

Minutes of a Regular Council Meeting of Clearwater County, Province of Alberta, held April 22, 2014 in the Clearwater County Council Chambers in Rocky Mountain House.

CALL TO ORDER: The Meeting was called to order at 9:01 A.M. by Reeve Alexander with the following being present:

Reeve:	Pat Alexander
Councillors:	Curt Maki
	Jim Duncan
	Theresa Laing
	Earl Graham
	Kyle Greenwood
	John Vandermeer
CAO:	Ron Leaf
Recording Secretary:	Tracy Haight
Director, Public Works:	Marshall Morton
Administration:	Kurt Magnus
	Erik Hansen
	Sean Kelly
	Mike Bell
Public:	Dennis Ross
	Edward Van Heeren
Media:	Helge Nome
	Sarah Maetche
	Rianne De Lang

**AGENDA
APPROVAL:**

COUNCILLOR GREENWOOD: That the April 22, 2014 Regular Meeting Agenda be accepted.

165/14 CARRIED 7/0

**CONFIRMATION
OF MINUTES:**

1. April 08, 2014 Regular Meeting Minutes

COUNCILLOR DUNCAN: That the Minutes of the April 08, 2014 Regular Meeting be accepted.

166/14 CARRIED 7/0

**COMMUNITY &
PROTECTIVE
SERVICES:**

1. Rocky Mountain House Search & Rescue

Edward Van Heeren, President - Rocky Mountain House Search & Rescue (Rocky SAR), presented a picture to Council in appreciation of Council's support over the last twenty years.

Reeve Alexander thanked Mr. Van Heeren and noted Rocky SAR provides a vital service, especially in the West County, in Clearwater County.

Trevor Duley joined the meeting.

COUNCILLOR MAKI: That Council accepts the presentation from Rocky SAR.

167/14 CARRIED 7/0

**PUBLIC
WORKS:**

1. Tender Award: Grader Maintenance Beat #501, 508, 510, & 513

Marshall Morton stated Clearwater County received tenders for the maintenance of grader beats 501, 508, 510, and 513. Each grader beat is for a five-year term starting May 1, 2014 and entails maintenance of approximately 143 km, 161 km, 167 km and 172 km, respectively, of gravel road.

Mr. Morton outlined bids received for the grader beats tendered and noted Shields Grader Service Ltd., low valid bidder for grader beats 501, 510, and 513, preferred beat 510. The next low valid bidders are as follows: Diamond J. Industries Ltd. – beat 501; Jomad Industries Ltd. – beat 508; and Brian Harbidge – beat 513.

COUNCILLOR VANDERMEER: That Council awards grader beat 501 to Diamond J. industries Ltd.; grader beat 508 to Jomad Industries Ltd.; grader beat 510 to Shields Grader Service Ltd. and grader beat 513 to Brian Harbidge.

168/14

CARRIED 7/0

2. Tender Award: Three-Yard Replacement Loader

Marshall Morton stated Clearwater County received nine tenders for the 2014 three-yard replacement loader, with Lift Boss Materials Handling Group as the low value bidder. However, upon further investigation administration noted procurement of parts for the equipment line could be difficult or untimely.

WAJAX Equipment and C.E.M. Heavy Equipment were the next low valid bidders however, upon further review; administration noted these tenders did not meet the minimum required specifications. Consequently, administration determined Brandt Tractor Ltd. as the low valid bidder.

Administration responded to questions from Council and discussion followed on service/parts availability and the expected length of service from the loader.

COUNCILLOR GREENWOOD: That Council awards the tender for a three-yard replacement loader to Brandt Tractor Ltd.

169/14

CARRIED 7/0

3. TRAVIS M-J Municipal Permit Fees – Bylaw 989/14

Rick Emmons, Rhonda Serhan, and Denniece Crout joined the meeting.

Marshall Morton stated Clearwater County participates in the Transportation Routing & Vehicle Information System (TRAVIS) Multi-Jurisdiction Permitting system that allows industry to apply for a single permit for overweight and over dimensional loads to move through multiple jurisdictions.

Alberta Transportation recommends the province collect fees for this service and allocates permit revenue to municipalities on an equitable formula based on municipal roadway type and distance traveled.

Therefore, based on the Municipal Government Act (MGA) legislation, Clearwater County proposes a bylaw to charge \$15.00 "Fixed Municipal Fee" as part of an overall permit fee collected by the province and distributed to the municipality.

Mr. Morton responded to questions from Council on the jurisdiction of TRAVIS; provided background information; and noted the TRAVIS system does not cover road use or exemption permits.

170/14

COUNCILLOR GRAHAM: That Council grants FIRST Reading to Bylaw 989/14 TRAVIS MJ Fixed Municipal Permit Fees.

CARRIED 7/0

COUNCILLOR GREENWOOD: That Council grants SECOND Reading to Bylaw 989/14 TRAVIS MJ Fixed Municipal Permit Fees.

171/14

CARRIED 7/0

COUNCILLOR MAKI: That Council considers granting THIRD Reading to Bylaw 989/14 TRAVIS MJ Fixed Municipal Permit Fees.

172/14

CARRIED 7/0

COUNCILLOR VANDERMEER: That Council grants THIRD Reading of Bylaw 989/14 TRAVIS MJ Fixed Municipal Permit Fees.

173/14

CARRIED 7/0

Marshall Morton, Erik Hansen, and Kurt Magnus left the meeting.

COMMUNITY
& PROTECTIVE
SERVICES:

2. Summer 2014 Parade Invitations

Trevor Duley noted parades for 2014 as follows:

- Big Horn Rodeo Parade May 14
- Rocky Rodeo Parade June 7
- Eckville Parade June 7
- Daines Rodeo Parade June 14
- Ponoka Stampede June 27
- Westerner Days July 16

Mr. Duley noted in 2013, float entries were submitted for the Big Horn Rodeo, Rocky Rodeo, and Westerner Days. Administration requests direction on Council's level of participation and the type of entry for 2014 parades, as a float entry incurs costs for staff time, supplies, and mileage.

Discussion followed on the success of past parades and costs incurred with float entries.

COUNCILLOR DUNCAN: That Council authorizes all councillors attendance at all parades; a float entry for the Big Horn and Rocky Rodeo Parades and Westerner Days; and horseback/dignitary vehicles for all other parades.

174/14

CARRIED 7/0

Trevor Duley left the meeting.

PLANNING: 2. Nordegg Phase VI Cottage Lots

Rick Emmons stated administration proposes to advertise the Nordegg Phase VI cottage lots for sale and operate on a 'first-come, first-served' basis rather than conduct a lot draw.

Mr. Emmons presented a draft “Phase VI Nordegg Cottage Lot Purchasing Policy” for Council’s review and noted the policy is a procedural guide to assist administration and potential land purchasers.

Mr. Emmons responded to questions from Council on lot locations, required specifications and costs associated with lot sales.

COUNCILLOR LAING: That Council approves the Phase VI Nordegg Cottage Lot Purchasing policy as presented.

175/14

CARRIED 7/0

Marianne Cole joined the meeting.

CORPORATE SERVICES: 1. **Third Reading: 2014 Property Tax Rate Bylaw 985/14**

Denniece Crout presented the 2014 Tax Rate and Minimum Tax Bylaw 985/14. The Bylaw sets the 2014 tax rates as follows:

- Residential municipal tax rate at .0025110
- Farmland municipal tax rate at .0039383 and
- Non-residential, machinery and equipment, and linear rates at .0069139
- Westview Lodge Tax Rate - .000717 Tax Rate 2014

COUNCILLOR DUNCAN: That Council grants THIRD Reading to Bylaw 985/14 2014 Tax Rate Bylaw.

176/14

CARRIED 7/0

2. Tax Penalty Bylaw 986/14

Denniece Crout presented Tax Penalty Bylaw 986/14 and noted penalty rates and application dates as follows:

- 8% on all taxes outstanding on September 16 (should September 16 fall on a weekend the penalty will be applied the following work day)
- 4% on all taxes and arrears outstanding on December 15

Ms. Crout responded to questions on administrative procedures for notifying ratepayers of outstanding taxes and procedures, as per legislation, for tax collection.

COUNCILLOR MAKI: That Council grants FIRST Reading to Tax Penalty Bylaw 986/14.

177/14

CARRIED 7/0

COUNCILLOR GREENWOOD: That Council grants SECOND Reading to Tax Penalty Bylaw 986/14.

178/14

CARRIED 7/0

COUNCILLOR GRAHAM: That Council considers granting
THIRD Reading to Tax Penalty
Bylaw 986/14.

179/14 CARRIED 7/0

COUNCILLOR DUNCAN: That Council grants THIRD
Reading of Tax Penalty Bylaw
986/14.

180/14 CARRIED 7/0

Rick Emmons, Keith McCrae, Marilyn Sanders, Kipp Hearne, Hubert St. Jean, and Jeremy Thompson joined the meeting. Rhonda Serhan left the meeting.

INFORMATION: 1. Information

COUNCILLOR VANDERMEER: That the CAO's Report, Public Works
Director's Report, Accounts Payable
Listing, and Councillor's Remuneration are
accepted as information.

181/14 CARRIED 7/0

PLANNING: 1. First Reading: Bylaw 988/14 Land Use Amendment

Marilyn Sanders presented an application from Di-Corp Properties to amend the Land Use Bylaw for NW 28 39 05 W5, containing 149.90, to redistrict 33.85 acres from Agriculture District "A" to Industrial District "I".

Ms. Sanders noted Di-Corp Properties proposes to construct a transloading facility for frac sand at the subject property, which is located approximately 10 miles east of Rocky Mountain House. There is legal and physical access via an existing approach to Highway 598 and Alhambra Road (Range Road 5-4) lies adjacent the west boundary of the subject land.

Ms. Sanders provided background information on the application, reviewed sections of the Municipal Development Plan applicable to the application, and noted an area structure plan is not recommended as this is not considered a multi-lot development.

Ms. Sanders introduced the applicant's representatives, Hubert St. Jean, Kipp Hearne, and Jeremy Thompson.

Mr. St. Jean provided information on Di-Corp Properties' products and services, and noted Di-Corp constructed and operates a similar facility to this application in Grande Prairie.

Mr. Hearne provided further details on the proposed facility and noted the minimum site work required; small footprint of the facility, and points of access.

Kurt Magnus, Marshall Morton, and Erik Hansen joined the meeting.

Discussion followed and the Di-Corp Properties' representatives responded to questions from Council on potential railcar activity, noise and dust control at the site; and possible future development or expansion of site.

COUNCILLOR GRAHAM:

That Council grants FIRST Reading to Bylaw 988/14 LUA and schedule a Public Hearing for May 27, 2014.

182/14

CARRIED 7/0

Tracy OpdenDries, Rhonda Serhan, and Chris Pan joined the meeting. Kurt Magnus, Marshall Morton, Erik Hansen, Rick Emmons, Keith McCrae, Marilyn Sanders, Kipp Hearne, Hubert St. Jean, and Jeremy Thompson left the meeting.

**CORPORATE
SERVICES:**

3. 2013 Consolidated Financial Statements

Rhonda Serhan presented Clearwater County's consolidated financial statements for the year ended December 31, 2013 and introduced Chris Pan, audit manager with Hawkings Epp Dumont LLP, Chartered Accountants. Ms. Serhan noted the overall financial position of the County continues to improve with net financial assets increasing by approximately \$500,000. Accumulated surplus increased by \$5,898,424 for a total amount of \$408,000,000, the bulk of which is invested in tangible capital assets.

Ms. Serhan noted the Alberta government did not withdraw payment for school tax until January 2, 2013 resulting in an increase in accounts payable and accrued liabilities and a decrease in cash and temporary investments for 2012. Consequently, making comparisons between the two years for liabilities and cash are difficult.

Ms. Serhan reviewed the Consolidated Statement of Operations. A significant surplus from operations for 2013 is due to the following: Well Drilling Equipment Tax (WDET) generating higher than budgeted revenue amounts; under expenditures in salaries, wages and benefits; and under expenditures in transfers to individuals and organizations.

Ms. Serhan noted the deferred revenue balance decreased due to use of grant funds and the biannual payment of long term debt for Westview lodge. The increase in tangible capital assets is due to the completion of gravel/pavement projects. Ms. Serhan noted administration will provide Council with a detailed 2013 variance report at first opportunity.

After adjusting for amortization, expenses were approximately four million under budget which contributes to the surplus and in turn strengthens the reserve.

Discussion followed on potential for amendments or termination of the WDET; auditor's acceptance of conservative estimates for the WDET; delay of arena project; funding strategy and planning for capital investments.

Chris Pan provided background information on the 2013 audit process and noted auditor duties and responsibilities. He stated that the 2013 audit went well and thanked staff for their assistance and well managed records.

Mr. Pan outlined the financial highlights as \$42,059,230 net financial assets, \$1,083,325 operating surplus, and \$408,634,487 accumulated surplus; along with key areas such as receivables, inventory, payables, tangible capital assets, taxes, and government transfers. Mr. Pan stated that the County remains in good financial condition with low debt, healthy reserves and has relatively low/controlled spending. He noted that there are no significant control deficiencies, no unusual accounting policies or estimates, no material uncorrected differences or misstatements, and no difficulties were encountered during the audit.

COUNCILLOR MAKI:

That Council approves the 2013
Consolidated Financial Statements.

183/14

CARRIED 7/0

Tracy OpdenDries, Rhonda Serhan, and Chris Pan left the meeting.

Discussion followed on the provincial review of the Municipal Government Act (MGA) and several issues of concern as follows: potential legislation to cap industry assessments; lack of provisions for a non-residential assessment split mill-rate; and the impact on rural municipalities if linear and machinery and equipment (M&E) tax revenue is pooled provincially.

Denniece Crout joined the meeting.

Denniece Crout responded to questions from Council and explained linear and M&E assessments.

Council noted the MGA should establish legislation for consistent and standardized assessments and include provisions for split mill rates.

Ron Leaf noted Clearwater County submitted a resolution at the AAMDC Fall 2011 Conference, which was defeated, that addressed the split mill rate issue. Administration will review the resolution and report to council at the first opportunity.

ADJOURNMENT:
11:46 P.M.

COUNCILLOR LAING:

That the Meeting adjourns.

184/14

CARRIED 7/0



REEVE

CHIEF ADMINISTRATIVE OFFICER