiration of the Term of this Agreement, or the termination of this Agreement pursuant to the terms and conditions hereof or by operation of law or order of a governmental authority or court of law having jurisdiction, the Municipality may, subject to the approval of the Commission under Section 47 of the MGA, exercise its right to require the Company to sell to it the Distribution System within the Municipal Service Area pursuant to the provisions of the MGA or HEEA, as applicable. If the Parties are unable to agree on price or terms and conditions of the purchase, the unresolved matters shall be referred to the Commission for determination.

The Parties acknowledge that the Distribution System may be comprised of component parts that are not transferable by the Company to the Municipality including technologies

that have been licensed by third Parties to the Company, and therefore the Company may not be able to transfer such component parts to the Municipality on any such sale. However, the Company shall acting reasonably assist the Municipality in obtaining the necessary approval or consent to such transfer.

11) STREET LIGHTING

a) Investment Option Rate

The Company agrees to provide and maintain an investment option rate for street lighting within the Municipal Service Area to the level of service and standards specified in the appropriate rate for investment option street lighting. This Commission approved rate includes an allowance for the replacement of street lighting.

The Company will provide Company standard and non-standard street lighting under the investment option rate for street lighting. The Company will maintain an inventory of its standard street lighting as listed in its street lighting catalogue. The Company will use reasonable commercial efforts, based on prudent electrical utility practices, to carry stock of such inventory for a reasonable period of time.

- i) In the event that:
 - A. the Company, in its sole discretion, reasonably exercised, decides to change its classifications of what constitutes standard street lighting in its inventory and such change has relevance to the classes of street lights used by the Municipality, then the Company shall provide one (1) year’s prior written notice to the Municipality of its intention to effect such a change and will use its commercially reasonable good faith efforts to determine appropriate alternative sources of such equipment, and arrangements for the associated maintenance, for the Municipality; and
 - B. a change in the classifications of what constitutes standard street lighting in the Company’s inventory arises as a result of the actions of any third party and such change has relevance to the classes of street lights used by the Municipality, then forthwith upon becoming aware that such a change is forthcoming, the Company shall provide notice to the Municipality of the forthcoming change and will use its commercially reasonable good faith efforts to determine reasonable alternatives for such equipment, and arrangements for the associated maintenance, for the Municipality.
- ii) If:
 - A. the Municipality requests street lighting that is not part of the standard offering of the Company at the time;
 - B. the Municipality requests street lighting that was previously part of the standard street lighting inventory but, at the time of the applicable request, has ceased to be part of the standard street lighting offering of the Company; or

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- C. the Municipality converts nonstandard street lighting that is not part of the standard offering of the Company at the time to investment option rate street lighting under Article 11c) below;

then the Municipality will be required to enter into a non-standard lighting agreement with the Company, which form of agreement is referenced on the Company’s website or in the Company’s street lighting catalogue. For such non-standard lighting, the Company will not be responsible for paying a credit under Article 1b) of Schedule “C” to the Municipality to the extent that a delay in replacing the burnt out light is outside of the reasonable control of the Company, including any delay resulting from the failure by the Municipality to carry replacement parts for non-standard lighting.

The Company shall not be required to install any non-standard street lighting that does not meet the Company’s minimum specifications for street lighting, and such street lighting must be metered and owned, installed and operated by the Municipality.

The time periods and deadlines contained in Schedule "C" shall be extended for investment-rate, non-standard street lighting for the period of time, if any, the Company is waiting for receipt of non-standard equipment, supplies and materials from the Municipality.

b) No-Investment Option Rate

The Company and Municipality agree that all new street lighting provided, and any Municipality-requested relocation of any no-investment option rate street lighting, after the date of this Agreement will be provided or relocated, as the case may be, on the basis of the investment option rate. For no-investment option rate street lighting, the Company agrees to maintain street lighting within the Municipal Service Area to the level of service and standards specified in the appropriate rate for no-investment option rate street lighting. This Commission-approved rate does not include an allowance for the replacement of no-investment option rate street lighting.

c) Conversion of No-Investment Rate to Investment Option Rate

The Municipality has the option to convert all street lighting on the Company no-investment option street light rate to the Company investment option rate upon providing sixty (60) days written notice to the Company. Where such option is exercised, the Municipality has the right to obtain the Company investment for such street lighting up to the maximum Commission-approved Company investment levels for such street lighting. For the purpose of clarity, any calculation of “Commission-approved Company investment level” for street lighting in this Agreement shall be determined at the time of conversion of the applicable street lighting. The investment for street lighting shall be calculated according to the following formula:

$$A \times (1 - N/30)$$

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Where:

A = the maximum allowable Commission-approved Company investment level per street light; and

N = the age of the street light in years.

The Company will invest in all, but, unless otherwise decided by the Company in its sole discretion, not less than all, no-investment option street lighting within the Municipal Service Area that is converted to the investment option rate.

The Company, in consultation with the Municipality, may use the average age of street lights and the average contributions made by the Municipality in calculating refunds.

Once all the street lighting within the Municipal Service Area has been converted to the applicable Company investment option rate, the Company shall provide and maintain such street lighting within the Municipal Service Area to the level of service and standards specified in the appropriate rate for investment street lighting, and as set out in Schedule "C" of this Agreement.

d) Street Light Rates

The distribution rates charged by the Company to the Municipality for street lighting shall include only those costs and expenses that pertain to street lighting facilities all at rates approved by the Commission. Other terms and conditions for non-standard street lighting are outlined in the non-standard street lighting agreement between the Company and the Municipality.

e) Municipality Owned Street Lighting

Notwithstanding any other provision of this Article, it is understood and agreed that the Municipality shall have the right to own street lighting and to pay the applicable rate, recognizing the Municipality's ownership.

In such cases where the Municipality owns its street lighting, the Municipality agrees that:

- i) it will bear sole and full responsibility for any liability resulting therefrom and for properly operating, servicing, maintaining, insuring and replacing such street lighting in accordance with good and safe electrical operating practices;
- ii) such street lighting is not to form part of the Distribution System and shall be capable of being isolated from the Distribution System; and
- iii) such street lighting will be separately metered, provided that this provision will not necessarily require individual street lights to be separately metered.

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f) Street Light Inventory

The Company and the Municipality agree to meet annually to discuss and exchange information relating to street light facilities owned by each Party. The Company shall have the right, but not the obligation, to mark street lighting facilities owned by the Municipality. The form and place of marking used by the Company to mark street light facilities owned by the Municipality shall first be approved in writing by the Municipality, who shall act reasonably in granting or denying such approval.

Within twelve (12) months of any request by the Municipality, the Company shall provide to the Municipality an inventory of all street lighting facilities within the Municipal Service Area detailing those that:

- i) form part of the Distribution System owned by the Company, and upon request, indicate whether they are jointly used by the Company and a third party, or otherwise; and
- ii) are a dedicated street light facility, and upon request, indicate whether they are jointly used by the Company and a third party, or otherwise.

The inventory shall indicate which street lights are at the investment option rate or the no-investment option rate. Any changes to inventory will be updated on an annual basis. The Company will also conduct a Detailed Street Light Patrol and will update the inventory of street lighting facilities within the Municipality after completion of the patrol.

g) Detailed Street Light Patrol

Detailed Street Light Patrols shall include an inspection of each Company-owned street light as well as audit services to verify the quantity, wattage, rate, and ownership of such street lights. Any changes identified during the inspection or audit, in comparison to the then most recently completed previous audit, will be noted and the street light records will be updated after completion of the patrol. It should be noted that a Municipality with multiple street light circuits may not all be audited within the same calendar year, however, all street light circuits will be inspected and audited within the street light patrol cycle. Metered street lights owned by the Municipality will not be part of the Detailed Street Light Patrol and the Municipality is responsible for inspecting its own street lights. Upon request, the Company shall provide to the Municipality a list of the standard street light offerings of the Company at the time of the request.

As of the date of this Agreement, Detailed Street Light Patrols will be conducted by the Company on a seven to nine year cycle. In the event that the Company wishes to change the scheduling of this cycle, no such change in schedule will be effective without:

- i) the Company having provided the Municipality with prior notice of its intention to effect any such change; and
- ii) the Municipality having a reasonable amount of time to challenge such change before the Commission, if the Municipality wishes to do so.

12) INCREASE IN MUNICIPAL BOUNDARIES

Where the Municipal Service Area is increased through annexation or otherwise by:

- a) 640 acres or more; or
- b) less than 640 acres, but where such annexation or other increase constitutes at least 25% of the then current area;

the Municipality shall have the right to:

- i) purchase the portion of the Distribution System within the increased area provided that the Municipality gives notice in writing to the Company of its intention to purchase within ninety (90) days of the effective date of the increase in area. If the Parties are unable to agree on price or terms and conditions of the purchase, the unresolved matters shall be referred to the Commission for determination;
- ii) add the increased area to the Municipal Service Area already served by the Company so that the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Service Area, including the increased area, except that, and subject to Commission approval, the Municipality may require the Company to charge the Consumers within the increased area a different franchise fee percentage; or
- iii) add the increased area to the Municipal Service Area already served by the Company so that the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Service Area, including the increased area.

For all other increases to the Municipal Service Area through annexation or otherwise, the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Service Area, including the increased area. In the event that the Municipality increases its area and the result is that a third party (including an REA) owns, operates or controls any existing electrical distribution facilities or lighting within the newly increased area, the Municipality agrees that it will support the Company's efforts to purchase the electrical distribution facilities or, to the extent that it has the authority to do so, otherwise require such third party to sell such facilities to the Company, unless the Municipality otherwise exercises its rights under this Article, however, nothing in this

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Article will require the Municipality to take any action which will directly prevent the annexation from being approved.

Where the Municipality increases its area through annexation or otherwise, the Company shall be responsible for all reasonable external legal costs, fees and disbursements incurred by a Municipality in its efforts to have any electrical distribution facilities sold to the Company by any third party owner.

13) RIGHT OF FIRST REFUSAL TO PURCHASE

- a) If during the Term of this Agreement, the Company receives a bona fide arm's length offer to operate, take control of or purchase the Distribution System which the Company is willing to accept, then the Company shall promptly give written notice to the Municipality of the terms and conditions of such offer and the Municipality shall during the next ninety (90) days, have the right of first refusal to operate, take control of or purchase the Distribution System, as the case may be, for the same price and upon the terms and conditions contained in the said offer.
- b) This right of first refusal only applies where the offer pertains to the Distribution System and the right of first refusal does not apply to offers that include any other distribution systems or distribution facilities of the Company located outside of the Municipal Service Area. If such offer includes other distribution systems of the Company, the aforesaid right of first refusal shall be of no force and effect and shall not apply.

14) CONSTRUCTION AND MAINTENANCE OF DISTRIBUTION SYSTEM

a) Municipal Approval

Before undertaking any Major Work or in any case in which the Municipality specifically requests any Major Work, the Company will submit to and obtain the approval from the Municipality, or its authorized officers, of the Plans and Specifications for the proposed Major Work and its location. Approval by the Municipality shall not signify approval of the structural design or the ability of the Work to perform the function for which it was intended. The Company agrees that the Municipality may use such Plans and Specifications for any other proper municipal purpose provided that it shall not use such Plans and Specifications for any purpose or in any manner that may reasonably have an adverse effect on the Company without first obtaining the prior written consent of the Company, such consent not to be unreasonably withheld.

In the event that the Municipality uses such Plans and Specifications for any purposes whatsoever other than for the granting of an approval under this Article, the Municipality acknowledges and agrees that the Company shall not be liable for any liability, actions, demands, claims, damages, losses and expenses (including all legal fees, costs and disbursements) whatsoever as a result of the Municipality's use of or reliance upon such Plans and Specifications.

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For greater clarity, the Municipality acknowledges that the Company does not represent, warrant or guarantee the accuracy of the Plans and Specifications provided to the Municipality under this Article for any purpose other than enabling the Municipality to conduct its approval process in accordance with this Article. Prior to commencing any Work, the Company shall obtain such other permits as are required by the Municipality.

The Company shall obtain approval from the Municipality for any traffic lane or sidewalk closures required to be made at least forty-eight (48) hours prior to the commencement of the proposed Work.

For the purposes of obtaining the approval of the Municipality for Major Work under this Agreement, the Company will provide the Municipality with the Plans and Specifications for the proposed Major Work in Electronic Format (or upon request, the Company will provide the Municipality with a hard copy of the materials). The Plans and Specifications will include a description of the project and drawings of a type and format generally used by the Company for obtaining approvals from Municipalities, and will illustrate the proposed changes to the Distribution System. Notwithstanding anything to the contrary that may be contained in any approvals granted under this Agreement, as liability and indemnification are dealt with under the EUA (and the regulations promulgated thereunder) and in Article 19 of this Agreement, the Company and the Municipality agree that any approval granted under this Agreement that incorporates an indemnity provision different than the indemnification provisions set out in the EUA (and the regulations promulgated thereunder) and in Article 19 of this Agreement, shall, to the extent necessary to eliminate such difference, be deemed to be rejected and shall form no part of the agreement between the Company and the Municipality regarding the subject matter of this Agreement unless such approval:

- i) explicitly amends the liability and indemnification provisions of this Agreement, wherein this Agreement is specifically referenced as being superseded; and
- ii) is accepted in writing by both Parties. In addition, for the purpose of clarity, any approval granted under this Agreement shall be subject to the indemnification provisions set out in the EUA (and the regulations promulgated thereunder) and in Article 19 of this Agreement.

b) Restoration of Municipal Property

The Company agrees that when it or any agent employed by it undertakes any Work on any Municipal Property, the Company shall complete the said Work promptly and in a good and workmanlike manner and, where applicable, in accordance with the approved Plans and Specifications. Further, the Company shall forthwith restore the Municipal Property to the same state and condition, as nearly as reasonably possible, in which it existed prior to the commencement of such Work, subject to reasonable wear and tear and to the satisfaction of the Municipality acting reasonably. The Company shall, where reasonable and prudent, locate its poles, wires, conduits and cables down, through and along lanes in preference to streets.

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The Company further covenants that it will not unduly interfere with the works of others or the works of the Municipality. Where reasonable and in the best interests of both the Municipality and the Consumer, the Company will cooperate with the Municipality and coordinate the installation of the Distribution System along the designated rights-of-way pursuant to the direction of the Municipality. During the performance of the Work, the Company shall use commercially reasonable efforts to not interfere with existing Municipal Property. If the Company causes damage to any existing Municipal Property during the performance of any Work, it shall cause such damage to be repaired at its own cost to the same state and condition, as nearly as reasonably possible, in which it existed prior to the commencement of such Work, subject to reasonable wear and tear.

Upon default by the Company or its agent to repair damage caused to Municipal Property as set out above, the Municipality may provide written notice to the Company to remedy the default. If the default is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required and requested by the Company using best efforts on a commercially reasonable basis to remedy the default, the Municipality may undertake such repair work and the Company shall be liable for the reasonable costs thereof.

c) Urgent Repairs and Notification to Municipality

If any repairs or maintenance required to be made to the Distribution System are of an urgent nature because of safety concerns or because reliability is materially compromised or potentially materially compromised, the Company shall be entitled to conduct such repairs or maintenance as are commercially reasonable, without prior notice to the Municipality, on the understanding and agreement that the Company will provide written or verbal notice to the Municipality as soon as practicable, and in any event no later than seventy-two (72) hours after the repairs are commenced.

For the purposes of providing notice under this Agreement to the Municipality of the Work, the Company will provide the Municipality with the Plans and Specifications for the proposed Work to be completed in Electronic Format (or upon request, the Company will provide the Municipality with a hard copy of the materials). The Plans and Specifications will include a description of the project and drawings of a type and format generally used by the Company for obtaining approvals from Municipalities, and will illustrate the proposed changes to the Distribution System.

d) Company to Obtain Approvals from Other Utilities

The Company shall be solely responsible for locating, or causing to be located, all existing utilities or utility lines on or adjacent to the work site. The Company shall notify all other utility asset operators and ensure that utilities and utility lines are staked prior to commencement of construction. Unless the Municipality has staked such utility assets and lines, staking shall not be deemed to be a representation or warranty by the Municipality that the utility assets or lines are located as staked. The Municipality shall not be responsible for any damage caused by the Company to any utility assets or any third party as a result of the Company's Work, unless the Municipality has improperly staked the utility assets or lines. Approval must be

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obtained by the Company from the owner of any third party utility prior to relocation of any facility owned by such third party utility.

e) Revised Plans and Specifications

Following completion of the Major Work, the Company shall provide the Municipality with the revised Plans and Specifications, updated after construction, in Electronic Format (or upon request, the Company will provide the Municipality with a hard copy of the materials) within three (3) months of the request. The Company shall provide the Municipality with copies of any other revised Plans and Specifications as reasonably requested by the Municipality. For the purposes of this paragraph, the Company may satisfy its obligations to provide revised Plans and Specifications in Electronic Format by:

- i) advising the Municipality that the revised Plans and Specifications are posted to a web-based forum that contains such information; and
- ii) allowing the Municipality access to such web-based forum.

f) Approvals

Where any approvals are required to be obtained from either Party under this Article, such approvals shall not be unreasonably withheld. Where an approval is requested from a Party under this Article, an approval, or a disapproval along with a reasonable explanation of the disapproval, or, at a minimum, the reasons for the delay shall be communicated to the other Party within ten (10) business days of receipt of the request for an approval.

15) RESPONSIBILITIES FOR COST OF RELOCATIONS

- a) Subject to Article 15b), upon receipt of one (1) year’s notice from the Municipality, the Company shall, at its own expense, relocate to, on, above or below Municipal Property such part of the Distribution System that is located on Municipal Property as may be required by the Municipality due to planned Municipal construction.
- b) The cost of any relocations referred to in Article 15a) shall be recovered on a specific municipal based rider or any other method approved by the Commission, or if such a rider or other method is not approved by the Commission, the Municipality shall be responsible for such costs. In order to encourage the orderly development of Municipal facilities and the Distribution System, the Municipality and the Company agree that they will meet regularly to:
 - i) review the long-term facility plans of the Municipality and the Company;
 - ii) determine the time requirements for final design specifications for each relocation; and
 - iii) determine the increased notice period that may be required beyond one (1) year for major relocations.

In cases of emergency, the Company shall take measures that are commercially reasonable and necessary for the public safety with respect to relocating any part of the Distribution System that may be required in the circumstances.

If the Company fails to complete the relocation of the Distribution System in accordance with the preceding paragraph, or fails to repair or do anything else required by the Company pursuant to this clause in a timely and expeditious manner to the satisfaction of the Municipality, acting reasonably, the Municipality, in addition to and not in limitation of any other rights, remedies or damages available to it at law or in equity, shall be entitled to, but is not obligated to, seek an order of specific performance to require the Company to complete the work.

In the event the relocation, or any part thereof, requires the approval of the Municipality or a third party, the Municipality will assist the Company in obtaining municipal approvals and the Municipality will use reasonable efforts to assist the Company in any negotiation with such third party to obtain the necessary approval(s).

In the event the relocation results from the demand or order of an authority having jurisdiction, other than the Municipality, the Municipality shall not be responsible for any of the costs of such relocation.

16) DISTRIBUTION SYSTEM EXPANSION AND UPGRADE

At no cost to the Municipality, with the exception of customer contributions, the Company shall, at its sole cost and expense, on a timely basis and pursuant to its Terms and Conditions, use its best efforts on a commercially reasonable basis to meet the Distribution System expansion requests of the Municipality or a Consumer, and provide the requisite facilities for connections for new Consumers to the Distribution System.

For the purposes of this Agreement, and subject to Schedules "B" and "C", it is understood and agreed that the Municipality cannot insist on relocating or upgrading any overhead lines to an underground service, if there is a less expensive or more practical solution. If there is not a less expensive or more practical solution, the Municipality and the Company will meet to negotiate suitable arrangements.

17) JOINT USE OF DISTRIBUTION SYSTEM

a) Municipal Use

The Municipality may, upon notice to the Company and upon confirmation from the Company that the intended use of the Distribution System by the Municipality complies with good and safe electrical operating practices, applicable legislation, and does not unreasonably interfere with the Company's use thereof, make use of the Distribution System of the Company for any reasonable municipal purpose (that is not commercial in nature or that could reasonably adversely affect the Company's exclusive franchise, as granted by the Municipality under this Agreement), at no charge by the Company to the Municipality, provided at all times that such use complies with the intended use.

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The Municipality is responsible for its own costs, for the costs of removing any signage or repairing any of the facilities of the Company, and any necessary and reasonable costs incurred by the Company, including the costs of any alterations that may be required in using the poles and conduits of the Company.

The Municipality may, upon notice to the Company and upon confirmation from the Company that the intended use of the rights of way by the Municipality complies with good and safe electrical operating practices, applicable legislation, and does not unreasonably interfere with the Company's use thereof, make use of the rights of way of the Municipality, at no charge by the Company to the Municipality, provided at all times that such use of the rights of way complies with the intended use.

The Company agrees to act reasonably and in a timely manner in making its determination above. Where a request is made by a Municipality to the Company under this Article 17a), the confirmation, the inability to provide a confirmation along with a reasonable explanation of the reasons why a confirmation cannot be provided, or the reasons for the delay shall, at a minimum, be communicated to the Municipality within five (5) business days of receipt of the request.

b) Third Party Use and Notice

The Company agrees that should any third party, including other utilities, desire to jointly use the Company's poles, conduits or trenches or related parts of the Distribution System, the Company shall not grant the third party joint use except in accordance with this Article, unless otherwise directed by any governmental authority or court of law having jurisdiction.

The Company agrees that the following procedure shall be used in granting permission to third parties desiring joint use of the Distribution System:

- i) first, the third party shall be directed to approach the Company to initially request conditional approval from the Company to use that part of the Distribution System it seeks to use;
- ii) second, upon receiving written conditional approval from the Company, the third party shall be directed to approach the Municipality to obtain its written approval to jointly use that part of the Distribution System on any Municipal Property or right-of-way; and
- iii) third, upon receiving written conditional approval from the Municipality, the third party shall be directed to obtain final written approval from the Company to jointly use that part of the Distribution System.

Providing the Company has not precluded the Municipality's ability to obtain compensation or has entered restrictive agreements with any third parties using any Municipal Property, the Municipality agrees that the procedure outlined above shall apply only to agreements made after January 1, 2011.

c) Cooperation

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The Company and the Municipality agree they will use reasonable efforts to cooperate with each other in any negotiations with third parties desiring joint use of any part of the Distribution System located on Municipal Property.

d) Payment

The compensation paid or to be paid by such third party to the Municipality for the use of the Municipal Property including its rights-of-way, shall be determined between the Municipality and the third party.

The compensation paid or to be paid by such third party to the Company for the joint use of its poles, conduits or related parts of the Distribution System shall be determined between the Company and the third party, subject to the jurisdiction of any governmental authority over the matter and the Municipality's right to intervene in any related regulatory proceeding.

e) Provision of Agreements

Upon request by the Municipality, the Company shall provide to the Municipality a copy of all agreements between the Company and any third parties involved in the joint use of any part of the Distribution System. The Company shall be entitled to redact:

- i) any confidential or proprietary information of the Company or the third party; and
- ii) such information that it reasonably determines to be of a commercially or competitively sensitive nature, from any such copy provided.

An inventory listing of these agreements shall be updated by the Company and provided to the Municipality upon request and at no cost to the Municipality. The Municipality agrees that the requirement to provide the Municipality with a copy of all agreements between the Company and any third parties involved in the joint use of any part of the Distribution System outlined above shall apply only to agreements made after January 1, 2001.

The Company acknowledges that it does not have the authority to allow nor to grant to any third party the right to use any right-of-way that the Municipality authorized the Company to-use.

f) Compensation for Costs

Subject to Article 17c), in the event that either Party to this Agreement is required by law to appear before any applicable regulatory authority, including the Canadian Radio-television and Telecommunications Commission ("CRTC"), the Commission, or a court of law, as a direct result of the actions of the other Party (the "Denying Party") relating to the denial of use to a third party of any part of the Distribution System, then the Denying Party shall pay all reasonable and necessary legal costs incurred by the other Party that are directly related to any such regulatory or judicial proceeding.

18) MUNICIPALITY AS RETAILER

The provisions of this Agreement shall not in any way restrict the right of the Municipality to become a retailer within the meaning of the EUA.

19) RECIPROCAL INDEMNIFICATION AND LIABILITY

- a) It is intended that this provision create reciprocal rights and obligations between the Company and the Municipality.
- b) The Company, as an owner of the Distribution System, is provided liability protections under the EUA, and nothing in this Agreement is intended to abrogate, alter or diminish the liability protections granted to the Company under the EUA. The Company further acknowledges and agrees that the liability protection provisions, if any, under the EUA shall apply, with the necessary changes, to the Municipality with reciprocal rights thereunder.
- c) The Company will indemnify and save the Municipality, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements) which may be brought against or suffered, sustained, paid or incurred by the Municipality, its servants, agents, employees, contractors, licensees and invitees, arising from, or otherwise caused by:
 - i) any breach by the Company of any of the provisions of this Agreement; or
 - ii) the negligence or wilful misconduct of the Company, or any of its servants, agents, employees, licensees, contractors or invitees in carrying on its business within the Municipal Service Area.
- d) The Municipality shall indemnify and save the Company, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements) which may be brought against or suffered, sustained, paid or incurred by the Company, its servants, agents, employees, licenses, contractors and invitees, arising from, or otherwise caused by:
 - i) any breach by the Municipality of any of the provisions of this Agreement; or
 - ii) the negligence or wilful misconduct of the Municipality, or any of its servants, agents, employees, licensees, contractors or invitees, that has a direct adverse effect on the Electric Distribution Service of the Company.
- e) In accordance with the liability protections under the EUA, notwithstanding anything to the contrary herein contained, in no event shall the Municipality or the Company be liable under this Agreement, in any way, for any reason, for any loss or damage

Initials

other than direct loss or damage, howsoever caused or contributed to. For the purpose of this Article, "direct loss or damage" does not include loss of profits, loss of revenue, loss of production, loss of earnings, loss of contract or any other indirect, special or consequential loss or damage whatsoever, arising out of or in any way connected with this Agreement or the actions or omissions of the Company or the Municipality.

20) ASSIGNMENT

In the event that the Company agrees to sell the Distribution System to a third party purchaser, the Company will request that the third party purchaser confirm in writing that it will agree to all the terms and conditions of this Agreement between the Company and the Municipality. The Company agrees that it will provide to the Municipality a copy of the third party purchaser's confirmation letter.

The Company agrees to provide the Municipality with reasonable prior written notice of a sale of the Distribution System to a third party purchaser. The Parties shall thereafter meet to discuss the technical and financial capabilities of the third party purchaser to perform and satisfy all terms and conditions of this Agreement.

The Municipality has thirty (30) days from the meeting date with the Company to provide written notice to the Company of its intention to consent or withhold its consent to the assignment of this Agreement to the third party purchaser. The Municipality agrees that it may provide notice of its intention to withhold its consent to the assignment of this Agreement to the third party purchaser solely on the basis of reasonable and material concerns regarding the technical capability or financial wherewithal of the third party purchaser to perform and satisfy all terms and conditions of this Agreement. In this case, such notice to the Company must specify in detail the Municipality's concern. Should the Municipality not reply within the thirty (30) day period, it is agreed that the Municipality will be deemed to have consented to the assignment. The Company further agrees that, when it applies to the Commission for approval of the sale, it will include in the application any notice received from the Municipality, including the reasons given by the Municipality for withholding its consent. The Municipality shall have the right to make its own submissions to the Commission.

Subject to the Company having fulfilled the obligations outlined in the preceding three paragraphs, the Company shall be entitled to assign this Agreement to an arm's length third party purchaser of the Distribution System without the consent of the Municipality, subject to having obtained the Commission's approval for the sale of the Distribution System and, the third party purchaser's confirmation in writing that it agrees to all the terms and conditions of this Agreement.

Where the Commission approves such sale of the Distribution System to a third party and the third party provides written confirmation to assume all liabilities and obligations of the Company under this Agreement, then upon the assignment of this Agreement, the Company shall be released from all its liabilities and obligations hereunder.

The Company shall be entitled to assign this Agreement to a subsidiary or affiliate of the Company without the Municipality's consent. Where the Company assigns this Agreement to a subsidiary or affiliate, the Company will remain jointly and severally liable.

Further, it is a condition of any assignment that the subsidiary, affiliate or third party purchaser, as the case may be, shall provide written notice to the Municipality indicating that it will assume all liabilities and obligations of the Company under this Agreement. Any disputes arising under the operation of this Article shall be submitted to the Commission for determination.

21) NOTICES

All notices, demands, requests, consents, or approvals required or permitted to be given pursuant to the terms of this Agreement shall be in writing and shall be deemed to have been properly given if personally served or sent by registered mail or sent by fax to the Municipality or to the Company, as the case may be, at the addresses set forth below:

a) To the Company:

ATCO Electric Ltd.
Address: P.O. Box 2426, 10035-105 Street
Edmonton, Alberta, T5J 2V6
Facsimile: 780-420-7400
Attention: Director Distribution Operations

b) To the Municipality:

Town of Drumheller
Address: 224 Centre Street,
Drumheller, Alberta, T0J 0Y4
Facsimile: 403-823-6300
Attention: Chief Administrative Officer

c) The date of receipt of any such notice as given above shall be deemed to be as follows:

- i) in the case of personal service, the date of service;
- ii) in the case of registered mail, the seventh (7th) business day following the date of delivery to the Post Office, provided, however, that in the event of an interruption of normal mail service, receipt shall be deemed to be the seventh (7th) day following the date on which normal service is restored; or
- iii) in the case of a fax, the date the fax was actually received by the recipient.

22) DISPUTE SETTLEMENT

- a) If any dispute or controversy of any kind or nature arises relating to this Agreement or the Parties' rights or obligations hereunder, the Parties agree that such dispute or controversy will be resolved by negotiation, and where such negotiation does not result in the settlement of the matter within thirty (30) days of notice of such dispute being provided by one Party to the other Party, and to the extent permitted by law, the Company and Municipality agree that unresolved disputes pertaining to this Agreement, other than those contemplated in Articles 3 and 20 and Section 3 of Schedule "A", or those related to the sale of the Distribution System as contemplated in Article 10 and 12 hereof, or any other matter that is within the exclusive jurisdiction of a governmental authority having jurisdiction, shall be submitted to arbitration for determination and may be commenced by either Party providing written notice to the other Party stating the dispute to be submitted to arbitration.

The Parties shall attempt to appoint a mutually satisfactory arbitrator within ten (10) business days of the said notice. In the event the Parties cannot agree on a single arbitrator within the ten (10) business days, the dispute shall be forwarded to the Commission for resolution or determination.

In the event the Commission declines to assist in resolving the dispute or declines to exercise or claim jurisdiction respecting the dispute, both Parties agree to have the dispute resolved by an arbitration panel in accordance with the following procedure.

Each Party shall appoint an arbitrator within the ten (10) business days thereafter by written notice, and the two arbitrators shall together appoint a third arbitrator within twenty-five (25) business days of written notice for arbitration. The dispute shall be heard by the arbitration panel within forty-five (45) business days of the written notice for arbitration unless extended by mutual agreement between the Parties. The arbitration panel shall render a decision within twenty (20) business days of the last day of the hearing.

Save as otherwise expressly provided in this Agreement, the provisions of the Arbitration Act (Alberta) (as amended from time to time) shall apply to any arbitration undertaken under this Agreement subject always to the Commission's jurisdiction over any matter submitted to arbitration. Pending resolution of any dispute, the Municipality and the Company shall continue to perform their respective obligations hereunder.

- b) The Company shall advise the Commission of any dispute submitted to arbitration within ten (10) business days of it being submitted and shall advise the Commission of the results of arbitration within ten (10) business days following receipt of the decision of the arbitrator(s).

23) INTERRUPTIONS OR DISCONTINUANCE OF ELECTRIC SERVICE

Subject to its Distribution Tariff, the Company shall use its best efforts on a commercially reasonable basis to avoid and minimize any interruption, reduction or discontinuance of

Electric Distribution Service to any consumer. However, the Company reserves the right to do so for any one of the following reasons:

- a) Where the Company is required to effect necessary repairs or changes to the Distribution System;
- b) On account of or to prevent fraud or abuse of the Distribution System;
- c) On account of defective wiring or other similar condition which in the opinion of the Company, acting reasonably, may become dangerous to life or property;
- d) Where insufficient energy or power is available for distribution by the Company to a consumer; or
- e) Where required by a retailer, due to non-payment of power bills.

To the extent the Company has any planned major interruptions, reductions or discontinuances in Electric Distribution Service, it shall notify the Municipality as soon as practicable in the circumstances. For any other major interruption, reductions or discontinuances in Electric Distribution Service, the Company shall provide verbal notice to the Municipality as soon as is practicable in the circumstances.

24) APPLICATION OF WATER, GAS AND ELECTRIC COMPANIES ACT

This Agreement shall be deemed to operate as consent by the Municipality to the exercise by the Company of those powers which may be exercised by the Company with the consent of the Municipality under and pursuant to the provisions of the *Water, Gas and Electric Companies Act (Alberta)*, as amended.

25) FORCE MAJEURE

If either Party shall fail to meet its obligations hereunder within the time prescribed, and such failure is caused or materially contributed by an event of "force majeure", such failure shall be deemed not to be a breach of the obligations of such Party hereunder, but such Party shall use best efforts on a commercially reasonable basis to put itself in a position to carry out its obligations hereunder. The term "force majeure" shall mean any acts of God, strikes, lock-outs, or other industrial disturbances, acts of the Queen's enemies, acts of terrorism (either foreign or domestic), sabotage, war, blockades, insurrections, riots, epidemics, lightening, earthquakes, storms, fires, wash-outs, nuclear and radiation activity or fall-out, restraints of rulers and people, orders of governmental authorities or courts of law having jurisdiction, the inability to obtain any necessary approval from a governmental authority having jurisdiction (excluding in the case of the Municipality that requires an approval from itself, the particular Municipality), civil disturbances, explosions, mechanical failure, and any other causes similar in nature not specifically enumerated or otherwise specified herein that are not within the control of such Party, and all of which by the exercise of due diligence of such Party could not have been prevented. Lack of finances shall be deemed not to be an event of "force majeure".

Initials

26) TERMS AND CONDITIONS

The Terms and Conditions that apply to the Company and are approved by the Commission, as revised or amended from time to time by the Commission, shall apply to the Municipality.

27) NOT EXCLUSIVE AGAINST HER MAJESTY

Notwithstanding anything to the contrary herein contained, it is mutually understood and agreed that the rights, powers and privileges conferred and granted by this Agreement shall not be deemed to be exclusive against Her Majesty in the right of the Province of Alberta.

28) SEVERABILITY

If for any reason any covenant or agreement contained in this Agreement, or the application thereof to any Party, is to any extent held or rendered invalid, unenforceable or illegal, then such covenant or agreement will be deemed to be independent of the remainder of this Agreement and to be severable and divisible from this Agreement. The invalidity, unenforceability or illegality will not affect, impair or invalidate the remainder of this Agreement or any part thereof. The intention of the Municipality and the Company is that this Agreement would have been executed without reference to any portion which may, for any reason and extent, be declared or held invalid, unenforceable or illegal.

29) AMENDMENTS

This Agreement may only be amended by written agreement of the Parties, such amendments to be subject to regulatory approvals as required by law.

30) DISSOLUTION

In the event that the Municipality intends or resolves to dissolve:

- a) this Agreement shall be assigned to the successor governing authority to the Municipal Service Area;
- b) subject to an agreement to the contrary between the Company and the successor party, the Municipal Service Area of the Municipality as at the date of dissolution shall thereafter be the Municipal Service Area of the successor party for the purposes of this Agreement; and
- c) the rights and obligations contained herein shall otherwise continue and shall be binding upon the Company and the successor party.

Initials

31) WAIVER

A waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver will be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-compliance under this Agreement (whether of the same nature or any other nature).

32) CONFIDENTIALITY

The Company acknowledges that the Municipality is governed by the provisions of the *Freedom of Information and Protection of Privacy Act (Alberta)*.

IN WITNESS WHEREOF the Parties hereto have executed these presents as of the day and year first above written.

TOWN OF DRUMHELLER

PER: _____
Mayor

PER: _____
Chief Administrative Officer

ATCO Electric Ltd.

PER: _____
Sr. Vice President & General Manager,
Transmission and Distribution

PER: _____
Director, Distribution Operations

SCHEDULE "A"

Core Services

The Company shall provide to the Municipality the following basic services as Core Services:

- 1) The Electric Distribution Service required to be provided by the Company pursuant to the Company's Distribution Tariff, the EUA, any regulations thereto, and any Commission orders and decisions;
- 2) The Company shall provide to the Municipality, on request, copies of any and all Electric Distribution Service related written information or reports required to be filed with the Commission, with the exception of responses to questions from interveners or the Commission related to rate hearings. A list of service area wide distribution services related measures requested by the Commission could include:
 - a) The results of customer satisfaction surveys relating to the services provided by the Company;
 - b) The indices of system reliability;
 - c) The responses to notification of outages and hazards;
 - d) Call Centre targets and statistics as related to the services provided by the Company;
 - e) Consumer connect service and disconnect service statistics;
 - f) Meter reading frequency and accuracy statistics;
 - g) Consumer complaints related to the services provided by the Company; and
 - h) Employee safety statistics.

Notwithstanding the above, should the Company implement Commission approved Performance Based Regulation ("PBR"), it will provide the Municipality, on request, the results of the Performance Standards as set out in the PBR.

- 3) The Company shall provide to the Municipality, upon request, an annual report on the following standards specific to the Municipality:
 - a) Reliability measures, to the extent that distribution feeders are an appropriate indicator of the overall reliability for the Municipality. In some cases, the distribution feeder information will be an appropriate indicator of the overall reliability in a Municipal Service Area. In other cases, where the distribution feeder serves customers outside of the Municipal Service Area, it may not be appropriate indicator;
 - b) The total number of outages, by distribution feeder, for each of the preceding three (3) years;

Initials

- c) The average duration of the outages, by distribution feeder, for each of the preceding three (3) years;
- d) Street light performance, as discussed in Schedule "C";
- e) Subject to any applicable privacy legislation, the Code of Conduct Regulation under the EUA, or other rules prohibiting or restricting such disclosure, a spreadsheet listing:
 - i) The total number of sites within the Municipal Service Area, by Company rate class, per month, for each of the last three (3) years;
 - ii) The total number of Municipality owned sites within the Municipal Service Area, by Company rate class, per month, for each of the last three (3) years;
 - iii) The total kWh of electricity consumed by Consumers within the Municipal Service Area, by Company rate class, per month, for each of the last three (3) years;
 - iv) The total kWh of electricity consumed at Municipality owned sites within the Municipal Service Area, by Company rate class, per month, for each of the last three (3) years;
 - v) The franchise fee revenue collected from Consumers within the Municipal Service Area, by Company rate class, per month, for each of the last three (3) years;
 - vi) The franchise fee revenue collected from the Municipality from sites the Municipality owns within the Municipal Service Area, by Company rate class, per month, for each of the last three (3) years; and
 - vii) Such other information as may be agreed upon by the Parties from time to time, and
- f) A copy of the Annual Service Quality Report as provided by the Company to the Commission as per Rule 2 which provides overall company Service Reliability Measures and Customer Satisfaction Measures.

Where privacy legislation, the Code of Conduct Regulation under the EUA, or other rules under the EUA prohibiting such disclosure prevent the Company from providing the information above, the Company shall make reasonable attempts to aggregate the information by aggregating rate classes in order to comply with the applicable rules, but shall not be obligated to provide such aggregated information if the Company does not believe such aggregation will allow the Company to comply with the applicable rules.

In the event that the service levels indicated in the Annual Service Quality Report referred to in Section 3f) of this Schedule A show deterioration to the extent that the Municipality or Municipal Service Area is materially adversely impacted, the Municipality shall contact its appropriate Company representative in an effort to remedy any identified deficiencies. If such discussions are not successful in addressing the Municipality's concerns, the Municipality shall then contact senior management of the Company to determine appropriate solutions.

Initials

Initials

SCHEDULE "B"

Extra Services

- 1) Where the Municipality requests Extra Services, the Company will provide its applicable operations and maintenance standards for Distribution System field services.
- 2) If the Company and the Municipality agree that the Company will provide Extra Services requested by the Municipality, the Parties shall complete the information required in subparagraph 3), and subparagraph 4) shall apply in respect of such Extra Services.
- 3) In consideration for the provision of the Extra Services, the Municipality shall pay to the Company the sum of ____ (amount dependent on Extra Services requested) ____ (\$_____.00) which may be deducted from the franchise fee.
- 4) Annually, the Company shall provide a written report to the Municipality, outlining the actual performance of the Extra Services provided and the related costs for each service for the Municipality to assess if the performance standards have been met.
- 5) Nothing in this Agreement precludes the Company from subcontracting with the Municipality to provide all or any part of the Extra Services to the Municipality.

No Extra Services requested as of the effective date of this Agreement

SCHEDULE "C"

Street Lighting

- 1) As set out in Article 11c) of this Agreement, once all street lighting within the Municipal Service Area has been converted to the applicable Company investment option rate, the Company agrees to provide the following services for street lighting within the Municipal Service Area as part of its Core Services:
 - a) **Lights-out Patrols:** On a monthly basis, during the time period of September 15th to May 15th, the Company will conduct a "lights-out" street light patrol to identify lights that are not working. Formal street light patrols will not be conducted during the summer months; however, normal reporting and replacement procedures will be maintained.
 - b) **Lights-out:** The Company will replace or repair a failed light identified in its patrol or reported by customers, within two (2) weeks. If the reported light is not replaced or repaired within two (2) weeks, the Company will provide a two (2) month credit to the Municipality based on the rate in the Distribution Tariff for the failed lights. Such two (2) month credit shall continue to apply for each subsequent two (2) week period during which the same failed light(s) have not been replaced. The Company agrees to use good faith commercially reasonable efforts to replace or repair:
 - i) failed street lights at critical locations; or
 - ii) failed street lighting circuits at any location, as the case may be, as soon as possible. The location of the critical street lights will be agreed to by both Parties.
 - c) **Underground Breaks:** As a minimum, the Company will provide a temporary overhead repair within two (2) weeks of an identified or reported outage. Underground breaks identified during the summer months of April 15th to September 15th will be repaired (underground) by October 31st of the current summer construction period. A permanent repair will be made by October 31st of the next year if the outage is identified between the winter months of September 15th to April 15th.
 - d) **Street light Painting:** The Company will provide a regular street light "painting" patrol as part of its Street light inspection program. The Municipality may request that it participates in select street light inspection patrols and may review the results of the street light inspection program. Street lights that are identified as requiring immediate work through the Street light inspection program will be re-painted by October 31st of the next maintenance season.

- e) **Street light Pole Test Program:** Street lights will be tested at least every nine (9) years as part of the Company's Pole Test Program. This program will identify poles that need to be replaced and those that should be treated. This replacement and treatment work will be completed by October 31st of the next summer maintenance season.
- f) **Street light Patrols:** The Company will include regular street light inspection patrols as part of its inspection of equipment and lines, as specified in the Alberta Electrical Utility Code.

- 2) On an annual basis, the Company will provide the Municipality with:
 - i) the number of "lights-out" identified from the street light patrols;
 - ii) the number of temporary overhead repairs of street lights at year-end; and
 - iii) the number of permanent underground repairs of street lights made during the year.

Initials

Town of Drumheller

BYLAW NUMBER 16.18

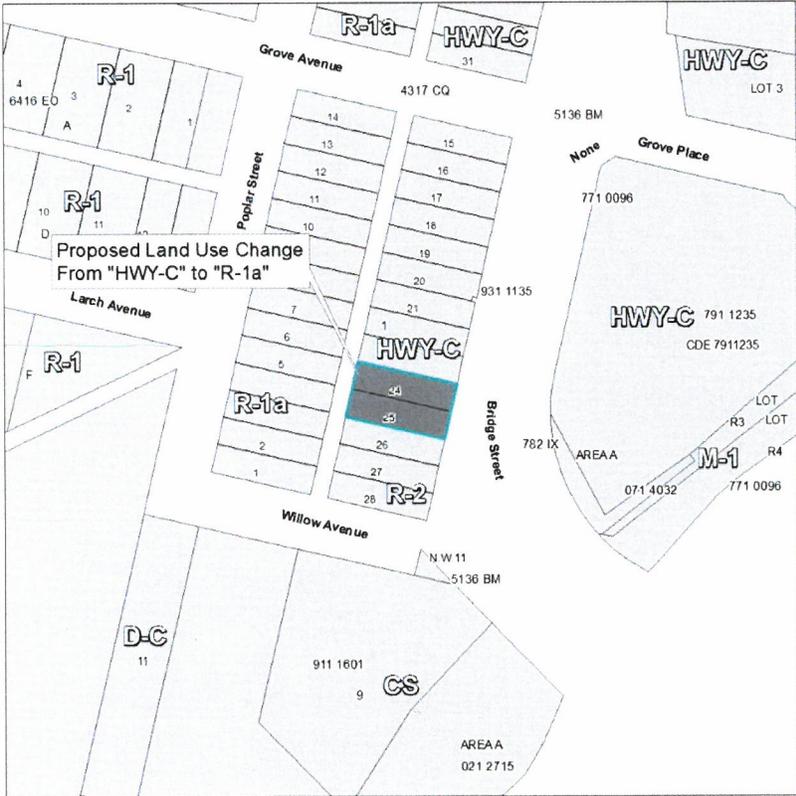
BEING A BYLAW TO AMEND LAND USE BYLAW 10.08 FOR THE TOWN OF DRUMHELLER IN THE PROVINCE OF ALBERTA.

WHEREAS pursuant to the provision of Section 639 of the Municipal Government Act, RSA 2000, Chapter M-26, the Council of the Town of Drumheller (hereinafter called the Council), has adopted Land Use Bylaw No. 10.08;

AND WHEREAS the Council deems it desirable to amend Land Use Bylaw 10.08; and

NOW THEREFORE the Council hereby amends Land Use Bylaw 10.08 as follows:

In Schedule A, Land Use Districts Map, redesignate Plan 4317CQ, Block 1, Lots 24 and 25 in the Town of Drumheller, from HWY-C (Highway Commercial) District to R-1a (Residential) District as shown on the plan below:



READ A FIRST TIME THIS ___th DAY OF _____, 2018

READ A SECOND TIME THIS ___th DAY OF _____, 2018.

READ A THIRD TIME AND PASSED THIS ___th DAY OF _____, 2018.

MAYOR

CHIEF ADMINISTRATIVE OFFICER

TOWN OF DRUMHELLER

BYLAW NUMBER 17.18

BEING A BYLAW FOR THE PURPOSE OF IMPLEMENTING A NON RESIDENTIAL DEVELOPMENT INCENTIVE PROGRAM FOR THE TOWN OF DRUMHELLER IN THE PROVINCE OF ALBERTA.

WHEREAS pursuant to the provision of Section 347 of the *Municipal Government Act*, RSA 2000, Chapter M-26 and amendments thereto, the Council of the Town of Drumheller deems it expedient to provide for a Bylaw for the purpose of implementing a "Non-Residential Development Incentive Program".

NOW THEREFORE, be it resolved that the Council of the Town of Drumheller, in the Province of Alberta, duly enacts as follows:

- 1. This Bylaw may be referred to as the "Non-Residential Development Incentive Program" Bylaw.
- 2. Minimum Qualifying Criteria and Property Tax Reduction are outlined in Schedule "A" (Policy Statement) attached which forms part of this Bylaw.
- 3. The tax cancellation applies to the municipal portion of property taxes only.
- 4. The Bylaw and Schedule A may be amended from time to time by resolution of Town Council.
- 5. This Bylaw will come into full force and effect on the date of final passing thereof.

READ A FIRST TIME THIS ____ DAY OF _____, 2018

READ A SECOND TIME THIS ____ DAY OF _____, 2018.

READ A THIRD TIME AND PASSED THIS ____ DAY OF _____, 2018.

MAYOR

CHIEF ADMINISTRATIVE OFFICER



DRUMHELLER

COUNCIL POLICY



**COUNCIL POLICY #C-04-18
SCHEDULE A TO BYLAW 17.18**

NON RESIDENTIAL DEVELOPMENT INCENTIVE PROGRAM

THE PURPOSE OF THIS POLICY IS TO:

The purpose of this policy is to encourage new business development and / or business expansion within the Town of Drumheller.

POLICY STATEMENT

1. The Tax cancellation applies to the municipal portion of property taxes only.
2. Developments must conform to the Land Use Bylaw and all other applicable regulations and permits.
3. Property owners must submit a written letter of application to Council requesting the tax rebate. Letter of applications will be provided with the approved development permits.
3. Subject to Council having to approve the tax cancellation on each affected property or development on a yearly basis, the period of tax cancellation shall be one (1) year for new construction . There will be a maximum ceiling of \$25,000.00 tax cancellation per qualifying new development or new occupancy.
5. Additions, expansions or renovations are only eligible if the assessed value of the new improvement is greater than or equal to \$50,000 more than the previous improvement assessment, not including land assessment.
6. Tax rebate shall be granted for the tax year immediately following completion of construction. The Tax rebate shall be applied to the property tax account prior to tax notices being sent out.
7. All eligible development must be of a permanent nature.
8. Failure by the applicant to comply with any of the regulations herein will result in disqualification of the applicant from the program.
9. Council will not consider any type of residential or land assessment.

10. The property tax cancellation applies only for the new construction or renovations and does not apply to existing assessment on any property.

Date: _____

Chief Administrative Officer

Mayor of Drumheller

TOWN OF DRUMHELLER

BYLAW NUMBER 19.18

BEING A BYLAW FOR THE PURPOSE OF WAIVING FEES FOR NEW BUSINESSES IN EXISTING NON-RESIDENTIAL VACANT BUILDINGS WITHIN THE TOWN OF DRUMHELLER IN THE PROVINCE OF ALBERTA.

WHEREAS pursuant to the provision of the Municipal Government Act, RSA 2000, Chapter M-26 and amendments thereto, provide that a Council may pass bylaws pertaining to the control and regulating of businesses;

NOW THEREFORE, be it resolved that the Council of the Town of Drumheller, in the Province of Alberta, duly enacts as follows:

- 1. This Bylaw may be referred to as the "New Business in Existing Vacant Non-Residential Building" Bylaw.
2. Minimum Qualifying Criteria is that the building must have been vacant for a minimum of three (3) months.
3. Where any new business occupies a non-residential vacant building, the business owner shall apply in writing to the Town and the waiver of the Business License fee shall be at the discretion of the Chief Administrative Officer, or his delegate.
4. Where any new business occupies a non-residential vacant building, the business owner shall apply in writing to the Town and the waiver of any Development Fees shall be at the discretion of the Chief Administrative Officer, or his delegate.
5. The Bylaw may be amended from time to time by resolution of Town Council.
6. This Bylaw will come into full force and effect on the date of final passing thereof.

READ A FIRST TIME THIS ____ DAY OF _____, 2018

READ A SECOND TIME THIS ____ DAY OF _____, 2018.

READ A THIRD TIME AND PASSED THIS ____ DAY OF _____, 2018.

MAYOR

CHIEF ADMINISTRATIVE OFFICER

TOWN OF DRUMHELLER

BYLAW NO. 21.18

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

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

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

1. Definitions

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

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

“Group 1” includes connections with meters 1” and under

“Group 2” includes connections with meters from 1 1/4” to 2”

“Group 3” includes connections with meters from 3” to 4”

“Group 4” includes connections with meters from 6” to 8”

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

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

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

Agenda Item # 6.1.5

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

Rate Group	Water	Wastewater
Group 1	\$14.74	\$13.34
Group 2	\$50.65	\$74.64
Group 3	\$327.61	\$296.43
Group 4	\$943.62	\$853.72

3. Water Rate

Per cubic meter \$1.8775

4. Waste Water Rate

Per cubic meter \$2.1453

Sewage volume is calculated at 80% of water consumption

Or

Properties with only a sewer connection \$38.84 monthly

5. Bulk Water per cubic meter \$6.1913

6. Recycling Fee per unit \$2.50

7. Penalty Rate

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

8. Disconnection/Reconnection

Disconnection notice service fee \$25.00

Reconnection/Disconnection during business hours \$50.00

Reconnection/Disconnection during non-business hours \$150.00

If the water supply has been disconnected for non-payment of accounts, all fees and costs must be paid prior to reconnection

Agenda Item # 6.1.5

9. Bylaw 14.17 is hereby repealed.

This bylaw comes into effect on January 1, 2019.

READ A FIRST TIME this 26th day of November, 2018

READ A SECOND TIME this ____ day of December, 2018

READ A THIRD AND FINAL TIME this ____ day of December, 2018

MAYOR

CHIEF ADMINISTRATIVE OFFICER

2018 Rate Models Generally

- Projects rates for 2018 - 2021
- Based on the draft 2018 Operating Budget
- Reflects 2017 – 2016 Infrastructure Plan
- Input Variables
 - Assumes 1% Growth in Population
 - Assumes 2% Inflationary Cost increase for 2019 - 2021

Drumheller 2018 Utility Rate Presentation -
December 4, 2017

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2018 Water Rate Model

- Assumes 0% Annual Growth in Usage Per Capita
 - Residential – 195 litres per person per day (lcd)
 - Composite – 320 lcd
- Assumes Annual Increases
 - 1% - Non-Residential Volume
 - 1% - Bulk Water Sales
 - 0% - Town's own uses
 - 0% - Starland County, Kneehill County
 - 1% - Aqua 7

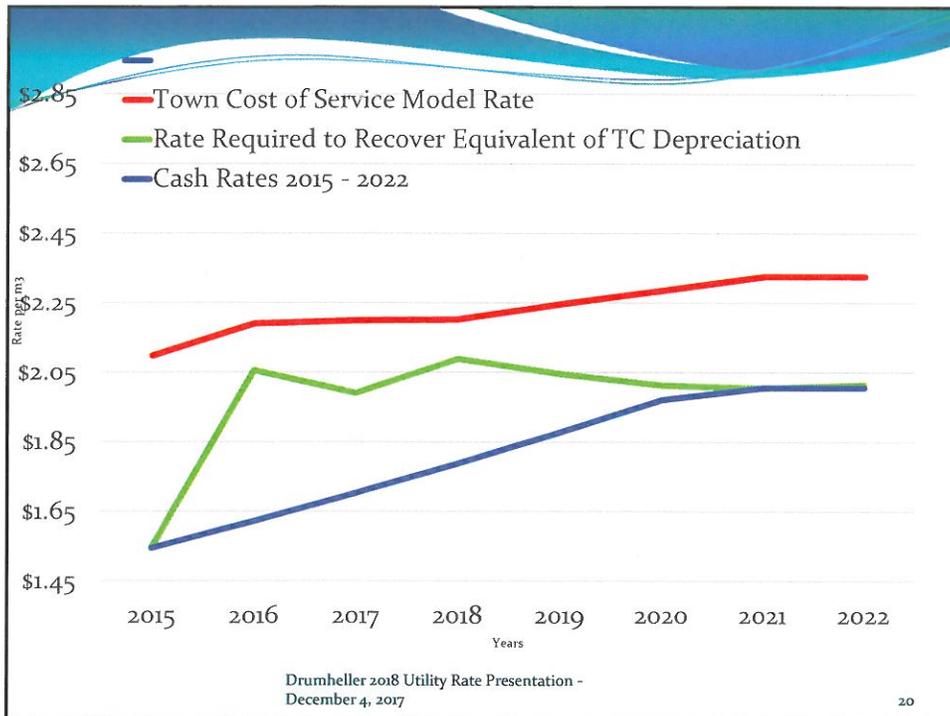
Drumheller 2018 Utility Rate Presentation -
December 4, 2017

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WATER

Index	Town System					
	Flat Rates				Volume Rates Per m3	
	Group 1 1" and Under Connection	Group 2 1.25" to 2" Connection	Group 3 3" to 4" Connection	Group 4 6" to 8" Connection	Variable	Bulk Water
2017						
From Rate Model	\$18.57	\$85.98	\$412.70	\$1,188.57	\$2.1986	\$14.7770
Adopted	\$13.37	\$45.94	\$446.38	\$1,176.74	\$1.7029	\$5.6157
% Increase	5.0%	5.0%	-25.1%	5.0%	5.0%	5.0%
2018						
From Rate Model	\$18.55	\$85.89	\$412.26	\$1,187.30	\$2.2023	\$13.8720
Proposed	\$14.04 ✓	\$48.24 ✓	\$312.01 ✓	\$898.69 ✓	\$1.7881	\$5.8965
% Increase	5.0%	5.0%	-30.1%	-23.6%	5.0%	5.0%
2019						
From Rate Model	\$18.99	\$87.92	\$422.00	\$1,215.37	\$2.2458	\$13.7347
Proposed	\$14.74 ✓	\$50.65 ✓	\$327.61 ✓	\$943.62 ✓	\$1.8775 ✓	\$6.1913 ✓
% Increase	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
2020						
From Rate Model	\$19.44	\$89.99	\$431.94	\$1,243.99	\$2.2854	\$13.8706
Proposed	\$15.48	\$53.18	\$343.99	\$990.80	\$1.9713	\$6.5009
% Increase	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
2021						
From Rate Model	\$19.78	\$91.58	\$439.58	\$1,265.99	\$2.3257	\$14.0080
Proposed	\$15.75	\$54.11	\$350.01	\$1,008.14	\$2.0058	\$6.6146
% Increase	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%

Adopted



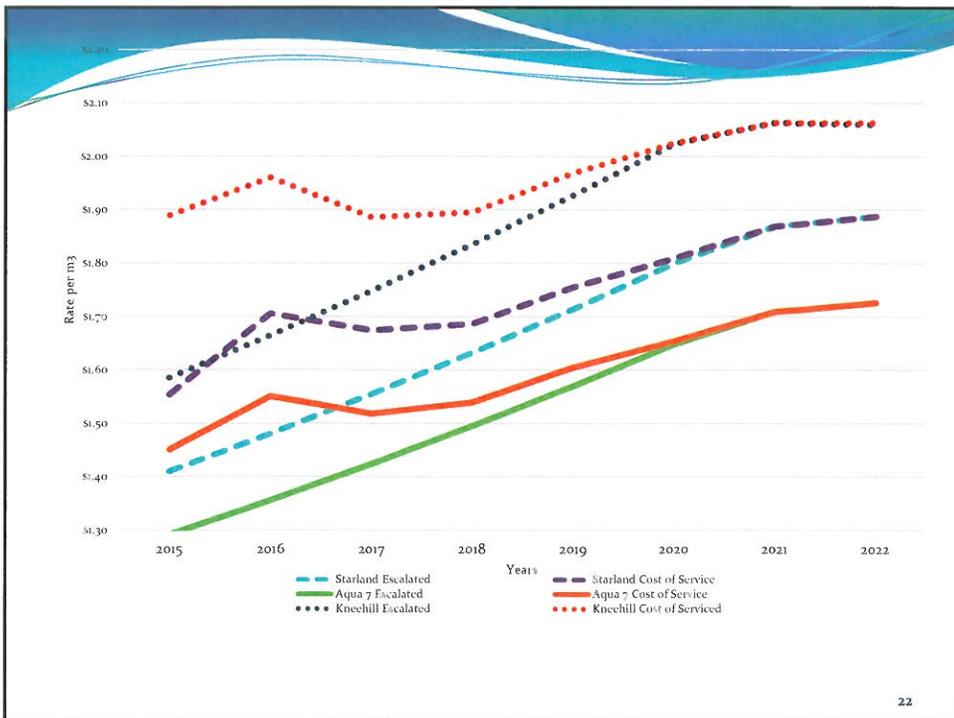
Agenda Item # 6.1.5

2018 Water Rate Model – Regional Rates

Index

	Regional Customers		
	Munson / Starland County	Aqua 7	Kneehill County
2017			
From Rate Model	\$1.6745	\$1.5184	\$1.8863
Adopted	\$1.5545	\$1.4233	\$1.7480
% Increase	5.0%	5.0%	5.0%
2018			
From Rate Model	\$1.6860	\$1.5387	\$1.8952
Proposed	\$1.6323	\$1.4945	\$1.8354
% Increase	5.0%	5.0%	5.0%
2019			
From Rate Model	\$1.7552	\$1.6045	\$1.9691
Proposed	\$1.7139	\$1.5692	\$1.9272
% Increase	5.0%	5.0%	5.0%
2020			
From Rate Model	\$1.8090	\$1.6537	\$2.0250
Proposed	\$1.7996	\$1.6477	\$2.0235
% Increase	5.0%	5.0%	5.0%
2021			
From Rate Model	\$1.8691	\$1.7089	\$2.0631
Proposed	\$1.8691	\$1.7089	\$2.0631
% Increase	3.9%	3.7%	2.0%

Drumheller 2018 Utility Rate Presentation - December 4, 2017 21



Funds Available for Infrastructure

	2017	2018	2019	2020	2021
Proposed Rates	\$972,631	\$969,459	\$1,116,905	\$1,267,110	\$1,338,501
Amortization	\$1,250,710	\$1,260,710	\$1,281,541	\$1,308,200	\$1,337,200
2017 - 2026 Infra Plan	\$864,107	\$997,011	\$1,024,234	\$1,044,719	\$1,065,613

Drumheller 2018 Utility Rate Presentation -
December 4, 2017

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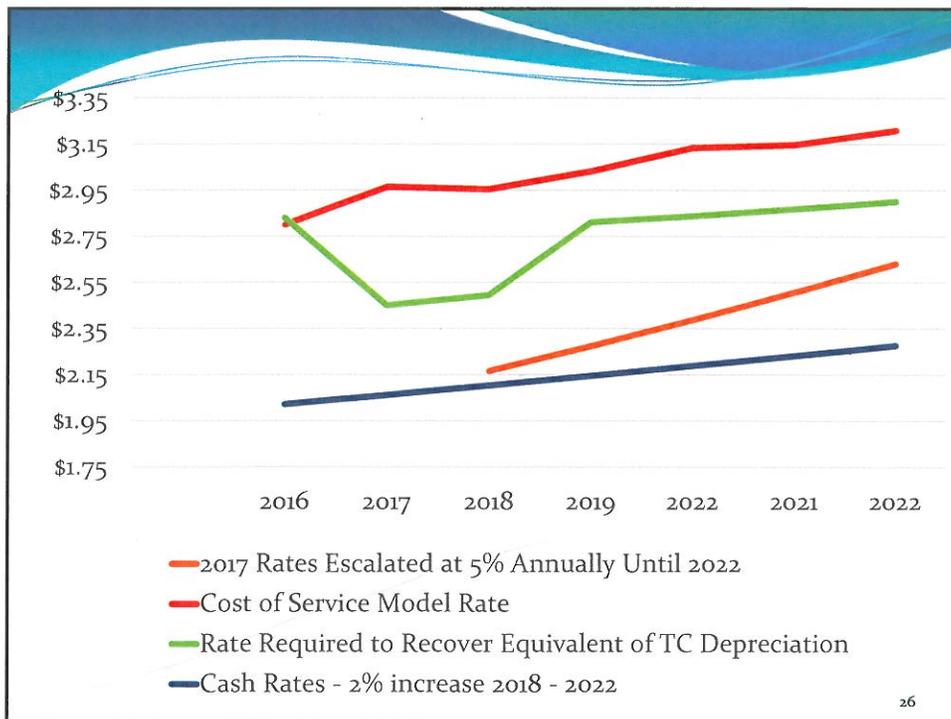
- ## Wastewater Rate Model
- Similar Assumptions and Input Variables to Model
 - Wastewater Consumption Charges based on 80% of water sales
 - Overhead
 - Administrative - 5%
 - Operational - 20%
- Drumheller 2018 Utility Rate Presentation -
December 4, 2017
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WASTE WATER

Index	Monthly Flat Rates					Volume Rate Per m3
	Group 1 1" and Under Connection	Group 2 1.25" to 2" Connection	Group 3 3" to 4" Connection	Group 4 6" to 8" Connection	Wastewater Only Service	
2017						
From Rate Model	\$17.19	\$79.56	\$381.91	\$1,099.89	\$40.90	\$2,9644
Adopted Overall Increase over 2016 2%	\$12.82	\$85.80	\$309.76	\$1,032.93	\$37.33	\$2,0619
Flat Rate Phased In Adjustment	\$12.82	\$71.74	\$309.76	\$1,032.93		
% Increase from Previous Year	2.0%	-14.7%	2.0%	2.0%	2.0%	2.0%
2018						
From Rate Model	\$17.27	\$79.96	\$383.79	\$1,105.33	\$40.90	\$2,9588
Overall Increase over 2017 2%	\$13.08	\$73.17	\$315.96	\$1,053.59	\$38.08	\$2,1032
Flat Rate Phased In Adjustment	\$13.08 ✓	\$73.17 ✓	\$296.62 ✓	\$836.98 ✓		
% Increase from Previous Year	2.0%	2.0%	-6.2%	-19.0%	2.0%	2.0%
2019						
From Rate Model	\$17.85	\$82.63	\$396.62	\$1,142.26	\$42.10	\$3,0820
Overall Increase over 2017 2%	\$13.34 ✓	\$74.64	\$296.43 ✓	\$853.72	\$38.84 ✓	\$2,1452
% Increase from Previous Year	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2020						
From Rate Model	\$18.24	\$84.43	\$405.26	\$1,167.14	\$43.30	\$3,1332
Overall Increase over 2017 2%	\$13.61	\$76.13	\$302.36	\$870.80	\$39.62	\$2,1881
% Increase from Previous Year	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
2021						
From Rate Model	\$18.33	\$84.87	\$407.36	\$1,173.20	\$43.50	\$3,1465
Overall Increase over 2017 2%	\$13.88	\$77.65	\$308.41	\$888.21	\$40.41	\$2,2319
% Increase from Previous Year	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

December 4, 2017 25

Adopted →



Funds Available for Infrastructure

	2017	2018	2019	2020	2021
Proposed Rates	\$555,950	\$557,672	\$521,978	\$549,861	\$568,128
Amortization	\$840,330	\$840,330	\$1,007,493	\$1,028,251	\$1,041,297
2017 - 2026 Infra Plan	\$452,954	\$509,195	\$519,379	\$529,766	\$529,651

TOWN OF DRUMHELLER

BYLAW NUMBER 22.18

BEING A BYLAW FOR THE PURPOSE OF IMPLEMENTING A NON RESIDENTIAL TAX INCENTIVE PROGRAM FOR OWNERS OF EXISTING NON-RESIDENTIAL VACANT BUILDINGS WITHIN THE TOWN OF DRUMHELLER IN THE PROVINCE OF ALBERTA.

WHEREAS pursuant to the provision of Section 347 of the *Municipal Government Act*, RSA 2000, Chapter M-26, the Council of the Town of Drumheller deems it expedient to provide for a Bylaw for the purpose of implementing a "Non Residential Tax Incentive Program for Owners of Existing Non Residential Vacant Buildings";

NOW THEREFORE, be it resolved that the Council of the Town of Drumheller, in the Province of Alberta, duly enacts as follows:

- 1. This Bylaw may be referred to as the "Existing Vacant Non-Residential Building" Bylaw.
- 2. The non residential building must have been vacant for a minimum of one (1) year.
- 3. The business must remain active for a minimum of one (1) year. The tax cancellation applies to the municipal portion of property taxes for non-residential assessment only, and will be applied the following tax year.
- 4. The tax cancellation applies upon proof of startup of a new business.
- 5. There will be a maximum ceiling of \$5,000.00 tax cancellation per qualifying new business.
- 6. Business owners must submit a written letter of application to Council requesting the tax rebate.
- 7. The Bylaw may be amended from time to time by resolution of Town Council.
- 8. This Bylaw will come into full force and effect on the date of final passing thereof.

READ A FIRST TIME THIS ____ DAY OF _____, 2018

READ A SECOND TIME THIS ____ DAY OF _____, 2018.

READ A THIRD TIME AND PASSED THIS ____ DAY OF _____, 2018.

MAYOR

CHIEF ADMINISTRATIVE OFFICER



Town of Drumheller
REQUEST FOR DECISION

TITLE:	APPOINTMENT TO THE ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
DATE:	November 23, 2018
PRESENTED BY:	Darryl E. Drohomerski, C.E.T.
ATTACHMENT:	

SUMMARY

Resulting from the recent resignation of John Goudy on the Economic Development Advisory Committee, one vacancy exists. The Town received an application from Dennis Harder – Dennis wishes to step away from the Heritage Cultural and Arts Committee to serve on the EDAC.

RECOMMENDATION:

That Council approve the appointment of Dennis Harder for a three year term.

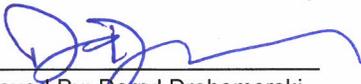
STRATEGIC POLICY ALIGNMENT:

Volunteering for Town of Drumheller Boards and Committees is an important way to ensure that Town business operates in an open and transparent way, as identified in the Municipal Sustainability Plan.

MOTION:

That Council approve the appointment of Dennis Harder to the Economic Development Advisory Committee for a three year term expiring at Council's 2021 Organizational Meeting.

Prepared By: Linda Handy
Senior Administrative Assistant


Approved By: Darryl Drohomerski
Chief Administrative Officer



DRUMHELLER

CHIEF ADMINISTRATIVE OFFICER



APPLICATION TO SERVE ON
TOWN PUBLIC SERVICE BOARDS

Date November 23, 2018

Board applied for ECONOMIC DEV ADVISORY COMM

Name of Applicant DENNIS HARDER

Full Address _____ Postal Code T0J 0Y5

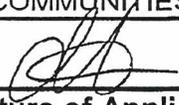
Length of Residency in Town 2 1/2 YEARS

Phone (403) _____ E-mail Address _____

Past Service on Similar Boards PASSION PLAY BOARD, BUSINESS ADVOCACY COMMITTEE,
BOARD OF DIRECTOR FOR MORDEN-WINKLER CONSTITUENCY

BRIEF PERSONAL HISTORY (include information which you feel would assist Council in making a decision as to your capabilities to serve on this Board)

I AM AN ENTREPRENEUR BY HEART AND HUGE BELIEVER IN SUPPORTING MY LOCAL
COMMUNITY. I AM PASSIONATE ABOUT HELPING PEOPLE, BUSINESSES AND COMMUNITIES
GROW AND HAVE HAD THE HONOR TO HELP AND ASSIST A LOT OF PEOPLE, BUSINESSES
AND COMMUNITIES GROW IN DIFFERENT AREAS.



Signature of Applicant

Return Email Address: ihandy@dinosaurvalley.com

Personal Information is being collected for the purpose of appointing individuals to Town public service boards pursuant to the provisions of the Municipal Government Act and its regulations, and pursuant to Section 34(2) of the Freedom of Information and Protection of Privacy Act. If you have any questions about the collection of your personal information, you may contact the F.O.I.P. Coordinator at (403)823-1339.

Town of Drumheller
224 Centre Street
Drumheller, AB T0J 0Y4

www.dinosaurvalley.com

Telephone: (403) 823-1339
Fax: (403) 823-8006



Date: November 26, 2018
To: Town of Drumheller Council
From: Devin Diano, *Planner*
Re: Bylaw No. 14.18 - A Proposed Bylaw to Amend LUB 10-08

Purpose:

The purpose of Bylaw 14.18 is to amend existing Land Use Bylaw No. 10-08.

First reading of Bylaw 14.18 occurred on October 29, 2018 where a Public Hearing date was set for November 26, 2018.

Proposed Changes:

Bylaw 14.18 proposes “house keeping” changes that will clarify regulations for issuing home occupation development permits. Specifically, the proposed changes will remove the requirement to renew an issued home occupation development permit yearly.

Land Use Bylaw 10-08 will continue to provide the ability for the Development Authority to rescind a permit for a home occupation if there have been changes or deviation from the originally approved application.

Additionally, Land Use Bylaw 10-08 will continue to provide the Development Authority the discretion to issue a temporary permit not exceeding one year for a home occupation.

These proposed changes will allow administration to issue home occupation development permits in a more efficient manner, and free up administrative hours spent sending and tracking renewals of development permits for home occupations. The Town of Drumheller is currently one of the few municipalities that requires the yearly renewal of approved development permits for home based businesses.

Recommendation:

Palliser Regional Municipal Services recommends that the Town of Drumheller Council approve Bylaw 14.18.

TOWN OF DRUMHELLER

BYLAW NUMBER 14.18

BEING A BYLAW TO AMEND LAND USE BYLAW NO. 10-08 FOR THE TOWN OF DRUMHELLER IN THE PROVINCE OF ALBERTA.

WHEREAS pursuant to the provision of Section 639 of the *Municipal Government Act*, RSA 2000, Chapter M-26, the Council of the Town of Drumheller (hereinafter called the Council), has adopted Land Use Bylaw No. 10-08;

AND WHEREAS the Council deems it desirable to amend Land Use Bylaw 10-08; and

NOW THEREFORE the Council hereby amends Land Use Bylaw No. 10-08 as follows:

1. In Part VII, General Land Use Regulations, Section 56. "Home Occupations", (b), remove the following sentence:

(b) "An applicant shall seek renewal for a home occupation permit each year from the date of issue of the prior development permit"

2. In Part VII, General Land Use Regulations, Section 56. "Home Occupations", add the following proceeding (b):

(c) "A permit issued for a home occupation does not need to be renewed each year if there are no changes to the conduct of the home occupation that departs from the description in the application or from any other conditions or restrictions imposed in the permit."

3. Repaginate and renumber as required.

4. This Bylaw will come into full force and effect on the date of final passing thereof.

READ A FIRST TIME THIS 29th DAY OF October, 2018

READ A SECOND TIME THIS ____ DAY OF _____, 2018.

READ A THIRD TIME AND PASSED THIS ____ DAY OF _____, 2018.

MAYOR

CHIEF ADMINISTRATIVE OFFICER