

Minutes of a Regular Council Meeting of Clearwater County, Province of Alberta, held September 12, 2017, in the Clearwater County Council Chambers in Rocky Mountain House.

CALL TO ORDER: The Meeting was called to order at 9:00 am by Reeve Alexander with the following being present:

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| Reeve: | Pat Alexander |
| Councillors: | John Vandermeer |
| | Kyle Greenwood |
| | Theresa Laing |
| | Curt Maki |
| | Earl Graham |
| | |
| Staff: | |
| Chief Administrative Officer | Ron Leaf |
| Recording Secretary | Tracy Haight |
| Director, Public Works | Marshall Morton |
| Director, Ag Services & Landcare | Matt Martinson |
| Manager, Infrastructure | Kurt Magnus |
| Manager, Operations | Erik Hansen |
| Director, Corporate Services | Rodney Boyko |
| Director, Community & Protective Services | |
| Manager, Human Resources | Ted Hickey |
| Manager, Intergovernmental & Legislative Services | Janice Anderson |
| | Christine Heggart |
| Media: | |
| | Laura Button |
| | Keanna Nelson |
| Public: | |
| | Lorissa Nafziger |
| | Cammie Liard |
| | Diana Spencer |
| | Andrea Garnier Spongberg |
| | Michelle Swanson |
| | Marianne Cole |
| | Dennis Ross |

**AGENDA
APPROVAL:**

COUNCILLOR GRAHAM: That the September 12, 2017 Regular Meeting Agenda is adopted as circulated.

333/17

CARRIED 6/0

**CONFIRMATION
OF MINUTES:**

1. August 22, 2017 Regular Meeting Minutes

COUNCILLOR GREENWOOD: That the Minutes of the August 22, 2017 Regular Meeting are adopted as circulated.

334/17

CARRIED 6/0

PUBLIC WORKS: 1. Caroline RV Septic Station

R. Leaf reported that Administration met with Village of Caroline Chief Administrative Officer (CAO), as per Council's direction on August 22, to discuss public concerns with the Caroline RV septic station's hours of operation and user fees.

R. Leaf summarized information received from the Village's CAO as follows:

- The station structure is owned by the Village of Caroline and is managed by Village staff.
- The station's operational hours and user fees were established to manage and recover operating costs.
- The station uses a septic tank system that was designed to accommodate disposal needs of the Village's campground users not community residents or the general public.
- Connecting the tank to the Village's sewer system is not cost-effective due to its location on Crown land.

Additionally, Administrations discussed viable solutions for improved service such as constructing a new station and/or including the Caroline Campground operations in future County campground operating contracts.

R. Leaf responded to questions and confirmed the Village of Caroline Council is discussing the issue.

COUNCILLOR MAKI: That the operations of the Caroline RV septic station remain the responsibility of the Village of Caroline Council and its Administration.

335/17 CARRIED 6/0

COUNCILLOR GRAHAM: That County and Village Administrations continue to discuss options with respect to including the Caroline Campground in future operations tenders for County campgrounds.

336/17 CARRIED 6/0

Councillor Jim Duncan joined the meeting at 9:08 am.

2. Signage Request for Greenwood Way Subdivision

K. Magnus presented a request from a resident of Greenwood Way Subdivision for Council to waive installation costs for signage on the subdivision access road prohibiting the use of engine retarder brakes as installation benefits all four residents of the subdivision.

K. Magnus responded to question and stated installation costs are estimated at \$200.00.

Discussion followed on the criteria used for evaluating the installation of engine brake signs, as per Council's 'Informational Signs' policy, Procedure Item 8.

The following points were noted:

- The four residential-lot subdivision is accessed by a 150-meter roadway that is under a 50% road ban year-round.
- The access road is not subject to large truck volumes.
- A sign may not be required pending the outcome of the County's Planning Department's investigation on the use of residential property within the subdivision for industrial/commercial business.
- Amendments to policy are not intended to resolve neighbor disputes.

COUNCILLOR DUNCAN: That Council upholds its current 'Informational Signs' policy.

337/17

CARRIED 7/0

M. Morton, E. Hansen and K. Magnus left the meeting.

**AGRICULTURE
SERVICES &
LANDCARE:**

1. Income Tax Changes for Agriculture and Other Businesses

M. Martinson presented a draft letter to Jim Eglinski, Member of Parliament for the Yellowhead constituency, expressing Council's concerns with proposed federal tax changes for private corporations.

Discussion took place and it was noted to amend the letter to: firmly express Council's opposition to the proposed changes; state proposed changes will jeopardize operations of family farms and rural businesses and stagnate rural economic growth in Canada; and, include specific examples of how proposed changes will negatively impact the sustainability and viability of rural Canada (i.e. impact on rural doctor recruitment and retention, family succession planning, increased taxes on rental income). It was also noted to attach a publication from MNP, a national accounting firm, to the letter.

COUNCILLOR MAKI: That Council endorses the letter to Jim Eglinski, MP, as amended, with the MNP 'Potential Impacts of Changing Tax Regulations on Ranching Operations' publication attached.

338/17

CARRIED 7/0

COUNCILLOR DUNCAN: That Council endorses letters with the same content and attachment to the Prime Minister and Finance Minister; copies all letters to the Alberta Association of Municipal Districts and Counties and the Federation of Canadian Municipalities; and, submit Council's comments and concerns to the Department of Finance Canada.

339/17

CARRIED 7/0

M. Martinson left the meeting.
Shirley Evans joined the meeting.

**COMMUNITY &
PROTECTIVE
SERVICES:**

1. Delegation: Confluence Heritage Society

T. Hickey introduced S. Evans, Confluence Heritage Society President, and provided an overview of the non-profit organization's mission and goals. The Society develops, coordinates and operates community programming on a volunteer basis and requests funding assistance from the Town and County to continue operations for the hire of a business manager to assist volunteers with administrative duties. T. Hickey noted Administration intends to identify funding options for Council's consideration during the 2018 budget review.

S. Evans provided a summary of the Society's programs and activities that contribute to tourism, recreation and cultural initiatives and are run in partnership with the Chamber of Commerce and Rocky Mountain House National Historic Park. S. Evans outlined the role and responsibilities of the proposed business manager and noted filling the position would improve efficiencies, support volunteers and potentially increase revenues.

Discussion followed and it was noted that the Society's contributions to events at the historic site are valued and its programming is an asset to the community.

COUNCILLOR MAKI:	That Council receives the Confluence Heritage Society delegation's information as presented.
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340/17

CARRIED 7/0

COUNCILLOR VANDERMEER:	That Council considers the Confluence Heritage Society's request for funding assistance, during 2018 budget deliberations, as part of Community Services/Culture's 2018 Operating Budget.
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341/17

CARRIED 7/0

Discussion took place on challenges non-profit community groups are facing that include a lack of volunteers and funds, increased operational costs, and increased administrative functions to meet community needs. Discussion continued on possible solutions to address these challenges, such as collaborative partnerships/framework between community groups for sharing administrative support. Administration intends to review policies, identify needs, and present options for Council's consideration.

T. Hickey left the meeting.

**CORPORATE
SERVICES:**

1. Appointment of Auditor

R. Boyko reviewed Municipal Government Act legislation applicable to municipal financial statements and the appointment of external accounting auditors. He outlined the role and responsibilities of an auditor and noted Hawkings Epp Dumont has provided quality audit services to Clearwater County since 2010.

R. Boyko requested that Council considers appointing Hawkings Epp Dumont as Clearwater County's auditor for 2017 and 2018 fiscal years.

Discussion took place and it was noted that Hawkings Epp Dumont are experienced with the County's financials, offer competitive pricing and can

provide continuity and consistency while transitioning to the County's new accounting software program and new council term.

R. Boyko stated Administration anticipates commencing a Request For Proposal process for audit services in the spring of 2019.

COUNCILLOR GRAHAM: That Council extends the engagement with Hawkings Epp Dumont as Municipal Auditors for two years and appoints Hawkings Epp Dumont as auditors for 2017 and 2018 fiscal years.

342/17

CARRIED 7/0

2. Acceptance of Hybrid Centralized Assessment Model

R. Boyko reported on the provincial government's intent for the Ministry of Municipal Affairs to assume responsibility for the issuance of assessments for Designated Industrial Properties (DIP) as per amendments to the MGA effective January 1, 2018.

Municipal Affairs indicated the department cannot meet the January 1, 2018 deadline due to limited resources and anticipates it will take a few more years until the department can fully administer DIP assessments for all Alberta municipalities. In the meantime, the province intends to partner with municipalities in a 'Hybrid Centralized Assessment Model' project, under guidance of the Provincial Assessor, on a contract basis for an interim period to provide the assessment preparation and defense of DIPs.

Municipal Affairs invited Clearwater County to participate in this project; and, although Municipal Affairs have not forwarded contract details, Administration indicated interest in participating for the 2018 tax year.

Discussion followed and it was noted that the County's participation will ensure: assessment standards are maintained; continued involvement in the County's linear/machinery and equipment assessments; and, ongoing communication with the Province on its implementation strategy for centralized assessments.

COUNCILLOR VANDERMEER: That Council endorses the acceptance of the 'Hybrid Centralized Assessment Model' for Clearwater County's Designated Industrial Property Assessment.

343/17

CARRIED 7/0

3. Summary of Clearwater Broadband Foundation Legal Opinion and Administrative Recommendations

R. Boyko summarized information, based on administrative review and legal counsel, for public messaging outlining Council's due diligence process and factors considered regarding Council's May 9, 2017 decision to not approve Clearwater Broadband Foundation's (CBF) request to borrow \$3.48 million from Clearwater County, as follows:

- the level of 'due diligence' required by Council is significantly higher than a private investor and/or business when making decisions on investments and expenditures of public funds;

- CBF's status as a non-profit organization conflicts with the submitted financial plan and intent to operate on a 'for profit' basis;
- pursuant to the MGA Section 264, municipalities cannot loan funds to a 'for profit' entity;
- CBF's financial material and business plans were not reviewed or verified by an independent qualified professional accountant or firm;
- funding model assumptions were undetermined and loan repayment terms were unidentified; and,
- technical analysis of network architecture, installation or deployment strategies and cable routing were not included.

R. Leaf responded to concern regarding his actions in relation to Council's December 13, 2016 and January 10, 2017 motions to "develop a funding plan with the Clearwater Broadband Foundation (CBF)". Mr. Leaf stated that Administration had numerous meetings with the CBF Chair and Vice Chair including involving the CBF Chair and Vice-Chair in the meeting with the legal firm MLT Aikins. Mr. Leaf stated that Administration's May 9, 2017 recommendation, and the MLT Aikins legal opinion, were provided to inform Council of its due diligence requirements as Council considered the financial request of the CBF.

COUNCILLOR GRAHAM: That Council endorses public messaging that confirms Council's requirement for increased standard of due diligence regarding the expenditure and investment of public funds related to Clearwater Broadband Foundation's funding request.

344/17

CARRIED 4/3

4. 2018 Council Compensation

R. Boyko reviewed Council's process for conducting an independent third-party compensation study, as part of Council's 2015-2018 Strategic Plan objectives, and explained the study compared Clearwater Council's remuneration to six other municipalities and concluded it is the second lowest at the 16th percentile.

He reviewed the current practices for council remuneration that provides an annual supervision rate for Reeve (\$10,200) and Councillors (\$6,600) plus per diems for time spent in meetings. Based on Council's review of the policy, the following draft policy amendments are recommended:

- Stay with current remuneration practices;
- Implement a supervision rate for Deputy Reeve;
- Develop a plan to achieve the 50th percentile by 2020.
- Ensure that the next comprehensive review occur in the year 2020 with results to Council by the end of their 3rd year.

R. Boyko reviewed recommended supervision rates to achieve the 25th percentile in 2018; 35th in 2019; and, 50th percentile in 2020.

Discussion followed and the following points were made:

- Councillor duties are varied and time consuming.
- The current supervision rate does not fairly compensate for the number of hours spent preparing for meetings, reviewing information and researching documents, and responding to constituent enquiries.
- A separate supervisor rate for the deputy reeve position compensates for additional time spent attending events and meetings as the elected official municipal representative and attending administrative meetings with the Reeve.

- There is merit in forming a public committee to review proposed councillor remuneration and to provide recommendations to Council.

345/17

COUNCILLOR GRAHAM: That Council amends the ‘Council and Board Reimbursement’ policy to adjust monthly honourarium/supervisor rates to \$2,014 for the Reeve; to \$1,250 for the Deputy Reeve; and to \$1,003 for Councillors to meet the 25th percentile, effective January 1, 2018.

CARRIED 7/0

COUNCILLOR DUNCAN: That Council amends the ‘Council and Board Reimbursement’ policy to include public committee representation for the purpose of reviewing council compensation for 2019 budget recommendations; amends the policy for grammatical and procedural changes; and directs Administration to present amendments to Council for its consideration.

346/17

CARRIED 7/0

J. Anderson left the meeting.

MUNICIPAL: 1. Modernized Municipal Government Act (MMGA) Regulation Review – Round 2 Posting

C. Heggart reported on the Ministry of Municipal Affairs second round of proposed draft regulations for the MGA and reviewed Administration’s comments on the regulations applicable to County operations.

Although there is no indication from Municipal Affairs as to when new regulations will be finalized, Administration intends to provide an overview of proposed changes and administrative comments during the ‘New Councillor Orientation’ session in October.

Discussion took place on anticipated changes to regulation for governance and administration, planning and development, and assessment and taxation. It was noted that the County has moved forward, or already has ‘building blocks’ in place to meet many of the new regulations.

COUNCILLOR GREENWOOD: That Council receives the ‘Modernized Municipal Government Act Regulation Review – Round 2 Posting’ report for information as presented; and, supports the summary information and Administration’s comments being included in the ‘New Councillor

Orientation' session scheduled in
October.

347/17

CARRIED 7/0

INFORMATION:

1. CAO's Report

R. Leaf reviewed upcoming events and meetings for September and October.

COUNCILLOR DUNCAN:

That Council authorizes councillors' attendance at the Rocky Native Friendship Centre's 'Bringing Cultures Together' multicultural event on September 15, 2017 and 'Dinner and Movie' event on September 16, 2017.

348/17

CARRIED 7/0

COUNCILLOR MAKI:

That Council authorizes councillors' attendance at the Nordegg Discovery Park Grand Opening event on September 30, 2017.

349/17

CARRIED 7/0

R. Leaf provided Alberta Association of Municipal Districts and Counties' (AAMDC) Executive Summary on AAMDC Climate Change Advisory Committee's final report.

3. Councillor's Verbal Report

Councillor Duncan reported that the Canada 150 Voyageurs Rendezvous Committee is finalizing activities and anticipates dissolution within the next few months.

Councillor Duncan reported the Town of Rocky Mountain House Parks, Recreation and Community Services Board recommended that the final report on the Town of Rocky Mountain House's Recreation Master Plan is presented to Council

COUNCILLOR VANDERMEER:

That Council receives the CAO Report, Public Works Director's Report, Councillor's Verbal Report, Accounts Payable and Councillor Remuneration Listing as information.

350/17

CARRIED 7/0

C. Heggart, L. Button, K. Nelson, Lorissa Nafziger, Cammie Liard, Diana Spencer, Andrea Garnier Sponberg, Michelle Swanson, Marianne Cole and Dennis Ross left the meeting.

IN CAMERA:

'Administrative Labour Verbal Report' was added to the In Camera agenda as Item J2.

COUNCILLOR GRAHAM:

That Council meets as a Committee of the Whole to discuss: Item J1 Administrative Report – Land, and Item J2 Administrative Labour Verbal Report in camera in accordance with Section 197(2) of the Municipal Government Act and Section 24(1)(a) and (c), Section 39 (1)(a) and Section 40 of the Freedom of Information and Protection of Privacy Act at 11:41 am.

351/17

CARRIED 7/0

R. Boyko and T. Haight left the meeting.

COUNCILLOR GREENWOOD:

That the meeting reverts to an Open Meeting at 12:45 pm.

352/17

CARRIED 7/0

COUNCILLOR GREENWOOD:

That Council directs the Reeve and Deputy Reeve to engage legal counsel to review the Chief Administrative Officer's conduct in relation to Councils December 13, 2016 and January 10, 2017 motions regarding Clearwater Broadband Foundation.

353/17

CARRIED 7/0

ADJOURNMENT:
12:46 pm.

COUNCILLOR MAKI:

That the Meeting adjourns.

354/17

CARRIED 7/0



REEVE


CHIEF ADMINISTRATIVE OFFICER