

CLEARWATER COUNTY COUNCIL AGENDA
November 10, 2015
9:00 A.M.
Council Chambers
4340 – 47 Avenue, Rocky Mountain House AB

10:30 A.M. Delegation: Rocky Mountain House, Caroline, & Nordegg Chambers of Commerce
11:00 A.M. Delegation: West Fraser LVL, Paul Bradley, GM

A. CALL TO ORDER

B. AGENDA ADOPTION

C. CONFIRMATION OF MINUTES

1. October 27, 2015 Organizational Meeting Minutes
2. October 27, 2015 Regular Meeting Minutes

D. PUBLIC WORKS

1. Tender Award: 2016 Asphalt Overlay – ***ITEM TO FOLLOW***

E. CORPORATE SERVICES

1. 2016 – 2018 Operating and Capital Budgets
2. ***TABLED ITEM:*** 352/15 Red Deer College Request For Support

F. COMMUNITY & PROTECTIVE SERVICES

1. **10:30 a.m.** Delegation: Rocky Mountain House, Caroline, & Nordegg Chambers of Commerce

G. MUNICIPAL

1. Council Christmas Greeting Advertising – 2015
2. SDAB Alternate Member At Large
3. Invitation Dec 3 Fundraiser – Central Alberta Pregnancy Centre
4. AAMDC Fall 2015 Resolutions
5. 2015/16 Provincial Budget Analysis
6. **11:30 a.m.** Delegation: West Fraser LVL, Paul Bradley, General Manager

H. INFORMATION

1. CAO's Report
2. Public Works Director's Report
3. Councillors' Verbal Report
4. Accounts Payable Listing

I. IN CAMERA*

1. Third Party Interest
2. Labour
3. Legal
4. Administrative Report

* For discussions relating to and in accordance with: a) the Municipal Government Act, Section 197 (2) and b) the Freedom of Information and Protection of Privacy Act, Sections 21 (1)(ii); 24 (1)(a)(c) and (g); 25 (1)(c)iii; and 27 (1)(a)

J. ADJOURNMENT

TABLED ITEMS

<u>Date</u>	<u>Item, Reason and Status</u>
02/24/15	073/15 Invitation from Mayor's Office, Drayton Valley STATUS: Pending Information, Municipal
09/22/15	352/15 Red Deer College Request for Support STATUS: Pending Information from Campus Alberta Central



AGENDA ITEM

PROJECT: 2016 – 2018 Operating and Capital Budgets		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: Corporate Services	WRITTEN BY: Rudy Huisman	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input checked="" type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite) Bylaw: _____ Policy: _____		
STRATEGIC PLAN THEME: Well Governed and Leading Organization	PRIORITY AREA: Strategic Management	STRATEGIES: Proactive fiscal management
ATTACHMENT(S):		
RECOMMENDATION: That Council confirms its support for the adoption of an interim 2016 operating budget and directs staff to present this budget at the December 8, 2015 council meeting.		

BACKGROUND:

The published 2016 – 2018 Budget Review Timetable indicated that the 2016 – 2018 Budget would be reviewed by Council in open session on November 30, December 1, December 2, 2015 and if necessary December 3, 2015.

Staff is in the final stages of preparing proposed capital and operating expenditure budgets based on departmental submissions.

Because of the potentially significant impact on taxation and other revenue in 2016 precipitated by the continuing downturn in the Alberta economy, staff is proposing that the adoption of the 2016 budget take place in late January or early February. The delay in the adoption of the 2016 budget will provide more certainty around the revenue numbers, in particular linear assessment. This will enable staff to bring forward both operating and capital budgets that can be demonstrated as sustainable.

To accommodate the requirements of the Municipal Government Act, staff propose to bring forward an interim operating budget and a shortlist of capital items that require early approval for Council consideration at the December 8th Council meeting along with a revised timetable which will include dates for releasing the 2016 – 2018 budget binders and set specific dates for the budget review in open session.



AGENDA ITEM

PROJECT: <i>Tabled Item:</i> Red Deer College Request for Support		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: Corporate Services	WRITTEN BY: Rudy Huisman	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input checked="" type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite) Bylaw: _____ Policy: _____		
STRATEGIC PLAN THEME: Community Well Being	PRIORITY AREA: Services	STRATEGIES: Sustain the recreation, cultural and quality of life needs of the community
ATTACHMENT(S): APPENDIX A: Council minute extracts – Red Deer County and Lacombe County.		
RECOMMENDATION: That Council consider the request from Red Deer College for a contribution to the Health, Wellness and Sport facility.		

BACKGROUND:

At the Council meeting of September 8, 2015, a delegation from Red Deer College (RDC) consisting of Joel Ward, President and CEO, Michael Donlevy, Vice President of Community Relations and Linda Moore Martin, Dean of Health Sciences presented an overview of the new Health, Wellness and Sport Center project and asked Council to consider a \$1.4 million contribution.

Council discussed the RDC presentation and expressed a need to know additional details on what other municipalities were considering with respect to this project.

Resolution 340/15 states as follows:

That Council requests Administration to prepare a background report regarding requests to other central Alberta municipalities and associated responses.

CARRIED

At the Council meeting of October 27, 2015 a delegation representing Campus Alberta/Rocky Learning Council and Red Deer College composed of Dr. Paulette Hanna Vice President of Academics, and Bonnie Ireland, Executive Director Campus AB. Ms. Ireland introduced

members of the Rocky Learning Council, Mona Crocker, Executive Director and Jana Thomson, Program Coordinator.

The delegation provided additional information relevant to the request for financial support and local educational programming. Council received the information as presented.

With respect to the Red Deer County contribution, the original ask by Red Deer College in February 2015 was \$5,000,000. Red Deer County Council approved a one-time payment of \$500,000. (See relevant motions attached).

With respect to the Lacombe County contribution, the original ask by Red Deer College in April 2015, was \$1,275,000. Lacombe County Council approved a one-time payment of \$1,000,000. (See relevant motions attached).

No other municipalities are currently listed as major donors on the Red Deer College Foundation website.

APPENDIX A - Council minute extracts – Red Deer County and Lacombe County.

Extracts from Red Deer County Council minutes:

Meeting of April 7, 2015

6.2 Red Deer College, Request for Funding – consideration of the request received for Red Deer County to provide a capital investment in Red Deer College’s proposed Centre for Health, Wellness & Sport Facility.

CC-15-114 Moved by Councillor C. Moore to refer decision on the request received from Red Deer College for Red Deer County to consider a \$5 million capital investment in the College’s proposed Centre for Health, Wellness & Sport Facility and to schedule a public consultation session for April 21, 2015, at 1:30 p.m. **CARRIED UNANIMOUSLY**

Meeting of April 21, 2015

9.3 Red Deer College, Request For Funding – presentation by Red Deer College representatives with regard to the College’s request for Red Deer County to provide a capital investment in Red Deer College’s proposed Centre for Health, Wellness & Sport Facility.

CC-15-146 Moved by Councillor R.R. Lorenz to approve a contribution of \$500,000 to the Red Deer College as a capital investment for the College’s proposed Centre for Health, Wellness & Sport Facility. County Council Minutes of April 21, 2015 5

CC-15-147 Moved by Councillor J.M. Bota to refer decision on the College’s request for further review of the public input received. **MOTION DEFEATED** (Mayor Wood and Councillor Bota in favor Councillors Church, Huelsman, Lorenz and Massier opposed)

Vote taken on Motion No. **CC-15-146**. **CARRIED** (Councillors Church, Huelsman, Lorenz and Massier in favor Mayor Wood and Councillor Bota opposed).

Meeting of May 19, 2015

6.1 2015 Budget Amendments – consideration of amendments to the 2015 budget previously adopted December 9, 2014.

CC-15-164 Moved by Councillor C. Moore to approve the amendments to the 2015 budget as presented, with said amendments including the reallocation of the \$500,000 contribution to Red Deer College from the Community Services Reserve to the Municipal Reserve. **CARRIED UNANIMOUSLY**

Meeting of October 6, 2015

6.2 Olds College – Funding Request – consideration of a request received from Olds College for a financial contribution in support of new initiatives being proposed by the College.

CC-15-257 Moved by Councillor C. Moore that Red Deer County deny the request received from Olds College for a financial contribution in support of the College’s Vision. **CARRIED** (Mayor Wood, Councillors Bota, Church, Huelsman, Lorenz and Moore in favor Councillor Massier opposed).

APPENDIX A - Council minute extracts – Red Deer County and Lacombe County (Continued):

Extracts from Lacombe County Council Minutes:

Meeting of April 23, 2015

C/214/15 Committee of the Whole Meeting Set Moved by Mr. Wigmore

that Council schedule a Committee of the Whole meeting on May 15, 2015 to discuss the Red Deer College request for funding and any agenda items not addressed at the April 7, 2015 Committee of the Whole meeting. **Carried Unanimously.**

Meeting of June 25, 2015

10:50 a.m. Joel Ward, President of Red Deer College and Michael Donlevy, Vice President of Enterprise and Community Relations of Red Deer College entered the meeting. Linda Moore Martin, Dean of Health Sciences. C/327/15 Red Deer College Presentation Mr. Ward, Ms. Moore Martin and Mr. Donley provided a presentation on Red Deer College Building Our Community Together: A legacy for the Day After the Games which provided an overview of the following:

- History and Legacy and Future of Red Deer College
- Red Deer College Support & Sponsorship of the 2019 Canada Winter Games
- RDC Centre for Health, Wellness and Sport – Future and Legacy
- Business Plan and Total Estimated Cost of Centre
- Request for Lacombe County - Capital Investment for RDC (\$ 1,275,000)
- Opportunity to Invest in the Future
- Vision for the Centre – Health & Wellness
- Preventative Services & Programs for Aging Population
- Health & Wellness Programs in the Future for All Ages
- Student Programs and Facilities

A discussion and question period followed the presentation.

Moved by Mrs. Knight that the Red Deer College presentation be received for information, and further, that Administration be directed to bring a recommendation to Council at a future meeting.

Meeting of July 9, 2015

C/362/15 Red Deer College Multi-plex Polytechnic University Funding Request Mr. Hager referred to the presentation at the June 25, 2015 meeting by Joel Ward, President of Red Deer College, Michael Donlevy, Vice President of Enterprise & Community Relations, and Linda Moore Martin, Dean of Health Sciences. The presentation provided an update of their land use and facilities master plan, as well as their vision to be redesignated as a Polytechnic University. The facilities plan has identified the need for a multiplex which will include provisions for sport performance, athletic therapy, and a rehabilitation lab. A sports administration village will serve as the hub of hockey, coaching, refereeing and leadership development for the entire province in partnership with Hockey Alberta. The College believes that as

this endeavor is beneficial to all central Albertans there is a strong case for Lacombe County to participate. The total cost of the project is estimated at \$88 million and Red Deer College has requested that Lacombe County consider a contribution to the project of \$1,275,000 million dollars over five years. Mr. Hager addressed questions of Council. July 9, 2015.

Moved by Mr. McDermand

that Lacombe County contribute \$ 500,000 to the Red Deer College Multi-plex and \$ 500,000 for the Vision for a Polytechnic University; and further, that the contribution be funded from the Community Aggregate Levy Reserve. C/363/15 Red Deer College

Moved by Mr. Wigmore

to defer the issue of the Red Deer College funding request until the MCP meeting has concluded. Funding Request Deferred **Carried Unanimously**.

Continuation of Meeting of July 9, 2015

C/366/15 Red Deer College Funding Request Mrs. Law referred to Mr. McDemand's motion with regard to Red Deer College funding request which reads as follows: Moved by Mr. McDermand that Lacombe County contribute \$ 500,000 to the Red Deer College Multi-plex and \$ 500,000 for the Vision for a Polytechnic University; and further, that the contribution be funded from the Community Aggregate Levy Reserve. Council discussion took place. Mrs. Kreil requested a recorded vote.

C/367/15 Moved by Mrs. Knight

that the motion be amended to read: Motion Amended That Lacombe County contribute \$ 1,000,000 to the Red Deer College Multi-plex - Vision for a Polytechnic University; and further, that the contribution be funded from the Community Aggregate Levy Reserve.

Mrs. Law called the question on the amendment. **Carried**.

C/366/15 Original Motion Mrs. Law called the question on the original motion as amended. As Amended **For:** Mrs. Knight Mr. McDermand Ms. Shepherd Mr. Stephenson Mr. Wigmore **Against** Mrs. Kreil , Mrs. Law **Carried**.



AGENDA ITEM

PROJECT: Delegation from Rocky Mountain House, Caroline & Nordegg Chambers of Commerce		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: Community and Protective Services	WRITTEN BY: Jerry Pratt	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input checked="" type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite) Bylaw: _____ Policy: _____		
STRATEGIC PLAN THEME: Managing our Growth Well Governed and Leading Organization	PRIORITY AREA: Generate an innovative local economy that stimulates opportunities for investment, business and training. Development of a regional economic development plan.	STRATEGIES: 1.3.1 Collaborate with the Town of Rocky Mountain House to identify growth areas adjacent to the Town with the intent of addressing the lack of serviced residential, commercial and industrial properties. 1.3.2 Collaborate with the Village of Caroline to identify growth areas within or adjacent to the Village with the intent of addressing the lack of serviced residential, commercial and industrial properties. Develop and market the community of Nordegg, as financial resources permit and in accordance with the Nordegg Development Plan and Design Guidelines. 2.7.1 Develop a regional economic development plan which supports and promotes industry, business and agri-business and tourism.
ATTACHMENT(S): Chamber Letter to Council		
RECOMMENDATION: Information Purposes		

BACKGROUND:

The three Chambers of Commerce would like to express their support of the creation of a Regional Economic Development Plan and any tourism activities that promote the region as a whole. The Chambers believe they have a critical role to play in the development and implementation of the Plan and wish to communicate their perspectives in this regard.

Dear Clearwater County Council Members,

On behalf of the Rocky Mountain House, Caroline and Nordegg Chambers of Commerce representing over 500 businesses, we are pleased to present to you our joint vision of how we can support the work being undertaken by Clearwater County to develop a Regional Economic Development Plan that promotes industry, business, agriculture and tourism. It is our belief that we are indeed 'stronger together' and we aim to provide invaluable first hand experience to improve our sustainable, diversified economy within Clearwater County.

As you are aware, our Chambers are the initial point of contact for new business, providing information about the community, advertising support and a network of community and business leaders who lobby for business interests municipally, provincially and federally. Our Chambers are mandated to see the community as a whole prosper and grow. We believe a healthy, thriving community means a strong sustainable business foundation reflecting the specific strengths of our diverse region.

Chambers also support the communities in which they operate by providing support for the community organizations such as museums, Rotary clubs, Ag societies and education centres. All these groups play a valuable role in our municipalities through fund raising and generally encouraging a strong volunteer system that build social cohesion in our communities.

Our three Chambers work together sharing information to enhance the economic development of the entire region. We are a critical player in the development of any strategy being established for our population. We are extremely pleased to be working with County administration in support of a regional tourism strategy. We hope that our joint collaboration will provide direction to tourism opportunities, marketing and management of our region.

Sincerely,

Marla Zapach, President
Nordegg Chamber of Commerce

Anil Walji, President
Cindy Taschuk, Executive Director
Chamber of Commerce serving Clearwater County & Town of Rocky Mountain House

Dan Burger, President
Caroline Chamber of Commerce

**COMMUNITY CHAMBERS WORKING TOGETHER BY
SHARING INFORMATION TO ENHANCE THE ECONOMIC DEVELOPMENT OF THEIR
REGION**



Caroline & District
Chamber of Commerce

Caroline and District Chamber
of Commerce Association
Box 90 Caroline, AB, T0M 0M0
web: carolinechamber.ca
email: ccoc@telus.net
Ph: (403) 722-4066
Fax: (403) 722-4002



AGENDA ITEM

PROJECT: Council Christmas Greeting Advertising - 2015		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: Communications	WRITTEN BY: Christine Heggart	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input checked="" type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite) Bylaw: _____ Policy: _____		
STRATEGIC PLAN THEME:	PRIORITY AREA:	STRATEGIES:
ATTACHMENT(S):		
RECOMMENDATION: That Council direct staff in terms of preparing and publishing Christmas Greeting advertisements on their behalf.		

BACKGROUND:

Each year, Council includes a Christmas greeting from Council advertisement in the Mountaineer, Western Star and Sundre Round Up. The advertisements run for one week in December, and are printed in full colour, and include a photo of Council and Christmas greeting. A sample advertisement from 2014 is attached for Council's information.

The total cost for three Christmas Greeting advertisements in 2014 was approximately \$900.00 and costs were equally divided and paid by Council.

Staff would like to determine Council's interest in publishing a 2015 Christmas Holiday greeting.



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or on Twitter @clearwatercnty.



Phone 403-845-4444 | www.clearwatercounty.ca

P.O. Box 550, 4340 - 47th Avenue
Rocky Mountain House, AB T4T 1A4



AGENDA ITEM

PROJECT: Subdivision Development Appeal Board (SDAB) Alternate Member At Large		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: Planning	WRITTEN BY: Tracy Haight	REVIEWED BY: Rick Emmons/Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input checked="" type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input type="checkbox"/> None <input checked="" type="checkbox"/> Provincial Legislation (cite) MGA Section 17 <input checked="" type="checkbox"/> County Bylaw or Policy (cite) Bylaw 996/14		
STRATEGIC PLAN THEME: Managing Our Growth	PRIORITY AREA: Planning	STRATEGIES: Ensure appropriate land use planning for public infrastructure, rural subdivisions, hamlets, and commercial and industrial lands
ATTACHMENT(S): Committee Application		
RECOMMENDATION: That Council appoints Lorissa Nafziger to the SDAB as an alternate member at large.		

BACKGROUND:

Lorissa Nafziger indicated, as per the attached application, her interest as an Alternate Member at Large on the Subdivision Development Appeal Board.

Currently the Board has three members at large and no alternate members. By adding an Alternate Member at Large, Administration would have more opportunities to ensure quorum thereby greatly reducing the scheduling issues historically encountered.



Clearwater County Committees Application

Name Lorissa Pedersen - Nafziger

Mailing Address & Legal Land Box 1191, SW 15-35-5WS

Town Caroline Postal Code Tomomo Home Phone 403-396-2471

Cell Phone Same Work Phone Same

E-mail pedersen177@hotmail.com Preferred form of Contact E-mail or phone

Years lived in Clearwater County & area 34

Name of Committee SDAB - Alternate Position

Reasons for wanting to serve on this Committee I would like to be more involved in Clearwater County + this Committee would allow me to do so.

Describe any knowledge or experience you have related to your chosen committee(s):
I have experience sitting on many recreation boards locally in Caroline + believe this experience will help me make a positive impact on this Committee. I have no problem learning regulations so

If using Adobe Acrobat Reader 8 or higher you can type in this form, save it, and submit it via e-mail. I can be a effective member

For further information or to submit your application please contact:

Executive Assistant
Clearwater County
Box 550, 4340 47 Avenue
Rocky Mountain House, AB T4T 1A4
E-mail: thaight@clearwatercounty.ca

Ph. 403-845-4444 Fax 403-845-7330

The personal information on this form is collected under the authority of the Municipal Government Act and is used solely for the purpose related to the appointment of citizens at large to Council Committees. If you are appointed to a Council Committee your name and contact information will be publicly available. If you have any questions about the use of this information contact Tracy Haight at Clearwater county, 403-845-4444.



AGENDA ITEM

PROJECT: Invitation Dec 3 Fundraiser - Central AB Pregnancy Centre		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: CAO	WRITTEN BY: Ron Leaf	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite)		
STRATEGIC PLAN THEME: Community Well Being	PRIORITY AREA: Community Development, Health	STRATEGIES:
ATTACHMENT(S): Agency Information sheet		
RECOMMENDATION: That Council indicates whether it wishes to have councillor(s) attend the Central AB Pregnancy Centre December 3 fundraiser event.		

BACKGROUND:

The Central AB Pregnancy Care Centre is holding a fundraiser on December 3 and has extended an invitation to County councillors to attend.

The Central AB Pregnancy Centre is working towards opening a centre in Rocky Mountain House. The December 3 event is intended as an introduction of the community to the Centre and its work. The Centre plans on making a formal presentation to County Council in the new year and wishes to invite councillors to this introductory event.

Staff requests Council's direction on whether it wishes to authorize councillor(s) attendance and, if so, who will be attending.

PREGNANCY CARE CENTRE SERVICES

The Centre offers a wide range of services, in hopes of assuring the needs of each client are met in the best way possible. All services are free and confidential, available to anyone, regardless of age, race, income, nationality, religious affiliation or circumstances:

- **Free pregnancy tests**
 - Positive/Negative test results outcomes
- **Confidential peer counselling**
 - All volunteers receive comprehensive 'crisis pregnancy training' to provide crisis intervention and assistance.
 - 8 x ½ day training offered 3x/year
 - First ALL Male Training this year.
- **Education on pregnancy, parenting, abortion procedures and risks, and adoption**
 - We believe in upholding the dignity of our clients by encouraging them to make their own choices regarding their situation and their future. We also believe a good choice is an informed choice. Our role is to provide clients with accurate education and ample information so they can feel well-equipped and supported to make a good decision.
- **Male Mentorship (Wednesday evenings 6-8pm)**
- **Fathering Program**
- **Emotional &/or spiritual guidance, support and encouragement**
 - Our motivation for what we do is rooted in the fact that we are a Christian organization. Some of our clients seek assistance from a Christian, faith-based point of view. However, the majority of our clients do not have this requirement. We offer them non-judgmental assistance regardless of their background.
- **“Keys to Young Parenting” class for parents up to the age of 25**
 - Court recognized.
 - Only program government funded 80%
 - 3x/year for 10 weeks
- **Infant loss support (miscarriage, stillbirth, etc.)**
- **Post-abortion support (one-on-one) or in group format**
 - ¼ women impacted by abortion

-
- **Steps to Sexual Health Program**
 - 1/3 women will have experienced sexual trauma
 - 10 part DVD series by Dr. Doug Weiss Ph.D.
- **Prenatal classes**
 - By volunteer nurses. One on One
 - Early bird offered
- **Pre and Post-Adoption support**
- **Maternity clothing, baby clothing and layettes**
- **Professional and mental health counselling referrals**
- **Legal and medical referrals**
- **Referrals to community agencies and support services**

2015 To Date Stats:

277 New Visits
1153 Total Visits

Two Locations:

CAPCC
4610- 48th ave
Red Deer, AB
T4N 3S9

CAPCC
4911-51st ave
Olds, AB
T4H 1P7



AGENDA ITEM

PROJECT: AAMDC 2015 Fall Resolutions		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: CAO	WRITTEN BY: Ron Leaf	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input checked="" type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite)		
STRATEGIC PLAN THEME: Well Governed Organization	PRIORITY AREA: Advocacy	STRATEGIES: Advocate in best interest of community & region
ATTACHMENT(S) AAMDC Fall 2015 Resolutions		
RECOMMENDATION: 1) That Council accepts the attached resolutions and this report for information.		

BACKGROUND:

Attached are the 2015 AAMDC Fall resolutions. I have also included an administrative perspective and recommendation for Council's consideration.

8 – 15S Prioritization of Northern AB Highways – recommend do not support; no one area of the Province should have preference over other areas of the Province.

1-15F – Continued Provincial Funding Support for Municipalities – recommend support; continuation of MSI and other provincial/federal programs is critical to municipal sustainability, particularly regarding infrastructure.

2 – 15F – Enhanced funding for roads, highways and local bridges – recommend support; critical to municipal sustainability and economic development, particularly with respect to products/resources to market.

3_15F Local Road Bridge Opt Out on Navigation Protection – recommend support; resolution consistent with motion Clearwater County Council has already passed.

4- 15F AAMDC Participation in City Charter Discussions – recommend support; AAMDC's awareness of City Charter philosophies and principles is critical to Association's ability to advocate on behalf of rural Alberta.

5-15F Recovery of Linear Property Tax Arrears – recommend support; tax collection provisions of the MGA need to be strengthened.

6- 15F Bill 204 to Address Matters of Adverse Possession – recommend support; clarity is required in AB regulations regarding adverse possession.

7 – 15F Agricultural Plastics Recycling – recommend support; consistent with previous discussions by Council.

8-15F Land Acquisition Process for Crown Land – recommend do not support – Crown lands are not sold without legal access and the municipality is under no obligation to provide physical access. However, consideration should be given to the creation of larger right of ways at time of sale and compensation as per resolution 9-15F below.

9 – 15F Referrals on the Sale of Public Lands – recommend do not support- This resolution begins with a faulty premise. Section 18 MGA requires a municipality to be responsible for “control, direction and maintenance” of roads; a municipality is not responsible for the construction of roads.

10 – 15F Provincial Funding for Seniors Lodging – recommend support – the funding associated with the maintenance and construction relating to seniors housing has not kept pace with need.

11-15F Provincial support for Municipal Aggregate Acquisition – recommend support; existing gravel sources will continue to deplete and access to gravel located within Crown lands needs to be accessed more easily.

12-15F Survey requirements for Recreation Lease renewals – recommend support; this requirement associated with recreation leases also applies to trails, removal of this requirement will lower trail development costs.

13-15F Not For Profit Housing Borrowing from AB Capital Finance Authority – recommend support; the proposed legislative change makes sense particularly since housing authorities usually have multiple municipal members and will be required to file business plans by mid – 2016 demonstrating financial viability.

14-15F Rural Utilities Act Amendment – recommend support – the proposed changes reflect the deregulated electrical environment that REAs must compete in in today’s markets.

15 – 15F Management of Farm Development and Agricultural Leases – recommend support; this resolution was passed at the Spring Convention. Comment, I believe this resolution fails to address the key issue/concern, which is how lease rates are calculated. Changing administration of the lease to a different ministry will not address the concerns raised.

16-15F Species at Risk Act – recommend support – the current federal legislation can create significant risks to agricultural landowners/lease holders. Improvements in regulation will result in better outcomes for both producers and species at risk.

17-15F Community Aggregate Payment Levy Rate Amendment – recommend support – the rate needs to be updated.

18 – 15F Availability of Aggregate Royalty Data – recommend support – the current Aggregate Payment program relies on operator disclosure, with no mechanism for audit; for municipalities with significant aggregate operations the potential for lost royalties is significant.

19- 15F MGA Amendment – Dedication of Environmental Reserve – recommend support – the exemptions of Section 663 need to be revisited as part of MGA review. There are alternatives to the trail system used as the example by Stettler County.

20-15F – Capital Funding for Community Airports – recommend support – this resolution is consistent with recent ICC discussions and long range planning of the Airport Committee.

21-15F – Minimum Wage Increase – no recommendation – concern has been raised by small business on the impact of an increase in minimum wage on business viability; social and health advocacy groups have raised concern that current minimum wage does not provide a “livable” wage resulting in homelessness, child poverty and health issues.

22-15F – Amend Joint & Several Liability MGA – recommend support – the potential impacts of joint and several liability was discussed at the recent legal session.

23-15F – Alberta Transportation Highway Signage – recommend support – this resolution was supported by the Central Zone members.

24-15F – Alternative Energy Source – Solar Power – recommend support; Council may wish to request an amendment to include incentives for geo-thermal power, which is another carbon neutral energy source in Alberta.

25-15F – Pedigreed Cereal Testing Fusarium – recommend non-support – current regulation is zero tolerance, which is generally supported by ASBs throughout the Province. However, some new seeds, which have Fusarium resistance, would not meet the zero tolerance regulation. This issue requires more study before Federal legislation should be amended.

AAMDC Fall 2015 Resolutions

- 1) Call to Order
- 2) Appointment of Parliamentarian
- 3) Acceptance of Order Paper
- 4) Resolution Session

- 8-15S** **Government Prioritizing Northern Alberta Highways** (*Clear Hills County*)
- 1-15F** **Continued Provincial Funding Support for Municipalities** (*Wheatland County*)
- 2-15F** **Enhanced Funding for Roads, Highways and Local Bridges in Rural Municipalities**
(*Sturgeon County*)
- 3-15F** **Local Road Bridge Opt-Outs Under *Navigation Protection Act*** (AAMDC)
- 4-15F** **AAMDC Participation in City Charter Discussions** (*Rocky View County*)
- 5-15F** **Recovery of Linear Property Tax Arrears** (*Mackenzie County*)
- 6-15F** **Re-introduction of Bill 204 to Address the Matter of Adverse Possession** (*MD of Willow Creek*)
- 7-15F** **Agriculture Plastics Recycling** (*Lacombe County*)
- 8-15F** **Land Acquisition Process for Crown Land** (*MD of Bonnyville*)
- 9-15F** **Referrals on the Sale of Public Lands** (*County of Northern Lights*)
- 10-15F** **Maintenance of Provincial Funding for Seniors' Lodging** (*Sturgeon County*)
- 11-15F** **Provincial Support for Municipal Aggregate Acquisition** (*Lac La Biche County*)
- 12-15F** **Survey Requirements for Recreation Lease Renewals** (*MD of Willow Creek*)
- 13-15F** **Non-Profit Housing Organizations Borrowing from the Alberta Capital Finance Authority** (*Sturgeon County*)
- 14-15F** ***Rural Utilities Act* Amendment Regarding Rural Electrification Association (REA) Service Areas** (*Camrose County*)
- 15-15F** **Management of Farm Development and Agricultural Leases** (*Big Lakes County*)
- 16-15F** ***Species at Risk Act (SARA)*** (*County of Forty Mile, County of Warner*)
- 17-15F** **Community Aggregate Payment Levy Rate Amendment** (*Lacombe County*)

- 18-15F Availability of Aggregate Royalty Data** (*Westlock County*)
- 19-15F Amendment to the *Municipal Government Act* to Provide for the Dedication of Environmental Reserves in Specific Cases** (*County of Stettler*)
- 20-15F Capital Funding for Community Airports** (*MD of Lesser Slave River*)
- 21-15F Minimum Wage Increase** (*MD of Taber*)
- 22-15F Amendment to the *Municipal Government Act* Regarding Joint and Several Liability** (*MD of Willow Creek*)
- 23-15F Alberta Transportation Highway Signage** (*Mountain View County*)
- 24-15F Alternative Energy Source – Solar Power** (*Brazeau County*)
- 25-15F Pedigreed Cereal Seed Testing for *Fusarium graminearum*** (*MD of Smoky River*)
 - 5) Acceptance of Emergent Resolutions (if needed)
 - 6) Vote on Emergent Resolutions (if needed)
 - 7) Closing of Resolution Session

Resolution 8-15S

Government Prioritizing Northern Alberta Highways

Clear Hills County

*Simple Majority Required
Endorsed by Northern District*

WHEREAS rural municipalities are the economic drivers of Alberta with their natural resources; and

WHEREAS primary resource extraction activities are putting significant stress on highway road infrastructure in northern Alberta; and

WHEREAS highways in northern Alberta must be improved in order to ensure the safe and efficient movement of natural resources and people;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to improve the condition of highway infrastructure in northern Alberta by setting them as a highest priority level for the province.

Member Background

The highway network in northern Alberta is a vital contributor to the economic well-being of the province. These roads link resources to refineries and suppliers to buyers, and therefore it is essential that they be upgraded and maintained to a standard that satisfies current and future traffic needs.

Due to increased use for industrial purposes, northern Alberta highways are being damaged. When industrial development occurs that affects the condition of, or requires the improvement of, a highway, the provincial government must be responsible for bringing the road to an acceptable standard and work to ensure it will be placed at the highest level of priority to ensure industrial and agricultural goods and products can reach markets in a timely and efficient manner.

AAMDC Background

6-14F: Improvement of Highways in Alberta

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to improve the condition of highway infrastructure in Alberta.

DEVELOPMENTS: While the AAMDC appreciates Alberta Transportation's efforts to use overweight vehicle permitting fees in part to maintain Alberta's highways, this does not comprise a strategy to improve the condition of highway infrastructure in Alberta, but rather a method of requiring those most responsible for damaging it to contribute a higher proportion of maintenance costs than other Albertans.

Despite the lack of detail in the direct response to the resolution, Alberta Transportation's 2015-16 business plan states that:

the increasing number of larger and wider commercial vehicle loads brings the need to consider the associated impacts on highway network infrastructure and traffic operations. Alberta has a large highway network of more than 31,000 kilometers that is not sustainable in the current context. These challenges will be addressed by engaging in strategic approaches developed through transportation asset management processes.

The AAMDC finds this acknowledgement encouraging and will be closely monitoring Alberta Transportation's efforts to develop and implement a strategic plan for improving Alberta's highway networks. Currently, the status of this resolution is Accepted in Principle, with the potential for this to change based on the implementation of strategic approaches.

Resolution 1-15F

Continued Provincial Funding Support for Municipalities

Wheatland County

*Simple Majority Required
Endorsed by Central District*

WHEREAS municipalities are under the jurisdiction of provincial governments as outlined in the *Constitution Act, 1867* and as such have a legitimate expectation for provincial financial support; and

WHEREAS municipalities and the economy benefit from long-term, stable financial commitments from other levels of government; and

WHEREAS municipalities receive approximately eight (8) cents of every dollar generated by all three levels of government; and

WHEREAS municipalities are limited in their ability to raise needed revenue other than through property taxes; and

WHEREAS the Government of Alberta has a history of revenue sharing with municipalities through programs like the current Municipal Sustainability Initiative; and

WHEREAS there has been no commitment to the continuation of the Municipal Sustainability Initiative beyond 2018;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties advocate for continued financial support to municipalities through the continuation of the Municipal Sustainability Initiative or similar program beyond 2018.

Member Background

Most municipalities rely on provincial and federal revenue sharing to address their infrastructure deficit. The Municipal Sustainability Initiative was a welcomed program that has been refined to allow municipalities to address their local infrastructure priorities. However, with the program set until 2017 and no indication of an extension or new program on the horizon for 2018 and beyond, it is necessary to keep this matter at the attention of the Government of Alberta as they examine their financial commitments and related financial responsibilities. The Government of Alberta has been very supportive of municipalities in the past and we would like to see this continue into the future.

AAMDC Background

1-09F: MSI Funding

THEREFORE BE IT RESOLVED that the AAMDC urge the Provincial Government to recognize the high priority on addressing municipal infrastructure needs for safety and economy for transportation of people and commodities by maintaining MSI funding levels set in its 10 year formula.

DEVELOPMENTS: Both the previous and current provincial governments made commitments to MSI in 2015 that exceeded what would have typically been expected including \$30 million for MSI operating and \$846.9 million in MSI Capital funding (which includes \$349.8 million from the former Basic Municipal Transportation Grant (BMTG) program). While MSI funding has been lower in the previous years than originally anticipated, the provincial government has committed to distributing the full \$11.3 billion, but over an extended time frame. The government has indicated that MSI will be available beyond the 2017 program end date though specific details are not available.

Resolution 2-15F

Enhanced Funding for Roads, Highways and Local Bridges in Rural Municipalities

Sturgeon County

*Simple Majority Required
Endorsed by Pembina River District*

WHEREAS rural municipalities are key economic drivers of Alberta with their agricultural production, value-added industries and natural resources; and

WHEREAS rural roads, highways and bridges in Alberta must have sufficient capacity and appropriate maintenance to ensure the safe and efficient movement of goods, commodities, natural resources, and people;

WHEREAS the province has substantially scaled back its contribution to road and bridge construction, thereby downloading their responsibilities onto municipalities;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to increase and accelerate funding for rural road and highway construction and maintenance; and

FURTHER BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to reinstate funding for the maintenance and reconstruction of local bridges in the 2016 provincial budget, and sustain this funding in future budgets.

Member Background

Rural municipalities manage approximately 75% of Alberta's roads, including major resource transportation corridors.

Rural municipalities fund road construction and maintenance with a combination of own-source revenues and multi-use grant programs such as the Municipal Sustainability Initiative. As noted in the AAMDC's 2013 report *Apples to Apples: Rural Municipal Finance in Alberta*, these revenue tools have proven inadequate. The net result is a rural road infrastructure deficit of roughly four billion dollars as estimated by the Alberta Roadbuilders and Heavy Construction Association.

In addition, the Resource Road Program and Local Road Bridge Program have been without funding since 2013, resulting in a significant impact on rural infrastructure/transportation networks. Currently there are approximately 8500 bridges for which rural municipalities have responsibility, and many are at, or are nearing, the end of their lifespan.

Without significant funding, our rural roads, highways and bridges will continue to deteriorate impacting safety and impeding economic growth and diversification throughout the province.

AAMDC Background

5-14F: Reinstatement of Funding For Resource Roads and Local Bridges in Rural Municipalities

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to reinstate funding for the Resource Road Program and the Local Road Bridge Program in the 2015 provincial budget.

4-13S: Local Road Bridge Program

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties call upon the Government of Alberta to ensure a second round of consultation is held after hearing data from the Committee by going to the region for a vote.

3-11F: Alternative Bridge Structures and Eligibility for Funding

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties commission a report to study, outline and evaluate alternate ideas, methods and theories that could address the high cost currently associated with the replacement of bridge structures as currently outlined by the Government of Alberta;

FURTHER IT BE RESOLVED that the Alberta Association of Municipal Districts and Counties present this report to the Government of Alberta and urge them to change their funding guidelines to include alternative, more affordable options for bridge replacement on rural roads.

DEVELOPMENTS: In 2012 the AAMDC partnered with Alberta Transportation to complete a collaborative review of the Local Road Bridge Program. The committee's report recommended that alternative bridge standards be developed for low volume road bridges. Since the completion of the report, the Government of Alberta zero-funded the Local Road Bridge Program for 2013-14. With this loss of funding, bridge maintenance and replacements have now become an even larger financial challenge for municipalities.

Funding for the Local Road Bridge Program has continued to be absent from provincial budgets.

Resolution 3-15F

Local Road Bridge Opt-Outs Under *Navigation Protection Act*

AAMDC

*Simple Majority Required
Individual Resolution*

WHEREAS the Government of Canada amended the *Navigable Waters Protection Act* to become the *Navigation Protection Act* in 2012 and came into force on April 1, 2014; and

WHEREAS the new *Navigation Protection Act* requires assessments for bridges only on a small number of scheduled waterways; and

WHEREAS the scheduled waterways located within the province of Alberta are Lake Athabasca, the Bow River, the Peace River, the Athabasca River, the North Saskatchewan River and the South Saskatchewan River; and

WHEREAS owners of existing bridges on non-scheduled waterways that were previously regulated under the *Navigable Waters Protection Act* are able to opt their bridges out of the *Navigation Protection Act* prior to April 1, 2019; and

WHEREAS all bridges constructed on non-scheduled waterways after April 1, 2014 are automatically not regulated under the new NPA, so the opt-out decision only applies to bridges that existed prior to April 1, 2014; and

WHEREAS Transport Canada has indicated that Alberta Transportation is technically the owner of all municipally-managed local road bridges in Alberta, and therefore must opt out on behalf of municipalities; and

WHEREAS Alberta Transportation has requested that the Alberta Association of Municipal Districts and Counties (AAMDC) indicate support or opposition for opting out on behalf of all members because rural municipalities are the day-to-day managers of local road bridges; and

WHEREAS Alberta Transportation has judged the legal risks of opting out as minimal compared to the regulatory freedom it would provide and has already opted out all provincially-managed bridges; and

WHEREAS Alberta Transportation has devised their own navigation standards for provincial bridges that have been opted out of the *Navigation Protection Act* which can be followed by municipalities if they wish; and

WHEREAS municipalities are able to apply to the federal Minister of Transportation to have an individual bridge on a non-scheduled waterway opted back into the NPA program if they are making modifications that they judge to have a high risk of impacting navigability;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties support the Government of Alberta's request to opt all existing local road bridges built prior to April 1, 2014 out of the *Navigation Protection Act*;

FURTHER BE IT RESOLVED that Alberta Transportation allow ninety days from the endorsement of this resolution for municipalities not wishing to have their local road bridges opted out of the *Navigation Protection Act* to communicate this request to Alberta Transportation.

AAMDC Background

Overview of Navigation Protection Act

The **Navigation Protection Act** (NPA) came into force on April 1, 2014, replacing the previous *Navigable Waters Protection Act* (NWPA). The purpose of the NPA is to ensure that any works (bridges, piers, cables, etc.) constructed over water bodies in Canada do not obstruct navigation.

The former NWPA was prescriptive, and required any works over any waterway that could conceivably support travel by raft to undergo an assessment as to whether the works would impact navigation. In many cases, these stringent requirements caused an administrative burden for municipalities constructing bridges or culverts over small bodies of water with little or no navigation activity. The NPA replaces the blanket requirements for navigation studies with a **schedule of designated major waterways that are subject to the NPA's navigation requirements**. All works on waterways included in the schedule continue to require regulatory approval under the NPA. In Alberta, scheduled waterways are as follows:

- Lake Athabasca
- Bow River
- Peace River
- Athabasca River
- North Saskatchewan River
- South Saskatchewan River

Works built on waterways not included in the schedule are no longer subject to federal regulatory approval regarding their impact on navigability. However, the common-law right to navigation on Canada's waterways is still protected in Canada, and works on non-scheduled waterways that interfere with navigation may still be subject to legal action.

It is important to note that exemption of bridges on non-scheduled waterways only applies to new bridges. **Any bridge constructed after April 1, 2014 on a non-scheduled waterway is automatically exempt from the NPA regulations.**

Overview of the NPA's Opt-Out Clause

In order to address the regulatory requirements for **works built prior to the coming into force of the NPA (April 1, 2014)** on what are now non-scheduled waterways, Transport Canada has established a five-year **opt-out** period, which expires on April 1, 2019.

Owners of works that were previously subject to regulation under the NWPA but are no longer subject to regulation under the NPA (due to being located on non-scheduled waterways) can provide Transport Canada with notice of their decision to opt out of the NPA, in which case further construction or modification of the works will no longer be subject to regulation relating to navigability. In addition, some of these works may have been approved under the previous NWPA with conditions related to limits on future modifications/additions, etc. that would no longer be valid upon opting out. For example, a bridge may have been approved under the former NWPA with the condition that additional pillars cannot be added in the future to support more weight. Such condition would no longer be in effect for works on non-scheduled waterways, as long as the owner of the works opts out of the NPA.

If the owner of the works does not opt out prior to April 1, 2019, the works will continue to be regulated under the NPA, despite not being located on a scheduled body of water.

Owners of works are permitted to **opt back in** to the regulatory regime if they believe that construction, modification, etc. may have an impact on navigability, but the opt-in request is subject to approval by the federal Minister of Transportation. The main reason for opting back into the NPA is to ensure that construction or modification will not interfere with navigation and that a works meets NPA standards. This would likely protect the owner of the works from liability in the event of legal action under the common law right to navigation.

In order to opt-out of the NPA, the owner of the works has to provide Transport Canada with the following information prior to April 1, 2019:

- Name of the owner
- Official and/or local name(s) of body of water
- Description of works
- Site description
- Latitude and longitude
- Applicant file number
- A file number from any previous correspondence

As Transport Canada considers Alberta Transportation as the formal owner of all municipally-managed local road bridges, they would provide Transport Canada with this information in a formal opt-out request on behalf of the managing municipality. In an effort to collaborate with municipalities and ensure that local autonomy over the management of bridges is being respected, Alberta Transportation has asked the AAMDC to indicate whether or not their members support opting out of the NPA. Opting out may place municipalities at an increased risk of liability under the common law right to navigation in the event that modifications to an existing bridge structure compromise its navigability, but opting out will also reduce the administrative and regulatory burden on municipalities when modifying bridges built prior to April 1, 2014.

Factors to Consider

Bridges not regulated under the NPA can still be subject to legal action if they impede navigability

Although the large majority of Alberta's waterways will not be subject to regulation under the NPA, legal action can still be taken by individuals who feel their ability to navigate a waterway has been interfered with under common law.

Alberta Transportation has made the decision to opt their own bridges out of the NPA because they have evaluated the risk of liability as very low, and believe that the benefits of regulatory freedom will outweigh the risks of potential legal action. To assist in addressing navigability when modifying existing provincial bridges, Alberta Transportation has developed their own navigation assessment practices which they believe are comparable to the regulations under the NPA and will protect them from liability related to navigability issues. Municipalities are able to follow these provincial practices as well if they wish.

It is also important to remember that opting out only applies to **existing bridges constructed prior to April 1, 2014**, which means that these bridges, when constructed, were built to standards that complied with the former NWPA, meaning unless major modifications are made, navigation is unlikely to be impacted in the future. **Any bridge built on a non-scheduled waterway after April 1, 2014, will automatically not be subject to NPA regulations.**

The new NPA includes an opt-in provision

If a work is opted-out, and future alterations to the work may have an impact on navigation, the owner of the work is able to apply to be opted-in to the program in order to have a federal review undertaken. It is the minister's discretion to accept or decline the opt-in request, and such a request must take place on an individual bridge basis, not for a municipality's entire bridge inventory.

It is in municipalities' best interests to consider navigation regardless of the NPA

Whether repairing or altering an existing bridge or constructing a new bridge, most municipalities will take navigation into consideration if the waterway that the bridge is spanning is used for that purpose. There are local economic and environmental benefits to considering navigation ability, as well as the possibility of legal consequences to obstructing navigation, even for works on non-scheduled waterways.

The opt-out option only impacts existing works

Regardless of whether municipalities decide to opt-out their existing works, any new bridges or works built on non-scheduled waterways will be automatically exempted from NPA regulations unless the owner requests to opt-in, and that request is approved by the minister. As new works are much more likely to impact navigation than existing works that are already built to standards set by the previous NWPA, the actual impacts of opting-out should, in most cases, be fairly minimal.

The NPA only relates to navigation

Opting a bridge out of the NPA does not impact the responsibility of the owner and/or manager to follow all other provincial and federal regulatory requirements relating to bridge design, construction, and maintenance. Navigability is a very narrow aspect of the considerations associated with building or modifying a bridge.

Resolution 4-15F

AAMDC Participation in City Charter Discussions

Rocky View County

*Simple Majority Required
Endorsed by Central District*

WHEREAS a memorandum of understanding (MOU) between the Government of Alberta and the cities of Edmonton and Calgary (the three parties) was entered into in 2012 to explore options for the establishment of a legislative framework for the two cities that recognizes the evolving needs of each city's individual relationship with the Government of Alberta; and

WHEREAS the *Framework Agreement for Charters* was established in 2014 to renew the intent of the MOU and identify the phases of discussion; and

WHEREAS the three parties have stated that a new legislative framework that adequately recognizes the capabilities and responsibilities of the cities is required; and

WHEREAS a change to the legislative framework involving the *Municipal Government Act* has the potential to affect all municipalities; and

WHEREAS the three parties have identified existing legislation respecting land-use planning as an obstacle to the cities' growth and development; and

WHEREAS the creation of city charters may have unintended consequences regarding land-use planning, the use of planning instruments (area structure plans, intermunicipal development plans, etc.), and decision making in neighbouring municipalities; and

WHEREAS a change to the fiscal framework between the three parties has the potential to affect all municipalities; and

WHEREAS other areas referenced in the *Framework Agreement* for possible inclusion in a Charter, such as the use of municipal reserve land or determining when farm land should be regarded as developable, are of importance to all municipalities; and

WHEREAS many of the areas referenced in the *Framework Agreement* may be best located within the *Municipal Government Act*; and

WHEREAS there has been no identified consultation process with other municipalities; and

WHEREAS the Alberta Association of Municipal Districts and Counties represents the interest of rural municipalities and its residents;

THEREFORE BE IT RESOLVED that the Government of Alberta invites participation of the Alberta Association of Municipal Districts and Counties in city charter discussions.

Member Background

In 2013, the Government of Alberta launched a review of the *Municipal Government Act* (MGA). This review and the outcomes it produces will have an impact on all of Alberta's municipalities.

As representatives of Alberta's municipalities, the Alberta Association of Municipal Districts and Counties (AAMDC) and the Alberta Urban Municipalities Association (AUMA) signed a memorandum of understanding with the Government of Alberta that outlines the relationship between municipalities and the province during this review, and the legislative timeline.

In fall 2014, the *Framework Agreement for Charters* was created to renew the intent of the 2012 memorandum of understanding (MOU) enabling the cities of Edmonton and Calgary to explore options for a legislative framework developed with the Government of Alberta that acknowledges the evolving needs of each city. The *Framework Agreement* includes an identification of the overarching vision and principles guiding the relationship between Edmonton, Calgary and the Government of Alberta (the parties). The *Framework Agreement* further highlights the following components:

- Commitment to consult with the cities and province in areas of mutual interest
- Land-use planning and development
- Discussions regarding assessment and property taxes
- The inclusion of the cities in federal strategic issues, where appropriate;
- The establishment of a cross-ministry policy matters forum
- A process to consider the development of a few fiscal framework to address the needs and challenges facing all parties.

In March 2014, the Government of Alberta passed *Bill 20: Municipal Government Amendment Act* which enabled the creation of city charters at the request of the City of Edmonton and the City of Calgary. These charters are expected to provide Alberta's largest cities with policy tools unique to the rest of Alberta's municipalities in order for these cities to manage the growth pressures and challenges their municipalities face. Bill 20 also enables charters for Alberta's other mid-sized cities.

The discussions of the city charters are in their preliminary stages and the details of the agreements and unique policy tools are unknown. However, given the regional impact of Alberta's large and medium sized cities on rural municipalities, it is important that rural municipalities have a voice in these discussions. Based on the Framework Agreement, any charters resulting from this agreement are to be reviewed every five years.

Therefore we ask that the AAMDC, as the representative of Alberta's rural municipalities, be present during discussions regarding all city charters.



FRAMEWORK AGREEMENT FOR CHARTERS

BETWEEN:

HER MAJESTY THE QUEEN, IN RIGHT OF THE PROVINCE OF ALBERTA, as represented by the Government of Alberta, hereinafter the **"Province"**

-and-

CITY OF CALGARY, a Municipal Corporation in the Province of Alberta, hereinafter **"Calgary"**

-and-

CITY OF EDMONTON, a Municipal Corporation in the Province of Alberta, hereinafter **"Edmonton"**

WHEREAS the Province, Edmonton and Calgary (collectively, the **"Parties"**) entered into a Memorandum of Understanding on June 18, 2012 (the **"MOU"**) to explore options for a legislative framework for Edmonton and Calgary (collectively, the **"Cities"**) that recognizes the evolving needs of each City's individual relationship with the Province in accordance with the principles set forth therein;

AND WHEREAS the Parties recognize that the Cities require a new legislative framework that adequately recognizes the capabilities and responsibilities of the Cities;

AND WHEREAS the Parties have agreed to a framework for the development of the appropriate legislation with the relevant regulations, agreements or other mechanisms to govern the relationship between the Province and each City (collectively, the **"Charters"**);

NOW THEREFORE the Parties agree to the following:

AAMDC Background

DEVELOPMENTS: The AAMDC has been a participant of the MGA review elected officials working groups and a variety of other sub-groups that have gathered stakeholder perspectives

throughout the legislative review. The AAMDC has asked to be a participant or observer in the charter discussions to ensure rural interests are represented; however, the Minister has indicated this is will not be the case but that all matters that impact rural municipalities will be brought to the MGA elected officials working group for further discussion with the AAMDC.

The AAMDC has no active resolutions related to this issue.

Resolution 5-15F

Recovery of Linear Property Tax Arrears

Mackenzie County

*Three-fifths Majority Required
Endorsed by Northern District*

WHEREAS municipalities in Alberta are governed by the *Municipal Government Act*, RSA 2000. C. M-26 established by the Province of Alberta; and

WHEREAS municipalities in Alberta are dependent on property tax revenues to provide essential municipal services; and the property taxes remain the main source of revenue for municipalities, as the provincial and federal transfers are diminishing, while the downloading and offloading of services and programs continues; and

WHEREAS the current legislation (provincial and federal) has limited the recourse available to a municipality to recover tax arrears owed from oil & gas companies, which predominantly arise from linear property; and

WHEREAS the issue of broadening and strengthening the power of municipalities to collect and recover non-property taxes has been raised in the *Municipal Government Act* review currently being conducted by the Government of Alberta;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) requests the Government of Alberta to amend the *Municipal Government Act (MGA)*, and other provincial legislation to broaden the tax recovery power of municipalities to collect linear property taxes by granting a lien in favour of the municipality as follows:

- a) **A lien equivalent to that granted to the Alberta Energy Regulator (AER) by s. 103 of the *Oil and Gas Conservation Act (OGCA)* that being: “on the debtor’s interest in any well, facilities, and pipelines, land or interests in land, including mines and minerals, equipment and petroleum substances” and the power to garnish funds owed to the debtor;**
- b) **A lien which ranks in priority (or equivalent) to the lien granted in favour of the AER by s. 103(2) of the OGCA;**

FURTHER BE IT RESOLVED that the AAMDC requests the Federation of Canadian Municipalities to request the Government of Canada to amend the federal *Bankruptcy and Insolvency Act* to recognize municipal linear property taxes and other municipal non-property taxes as a secured interest in priority to other unsecured interests.

Member Background

Mackenzie County has been challenged with collection of significant tax arrears from an oil & gas company. The County has encountered significant obstacles in collection of outstanding tax arrears, which are created by the existing restrictions within the current legislative documents. As the result, the County’s prospect for collecting \$1.4M in taxes is bleak.

Provincial Legislation - Municipal Government Act (MGA)

The regime for collecting taxes not related to land, including linear property tax arrears, is set out in Part 10, Division 9 of the MGA. In that Part, section 438(1) states that a municipality may recover arrears through (i) the seizure process prescribed in the MGA, or (ii) through a civil action against the debtor.

The assets of the debtor that may be seized by a municipality in order to recover linear property tax arrears are limited and need to be broadened. This will often affect the ability of a municipality to recover the arrears, particularly where the debtor does not own sufficient “goods”.

The limitations of section 440 and 441 are made clear by comparing those provisions to the provision of the *Oil and Gas Conservation Act*, RSA 2000 c. 0-6 which grant a lien to the Alberta Energy Regulator. Section 103(2) of the *Oil and Gas Conservation Act* creates a lien in favour of the Regulator on the “. . .debtor’s interest in any well, facilities and pipelines, land or interests in land, including mines and minerals, equipment and petroleum substances”. The MGA does not create this type of detailed lien in favour of a municipality with respect to linear property tax arrears. More particularly, the MGA does not provide a means for a municipality to effectively recover linear property tax arrears against the pipeline that is being taxed or against mineral rights held by the debtor. Instead, the recourse provided by the MGA is limited to the goods owned by the debtor.

Further, while the *Oil and Gas Conservation Act* permits the AER to garnish funds owed to the debtor (s. 103), no similar remedy is available to a municipality with respect to linear property tax arrears.

A municipality would be better able to recover linear property tax arrears if a municipality could recover against all of the property of the debtor.

Also, a municipality’s ability to actually seize and sell the goods of the debtor to satisfy linear property tax arrears is often frustrated by the actions of the AER. In order to prevent the goods of the debtor from being sold, the AER now takes the position that once the AER has issued a closure or abandonment order with respect to an oilfield site, no one, even a municipality exercising seizure rights established by the MGA, may remove goods from that site. The AER often issues closure or abandonment orders when a company encounters financial difficulties and this often coincides with the accumulation of linear property tax arrears. As the valuable assets of the debtor company are often limited to the machinery and equipment located at its oilfield sites, the AER’s position can cause difficulties for a municipality from recovering any of the linear property tax arrears that are owed.

Federal Legislation – Bankruptcy and Insolvency Act (BIA)

Once a person or a corporation enters bankruptcy, the distribution of the assets of the bankrupt is governed by the BIA. Sections 86 and 87 of the BIA limit most provincially created securities that are intended to promote the priority of a municipal or other debt over other creditors. While section 348 of the MGA may state that tax arrears have priority over other debt obligations, this priority is limited by the BIA. The BIA does not affect municipal claims for property tax arrears with respect to land as those arrears give rise to an interest that can be registered pursuant to the *Land Titles Act*. Contrastingly, linear property tax arrears do not give rise to a similar interest and therefore do not constitute a secured interest pursuant to the BIA.

AAMDC Background

The AAMDC has no active resolutions related to this issue.

Resolution 6-15F

Re-introduction of Bill 204 to Address the Matter of Adverse Possession

MD of Willow Creek

*Three-fifths Majority Required
Endorsed by Foothills Little Bow District*

WHEREAS Bill 204 was a private members bill introduced by Mr. Ken Allred, MLA, - St. Albert; and

WHEREAS Bill 204 intended to provide for amendments to the *Land Titles Act* to establish the following:

“No right or title in or to land registered under this Act may be acquired or deemed to have been acquired by adverse possession”; and

WHEREAS Bill 204 received first and second reading but did not receive third reading and royal assent, so did not pass into law;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties requests the Government of Alberta to place legislation before the Assembly, to amend the *Land Titles Act* to prevent the acquisition of lands acquired by adverse possession.

Member Background

Actual cases of adverse possession have occurred in Alberta, resulting in the loss of titled lands to those who lay claim to those lands by simply squatting on the lands or using the lands for a period of time. The fact that the actual landowner has title to the property, pays the upkeep and the taxes on the property, may not play a role in the landowner claiming, according to the title, is his/her land.

Attached as the background to this resolution is Bill 204, the status of Bill 204 and a news article explaining the plight of Mr. Bob Woodward of Cardston, Alberta. See attachment below.

Alberta is one of the last jurisdictions in Canada to have legislation in existence that results in land acquired by adverse possession.

AAMDC Background

The AAMDC has no active resolutions directly related to this issue.

2012 Bill 204

Fifth Session, 27th Legislature, 61 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 204

LAND STATUTES (ABOLITION OF ADVERSE
POSSESSION) AMENDMENT ACT, 2012

MR. ALLRED

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 204
Mr. Allred

BILL 204

2012

LAND STATUTES (ABOLITION OF ADVERSE POSSESSION) AMENDMENT ACT, 2012

(Assented to _____, 2012)

HER MAJESTY, by and with the advice and consent of the
Legislative Assembly of Alberta, enacts as follows:

Land Titles Act

Amends RSA 2000 cL-4

1(1) The Land Titles Act is amended by this section.

(2) Section 74 is repealed and the following is substituted:

No title by adverse possession

74(1) In this section,

- (a) “amending Act” means the Land Statutes (Abolition of Adverse Possession) Amendment Act, 2012;
- (b) “previous section” means section 74 of this Act as it read immediately before the coming into force of the amending Act.

(2) No right or title in or to land registered under this Act may be acquired or deemed to have been acquired by adverse possession.

(3) Nothing in this section affects a certificate of title acquired by adverse possession and issued before the coming into force of the amending Act.

Explanatory Notes

Land Titles Act

1(1) Amends chapter L-4 of the Revised Statutes of Alberta 2000.

(2) Section 74 presently reads:

74(1) Any person recovering against a registered owner of land a judgment declaring that the person recovering the judgment is entitled to the exclusive right to use the land or that the person recovering the judgment be quieted in the exclusive possession of the land, pursuant to the Limitation of Actions Act, RSA 1980 cL-15, or pursuant to an immunity from liability established under the Limitations Act, may file a certified copy of the judgment in the Land Titles Office.

(2) Subject to section 191, the Registrar shall

- (a) enter on the certificate of title a memorandum cancelling the certificate of title, in whole or in part, according to the terms of the judgment, and
- (b) issue a new certificate of title to the person recovering the judgment.

(4) Any claim commenced prior to the coming into force of the amending Act that results in a judgment that would entitle the claimant to a remedy under the previous section if it was still in force shall be treated for all purposes as if the amending Act had not come into force.

Limitations Act

Amends RSA 2000 cL-12

2(1) The Limitations Act is amended by this section.

(2) Section 2 is amended by repealing subsection (2.1).

(3) Section 3 is amended

(a) by repealing subsection (3)(f);

(b) in subsection (4) by striking out “, including a remedial order”;

(c) by repealing subsection (6) and substituting the following:

(6) Unless otherwise provided by this or any other Act, a defendant is not entitled to an immunity based on adverse possession in respect of a claim to recover possession of real property.

(d) by repealing subsection (7);

(e) by repealing subsection (8).

Limitations Act

2(1) Amends chapter L-12 of the Revised Statutes of Alberta 2000.

(2) Section 2 presently reads in part:

(2.1) With respect to a claim for the recovery of possession of land as defined in the Limitation of Actions Act, RSA 1980 cL-15, subsection (2) shall be read without reference to clause (b) of that subsection.

(3) Section 3 presently reads in part:

3(3) For the purposes of subsection (1)(b),

(f) a claim for a remedial order for the recovery of possession of real property arises when the claimant is dispossessed of the real property.

(4) The limitation period provided by subsection (1)(a) does not apply where a claimant seeks a remedial order for possession of real property, including a remedial order under section 69 of the Law of Property Act.

(6) The re-entry of a claimant to real property in order to recover possession of that real property is effective only if it occurs prior to the end of the 10-year limitation period provided by subsection (1)(b).

(7) If a person in possession of real property has given to the person entitled to possession of the real property an acknowledgment in writing of that person's title to the real property prior to the expiry of the 10-year limitation period provided by subsection (1)(b),

(a) possession of the real property by the person who has given the acknowledgment is deemed, for the purposes of this Act, to have been possession by the person to whom the acknowledgment was given, and

(b) the right of the person to whom the acknowledgment was given, or of a successor in title to that person, to take proceedings to

recover possession of the real property is deemed to have arisen at the time at which the acknowledgment, or the last of the acknowledgments if there was more than one, was given.

(8) If the right to recover possession of real property first accrued to a predecessor in title of the claimant from whom the claimant acquired the title as a donee, proceedings to recover possession of the real property may not be taken by the claimant except within 10 years after the right accrued to that predecessor.

Record of Debate

STAGE	DATE	MEMBER	FROM	TO	TOTAL	CUMULATIVE TOTAL

Title: 2012 (27th, 5th) Land Statutes (Abolition of Adverse Possession) Amendment Act, 2012

[HOME](#) > [BILLS AND AMENDMENTS](#) > [27TH LEGISLATURE, 5TH SESSION \(2012\)](#)**27th Legislature, 5th Session (2012)****Bill 204: Land Statutes (Abolition of Adverse Possession) Amendment Act, 2012 (Allred)**

Status	
First Reading:	Mar. 7, 2012 aft. (H.357) — passed
Second Reading:	Mar. 12, 2012 aft. (H.436-38) — passed
Committee of the Whole:	
Third Reading:	
Royal Assent:	
Comes into force:	

 [View Bill 204 \(PDF\)](#) 290.533KB (opens a new browser window)**Reference Only**

The PDF version of this Bill is provided for reference only. The printed copy of the Bill remains the official version. The Bill is shown as it was introduced at First Reading. If amendments to the Bill are passed, a link to the amendment will show above.

About the Bill

The Bill sponsor's name is in brackets following the Bill title. If it is a money Bill, (\$) will appear following the title. Numbers following each Reading refer to Hansard pages where the text of debates is found. Bills numbered from 1 to 199 are Government Bills. Bills numbered 200 or higher are Private Members' Public Bills. Bills with a 'Pr' prefix are Private Bills.

If a Bill comes into force "on proclamation," "with exceptions," or "on various dates," please contact Legislative Counsel, Alberta Justice for details at (780) 427 2217. The chapter number assigned to the Bill is entered immediately following the date the Bill comes into force. SA indicates Statutes of Alberta; this is followed by the year in which it is included in the statutes, and its chapter number. Please note, Private Bills are not assigned chapter numbers until the conclusion of the Fall Sittings.



BY BARB GLEN
LETTING RIDGE BUREAU

Bob Woodward can see the 10-acre parcel of ranchland from his kitchen window.

It is land west of Cardston, Alta., that he bought in 1999, for which he had legal title and on which he has paid taxes every year since it was purchased.

So Woodward was flabbergasted when a judge ruled in December that the land belonged to his neighbour. The decision was based on Alberta law involving adverse possession, more commonly known as squatter's rights.

It allows people to be recognized as legal owners of land if they have been in open possession of it for 10 or more years.

Alberta is the only province to retain the legislation, which is based on British common law but has been struck from the books in other provinces.

"I think that the rural people need to be made aware that this old act is still in the works and that if you have unscrupulous people looking for an opportunity like that, they can take advantage of that old law," said Woodward, a longtime rancher who owns 2,400 acres.

"Even though you've bought a piece of property and paid for it and paid the taxes on it and everything, if they squat on it, even if you know that they're there and more or less acknowledge, or in other words put

up with them, if you let them do it for 10 years, they can turn around and claim your property."

Woodward said he thought twice about going to court but decided to proceed when his neighbours gave notice in 2011 of a suit to claim the 10-acre piece of land, which he estimated to be worth \$3,000 per acre.

"It's kind of a matter of principle, but as it turned out, it didn't do us any good."

I think that the rural people need to be made aware that this old act is still in the works and that if you have unscrupulous people looking for an opportunity like that, they can take advantage of that old law."

BOB WOODWARD
CARDSTON, ALTA., RANCHER

He and his lawyer, Douglas Carle, were surprised at the outcome, and an appeal has since been filed with the Alberta Court of Appeals.

Carle said adverse possession is a throwback to an era before Canada adopted the Torrens land titles system based on registered titles and accurate surveys.

"I think that it is actually quite puzzling that a jurisdiction such as ours ... would even have a concept of adverse possession," said Carle.

"It's an archaic concept that causes nothing but hardship and flies in the face of our entire land titles system."

Carle, who practises out of Taber, Alta., said the outcome of Woodward's

the legislation was outdated and its abolition "would assure Alberta landowners that they will not be at risk of losing land to a neighbour who has accidentally or intentionally been trespassing on their property."

Allred, who did not stand for re-election in 2012, is a former land surveyor.

He told the legislature at the time that about 100 court cases in Alberta had involved adverse possession but few were successful because of the province's "efficient land titles system."

It was Allred's contention that squatter's rights should never have been adopted from the English system in the first place because Alberta was surveyed before settlement, as opposed to Britain's settlement before survey.

Adverse possession caused the City of Calgary to lose land in 1965 and irrigation districts to lose land in 1993.

After that, the government amended legislation to exempt municipalities and irrigation districts from future claims on that basis.

The provincial property act allows people to claim land on which they have mistakenly built lasting improvements. However, that person must pay the landowner compensation for the property lost.

Woodward said he wants the current government to take action.

"I say at the stroke of a pen, the government could change this thing, and they need to do it."

"I say shame on Alberta for hanging

onto this thing when all the other provinces in Canada have thrown it out. I want these legislators to do something about it."

Individuals should be free of it, just as irrigation districts and municipalities are, he added.

Carle said he thinks the government may be considering changes.

Drew Barnes, Wildrose MLA for Cypress Medicine Hat, said he would be happy to examine the pros and cons of the legislation at the next legislative session, set to begin March 10.

"Property rights are the bedrock of a democratic society," said Barnes.

"Property rights allow individuals to know where their rights begin and where the government's rights end. So any infringement on an individual's property rights would be of great concern to me."

Carle said he has discussed adverse possession with some of his farmer clients and generally advises landowners to confirm their ownership in cases where neighbours are using their land.

"It has certainly caught the fear and imagination of southern Albertans," said Carle, adding that the case was one of the more interesting he has tackled in 26 years of practice.

"I've always told clients that 99.9 percent of the time, an issue can be decided merely by an application of common sense.... This is that point one percent of the time."

barb.glen@producer.com

Resolution 7-15F

Agriculture Plastics Recycling

Lacombe County

*Simple Majority Required
Endorsed by Central District*

WHEREAS agricultural plastics and twine are recyclable materials generated by the agricultural industry and are often sent to municipal solid waste landfills for disposal or if not accepted at landfills, is being stockpiled or burned; and

WHEREAS diverting agricultural plastics and twine to recycling facilities will reduce the volume of non-biodegradable materials at landfills; and

WHEREAS the *Substance Release Regulation* prohibits the burning of plastics and the release of harmful toxins into the environment; and

WHEREAS the 2012 Agricultural Plastics Recycling Agricultural Producers Survey confirmed that there is a strong consensus among agricultural plastics users that it is important to be able to recycle their agricultural plastics;

THEREFORE BE IT RESOLVED the Alberta Association of Municipal Districts and Counties request that Alberta Environment and Parks develop a recycling program to provide for the collection and recycling of agricultural plastics in Alberta.

Member Background

The 2013 Alberta Agriculture Waste Characterization Study estimated the total annual agriculture plastic waste at between 6,600 and 14,000 tonnes. (Alberta Agricultural Waste Characterization Study – Final Report CleanFARMS Inc.)

While several regions and municipalities in Alberta have conducted a pilot program for the collection and recycling of agricultural plastics (grain bags and twine) no long term sustainable solution has been found to date. Through these pilot programs various technologies and strategies have been investigated and refined to a point where the recycling of agricultural plastics could move forward on a province wide basis.

The markets for clean recyclable agricultural plastics continues to mature, however they have not developed to a point where the recycling process is sustainable without a supporting program.

During discussions with municipalities that are working to develop an agricultural plastics recycling program the projects seems to have many challenges:

Land filling large bulky volumes of plastic make it hard to compact making filling the cell quicker.

Obtaining the agricultural plastic free of contaminants to the extent that recyclers will accept the material.

Compaction of the material in order to obtain sufficient tonnage to make the freight more economical.

Handling the material at solid waste receiving stations.

There are recyclers that will take the different classes of plastics there just needs to be a way of getting the product to them economically.

AAMDC Background

3-12F: Recycling Agriculture Plastics

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Provincial Government to develop recycle programs for the agriculture industry for the recycling of agricultural plastics.

DEVELOPMENTS: The then ministries of Agriculture and Rural Development (ARD) and Environment and Sustainable Resource (ESRD) in 2012 scoped the issue of waste management in rural Alberta through a survey process that sampled agricultural producers and municipal waste authorities. The AAMDC met with the Minister of ARD in early 2013 who noted there is a lack in regional facilities which creates a challenge associated with high costs of hauling agriculture plastics long distances for recycling purposes.

The AAMDC and ARD engaged with CleanFARMS through their development of an Alberta Agricultural Waste Characterization Study, which was released in August 2013. While the study inventories and quantifies the plastic waste generated on Alberta farms, it does not directly address the need for or possibility of recycling programs to address this waste. Though the Government is making strides to better understand the challenges associated with recycling agricultural plastics, there has not been any efforts to establish a provincial recycling program for all agricultural plastics products to date. As such, this resolution is deemed Unsatisfactory and will continue to be monitored.

Resolution 8-15F

Land Acquisition Process for Crown Land

MD of Bonnyville

*Simple Majority Required
Endorsed by Edmonton East District*

WHEREAS the *Municipal Government Act* (MGA) gives care and control of 66' road right-of-ways to the local municipalities; and

WHEREAS municipalities are constructing public roadways that are for everyone to use; and

WHEREAS there are significant gaps in the road right-of-way standards followed by Alberta Transportation and those followed by municipalities; and

WHEREAS local municipalities may require additional lands owned and controlled by the Government of Alberta for the construction of a public roadway;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to transfer care and control of all lands required for construction of public roadways to the municipality at no charge and with no other consultations required.

Member Background

The current process for land acquisition on Crown land is extremely onerous and subject to multiple consultations and environmental assessments. On some occasions this process has cancelled projects from being completed. These road projects are required for the safety of the residential taxpayers and industry alike. Municipalities are constructing public roadways that are for everyone to use, the access to and process for securing public lands for road widening or for new alignments is not effective.

This was developed in the 1800's for the future development of the province. The standard of the day was adequately accommodated with this specification. In today's reality the standards have changed, currently Alberta Transportation requires a minimum setback for development of 70 meters from centerline of roadway for future highway widening.

In order to facilitate the future growth in our area and to safely accommodate the increased traffic of both residential and industry vehicles we need access to the land that is required to accommodate this growth.

AAMDC Background

6-10S: Purchase of Crown Lands for Construction of Municipal Infrastructure

THEREFORE BE IT RESOLVED that the AAMDC request the ministry of Sustainable Resources Development of the Province of Alberta return to a policy of nominal sum fee transfers for municipalities for Crown Lands which are required for construction of municipal infrastructure works.

DEVELOPMENTS: In its initial response to this resolution the Government of Alberta noted that it had suspended the sale of public lands to municipalities for a nominal sum, and indicated no intention of reversing this decision. This topic is to be reviewed in in 2016. This resolution remained unsatisfactory for the duration of its 'active' period.

Resolution 9-15F

Referrals on the Sale of Public Lands

County of Northern Lights

*Simple Majority Required
Endorsed by Northern District*

WHEREAS rural municipalities have responsibility for the construction and maintenance of local road infrastructure; and

WHEREAS the Government of Alberta, through Alberta Environment and Parks, under the *Public Lands Act*, may undertake to sell Crown lands through public auction; and

WHEREAS the sale of such lands puts additional pressures on municipalities for the provision of infrastructure to service the lands, such as roads, with no financial benefit to the municipality; and

WHEREAS the County of Northern Lights has recently experienced a public auction of 9 parcels of land to which there is no developed road access;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to ensure that municipalities receive full compensation from the Government of Alberta, which would include proceeds from the sale of said public lands, in order to provide the required infrastructure to those said lands.

Member Background

The County of Northern Lights received an email in February, 2015 indicating that Alberta Environment and Sustainable Resource Development (ESRD, now Alberta Environment and Parks) was auctioning lands within the County and asked if the County had any concerns to advise by February 20th (15 days later).

The County advised that we had great concern with the proposal. Of the nine parcels being sold, only two had road access and were agreeable to the County. Five of the parcels were located in an area where there had been an abundance of land clearing over the last few years, which had been causing the County considerable drainage problems downstream. During a meeting with ESRD earlier that January, the County Council advised ESRD that when lands are sold there is an expectation by the purchasers that roads will be constructed to access the lands, however the County is not in a financial position to construct roads to agricultural properties. Even if sold as a block, the owners could sell the quarters individually later, as often happens. Then the new landowners expect roads to be constructed. The sale of these lands is of no benefit to the County as agricultural taxes are minimal and do not pay the cost of maintenance.

The sale of such Crown lands adds to the County's overall infrastructure deficit.

These concerns, as well as the drainage issue were discussed with ESRD staff in January, and when the request was received in February, and County voiced its concerns, we were advised that the lands had been applied on many years ago, and referrals to agencies and First Nation consultation were made based on the process and policies in place at the time. As a result of the input received, the lands were identified for sale, and all merchantable timber was harvested in preparation for sale. They advised they were not prepared to withhold the sale of these properties, but that they would add a statement to the auction notice stating "developed access to these parcels is not guaranteed. It is the successful bidder's responsibility to ensure that access to the land is available and suitable. Please contact County of Northern Lights prior to auction."

In reply the County advised AESRD that this one sale alone had the potential to cause an additional 3 miles of road to be constructed sometime in the future. Taxes the County would receive would be approximately \$75.00 per year per quarter, yet we would be expected to invest approximately \$750,000 in infrastructure for roads alone. It was suggested the parcels be consolidated prior to sale in an attempt to resolve the road issue. It was also suggested that in future the Government of Alberta should be providing assistance to municipalities for the required infrastructure to service newly opened parcels. As the Government of Alberta

has cut off essentially all grant programs for such services, municipalities should not be stuck with the additional service requirements.

The applicable legislation is as follows:

PUBLIC LANDS ADMINISTRATION REGULATION

Sale of public land

6(1) In this section, “sell” means to transfer, as defined in the *Land Titles Act*, for valuable consideration, and includes a notification issued under section 30 of the Act or an instrument of transfer prescribed under the *Land Titles Act*.

(2) The Minister may, subject to the Act and regulations, sell public land by public auction, private sale or tender, on the terms and conditions the Minister considers appropriate and at a price not less than the fair value of the land.

(3) In determining the price at which the land will be sold, the Minister may take into consideration the purposes for which the land will be used.

PUBLIC LANDS ACT

RSA 2000

Chapter P-40

Sale of land

18 The Minister may, if in the Minister’s opinion doing so will not conflict or be inconsistent with any applicable ALSA regional plan,

(a) within 2 years after a sale by public auction that did not find a purchaser, sell the land by private sale at a price not less

than the upset price,

(b) sell the land contained in a homestead lease to the lessee on any terms and conditions that the Minister may prescribe if the lessee, in the opinion of the Minister, has faithfully and

to the best of the lessee’s ability endeavoured to perform the lessee’s obligations under the homestead lease but from some unpreventable cause or mental or physical incapacity

or through some technicality has failed in doing so and yet has an equitable claim entitling the lessee to favourable consideration,

(c) reserve public land for any reason and for any period and permit the use of that land for any period and subject to any terms and conditions that the Minister prescribes by the

Crown in right of Canada, by any department of the Government or by any person, without executing a disposition for it, and

(d) promote good farm cultural practices and require proper range management efforts and the adoption of farming and grazing practices by disposition holders for conservation purposes.

AAMDC Background

The AAMDC has no active resolutions directly related to this issue.

Resolution 10-15F

Maintenance of Provincial Funding for Seniors' Lodging

Sturgeon County

*Simple Majority Required
Endorsed by Pembina River District*

WHEREAS there are approximately 149 senior citizens' lodges operated throughout Alberta, which are regulated under the *Alberta Housing Act*; and

WHEREAS the Government of Alberta, in 1994, changed lodge program funding from a 50/50 cost-shared deficit between the Government of Alberta and municipalities to a capped lodge assistance grant, with the municipalities responsible for the remaining deficit; and

WHEREAS the Government of Alberta recently instructed local management bodies to budget on the assumption of no increases in provincial funding for the next five years; and

WHEREAS the Lodge Assistance Program grant does not contain any provisions to address inflation, aging infrastructure, marketability and increasing operational costs; and

WHEREAS the costs to maintain the lodge facilities in their existing condition and ensure adequate access to lodging through the creation of additional lodging spaces to meet the needs of an aging population is placing an increasing financial burden on the lodge's management bodies; and

WHEREAS the only recourse after rent to cover these increasing costs is to download an increasing burden of funding beyond the provincial cap on municipalities;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to return to the 50/50 cost-shared operating deficit between the province and municipalities with no provincial funding cap or significantly raise its funding cap.

Member Background

Begun in the 1950s, the provincial lodge program has provided supportive living services to thousands of seniors by allowing them to stay in their local community and age in place until they require a higher level of care.

The purpose of the program was to free up spaces in auxiliary hospitals that were housing seniors who did not require such a high level of care. To provide space and support for the lodges, municipalities donated land for the lodge and agreed to be requisitioned for any operating deficits incurred by their management bodies.

The province provides a lodge assistance grant based on qualifying seniors and occupancy rates. The province has capped its financial responsibility with the lodge assistance grant at \$12.45 per qualifying resident per day.

While the lodge assistance grant has kept pace with the Consumer Price Index (CPI) since 1994, the province has continued to establish grant restrictions such as occupancy rates and seniors income (the lodge program has no income cap for admission, but management bodies are penalized as the lodge assistant grant only provides grant funding for seniors with income below \$28,160).

In addition, the provincial budget does not contain provisions for an increase in the lodge assistance grant program, which means the bulk of increased operating costs become the responsibility of municipalities to requisition.

Rental rates for many lodge operators over the same time period (1994 to 2012) have moved from flat rate rent to rents based on seniors' income, leaving a lot of seniors with \$315 after paying rent (as per legislation). However, this still leaves a significant operating cost which the municipalities end up funding.

While operating funding is an issue, the shortfall in provincial funding is an issue in the lodge's capital operations. In 2013, it was estimated that over \$400 million in capital funding was required to revitalize the lodges. The province allocated \$30.9 million for capital improvements for all lodges based on \$3,000 per unit and \$40 million in 2012/13 and 2013/14 for Rural Seniors Housing Renewal program. While this investment is welcome, it is not sufficient to keep up with the need to both maintain existing units, and ensure the development of sufficient new units to meet increasing needs.

Recently, the Government of Alberta—instructed the lodges' management bodies to create their budgets assuming no increase in funding for the next five years. If provincial funding is not increased, the local lodge's management body is predicting increasing deficits going from 5% in 2016 to 12.3% in 2021, which will be downloaded onto municipalities.

While these amounts are helpful, more is required to address not only the identified capital shortfall, but also allow for the creation of additional units to meet Alberta's aging population.

AAMDC Background

8-08F: Seniors' Lodge Assistance Program Grant Increases

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that the Government of Alberta increase the Lodge Assistance Program Grant annually by a minimum as set out in Canadian Consumer Price Index.

7-08F: Funding for Seniors Facilities

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Province of Alberta to increase the funding allocated to Seniors Foundations to attempt to keep pace with the rising costs of inflation.

31-03F: Funding of Seniors Lodges/Foundations

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) urge the Government of Alberta to amend Section 7(2) of the Alberta Housing Act to change the basis of determination for municipal requisitions to a per-capita system based upon total population of all the municipalities requisitioned;

AND FURTHER BE IT RESOLVED that the AAMDC urge the Government of Alberta to amend the Alberta Housing Act to allow for mediation/arbitration in the instance where municipalities are unable to agree on the basis on which the total requisition is to be shared.

DEVELOPMENT: In the budget presented in the spring of 2015, the province funded the development of long-term care and affordable supportive living spaces through the Affordable Supportive Living Initiative by increasing funding by 161 per cent to \$91.5 million in 2015-16. This budget did not pass but the AAMDC will be looking to the October 23, 2015 budget for greater direction from the current government.

Resolution 11-15F

Provincial Support for Municipal Aggregate Acquisition

Lac La Biche County

*Simple Majority Required
Endorsed by Edmonton East District*

WHEREAS sourcing of aggregate is a high priority of municipalities in rural Alberta because of their extensive road network; and

WHEREAS high volumes of aggregate are available on Crown land; and

WHEREAS Crown land is routinely leased for a variety of purposes, such as grazing, recreation, oil and gas exploration and production, aggregate, and other uses; and

WHEREAS existing Crown lessees have to be consulted with and compensated for losses and damages due to aggregate exploration and extraction; and

WHEREAS sometimes disputes between lessees and the municipality arise that cannot be settled through negotiations; and

WHEREAS the Government of Alberta has processes and remedies to expedite resolution of these disputes, but the does not make them readily available;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Government of Alberta to use its existing tools, statutes, and regulations to deal with disputes between municipalities sourcing aggregate and other Crown lessees to expedite municipal aggregate exploration.

Member Background

Gravel is a non-renewable resource that is essential for infrastructure development and maintenance. The provincial government, municipalities and industry all compete for these resources and there are currently no land planning strategies in place to manage allocation. The *Alberta Aggregate (Sand and Gravel) Allocation Policy for Commercial Use on Public Land*, approved in 2006 by Cabinet, gives municipal public works purposes top priority (along with provincial infrastructure needs).

AAMDC members have expressed ongoing concern with the processes required to obtain aggregate resources in the province and challenges in allocation and regulatory processes have resulted in unequal access for municipalities across Alberta. In response to member direction through Resolution 15-10F, the AAMDC developed a report entitled *Got Gravel? Strategies to Secure Gravel for Rural Municipalities*. The AAMDC membership demonstrated support for the *Got Gravel?* report through the endorsement of a resolution at the AAMDC Fall 2013 Convention.

Got Gravel? includes recommendations that promote municipal interests in accessing aggregate resources and encourage proactive planning of this non-renewable resource to help balance availability with demand. *Got Gravel?* includes an in-depth analysis of geographical locations and availability of aggregate in Alberta; a review of provincial and federal legislation and policy that have an impact on planning and allocation of gravel and aggregate resources; and a detailed overview of aggregate availability and challenges within each of the Land-use Frameworks seven planning regions.

AAMDC Background

3-13F: Got Gravel? Strategies to Secure Gravel for Rural Municipalities

THEREFORE BE IT RESOLVED that members of the Alberta Association of Municipal Districts and Counties endorse the recommendations outlined in the paper entitled *Got Gravel? Strategies to Secure Gravel for Rural Municipalities* and the supporting Technical Report.

15-12F: Municipal Rights to Gravel Resources Under Municipal Road Allowances

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Government of Alberta to amend Section 58 of the *Law of Property Act* to allow municipalities the first right at no cost to gravel resources on or under municipal road allowances for the purpose of municipal road maintenance and construction even though the land ownership of all public roads and road right of ways is vested in the Crown in the Right of Alberta

15-10F: Provincial Strategy for Aggregate Resources Management

THEREFORE BE IT RESOLVED that the AAMDC encourage the Province of Alberta to develop a province wide strategy for the management of aggregate resources through the Provincial Land Use Framework; and

FURTHER BE IT RESOLVED that municipalities where the resource is located be given first priority when the Province of Alberta reviews applications for a Surface Material Exploration (SME) or Surface Material Lease (SML) on Crown Land.

DEVELOPMENT: The AAMDC membership endorsed the recommendations outlined in *Got Gravel?* which met the intent of Fall 2013 resolution. As such, it has been incorporated into the AAMDC's current advocacy efforts. The AAMDC has been involved, along with other stakeholders, in a review of the existing sand and gravel program to identify what could be clarified to streamline the process from application to reclamation. Recommendations from *Got Gravel* will continue to be advocated on in future meetings with the Government of Alberta.

Resolution 12-15F

Survey Requirements for Recreation Lease Renewals

MD of Willow Creek

*Simple Majority Required
Endorsed by Foothills Little Bow District*

WHEREAS Alberta Environment and Parks requires that municipalities bear the cost of a survey of provincially owned recreation areas when renewing recreational leases; and

WHEREAS the cost of surveying of recreation areas, located on public lands ranges from \$6,000 to \$16,000; and

WHEREAS recreation leases are typically for public use such as parks, campgrounds and picnic areas; and

WHEREAS the boundaries of recreation leases are typically not subject to change;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to remove the requirement for municipalities to provide surveys of provincially owned land in order to renew recreational leases.

Member Background

Recreational leases are an instrument that municipalities and non-profit organizations, such as Girl Scouts of Canada, enter into with the provincial government to operate recreational areas. In order to obtain a twenty five year lease the province requires municipalities to pay large sums of money to provide a survey of lands that they do not own. Municipalities have asked why these surveys are needed when the use can only be recreational in nature. No answer has been provided other than the directive that if the municipality wants to renew the lease then they must incur the cost of a survey.

AAMDC Background

The AAMDC has no active resolutions directly related to this issue.

Resolution 13-15F

Non-Profit Housing Organizations Borrowing from the Alberta Capital Finance Authority

Sturgeon County

*Three-fifths Majority Required
Endorsed by Pembina River District*

WHEREAS Section 21 of the *Alberta Capital Finance Authority Act* provides that: 'The business of the corporation is to provide local authorities that are its shareholders with financing for capital projects'; and

WHEREAS Section 32(1) of the *Alberta Capital Finance Authority Act* provides that a local authority may borrow money from the Corporation in any form or manner and on any terms that are acceptable to the Corporation; and

WHEREAS Section 1(g) of the *Alberta Capital Finance Authority Act* defines local authority as: 'a city, an educational authority, a health authority, a municipal authority, regional authority or a town' and does not include housing foundations and other non-profit housing organizations; and

WHEREAS Section 271 (c) of the *Municipal Government Act* states that the Minister of Municipal Affairs may make regulations respecting how debt limits for a municipality are determined; and

WHEREAS the Minister of Municipal Affairs has established Alberta Regulation No. 255/2000 for the purpose of calculating the debt limit of a municipality; and

WHEREAS the stated mission of the Alberta Capital Finance Authority is: 'To provide local authorities within the Province with flexible funding for capital projects at the lowest possible cost'; and

WHEREAS housing foundations and non-profit housing organizations are created for the public benefit to deliver affordable housing options and deliver a public good; and

WHEREAS a portion of the debt associated with these foundations and non-profit organizations currently resides within various municipalities' debt; and

WHEREAS incurring that debt is required by municipalities to both address significant deferred maintenance and infrastructure deficits and invest in the infrastructure required to ensure the sustainability and viability of these foundations and non-profit organizations;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to allow housing foundations and other provincial and local non-profit affordable housing organizations to directly borrow from the Alberta Capital Finance Authority without impacting a local authority's borrowing capacity.

Member Background

Affordable housing is an important part of the social and economic infrastructure of a healthy community. It is essential for attracting and maintaining a diverse workforce that ensures economic development and vitality and provides a necessary and needed service throughout the province.

Despite these facts, the Bank of Canada is calling the imbalance in the housing market the number one domestic risk facing the economy.

According to the Federation of Canadian Municipalities (FCM), one out of every four Canadians currently spends more than 30% of their income on housing. The FCM estimates that 733,275 low-income Canadians are in "extreme" housing need; paying more than 50% of their income on housing. In terms of homelessness, the FCM estimates over 235,000 Canadians experience homelessness every year at a cost of upwards of \$7 billion to the economy.

In the provincial context, the average cost of owning a home in Alberta has risen 44% since 2001. Although the federal government provides subsidies for 37,250 households in Alberta worth \$50 million annually

through federal social housing agreements, these subsidies are expiring and future of one-third of these units is at risk.

While housing foundations and similar non-profits have stepped in to help address these pressures, their efforts are being limited through provincial legislative barriers. While they are providing a much needed public service and, by definition, are capital intensive, they are excluded from directly applying to the Alberta Capital Finance Authority. In absence of this ability, these organizations may seek funding indirectly through agreements with local authorities such as municipalities. As these arrangements impact municipalities' provincially established debt limits, housing foundations and similar non-profit affordable housing organizations face unnecessary and unfair limits on their borrowing capacities. Lack of sufficient funding limits their ability to perform their vital functions, and may impact a municipalities' prioritization of its capital borrowing through the Alberta Capital Finance Authority.

The proposed resolution seeks to remove these regulatory barriers and support the appropriate and efficient development and maintenance of affordable housing options throughout the province.

AAMDC Background

2-10S: Debt for Seniors' Housing Authorities

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that the Government of Alberta amend the Alberta Capital Finance Authority Act to add Seniors' Housing Authorities as shareholders of the Alberta Capital Finance Authority.

1-07S: Debt for Seniors' Housing Authorities

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that the Government of Alberta amend the Alberta Capital Finance Authority Act to add Seniors' Housing Authorities as shareholders of the Alberta Capital Finance Authority.

DEVELOPMENTS: Through the government response to the above resolutions and meetings with the Minister of Finance and Enterprise, the AAMDC has continued to receive responses that do not support the change requested to the Alberta Capital Finance Authority Act. While a challenge for municipalities is recognized, there is an indication that allowing senior's housing authorities in to the Alberta Capital Finance Authority would increase the overall borrowing risk of the organization. However, a committee was struck with Municipal Affairs, the Alberta Urban Municipalities Association, and the Alberta Senior Citizen's Housing Association to find financial solutions to the challenges faced by seniors facilities. Recommendations from this committee were sent to the Minister in 2014. It is unclear what the current governments intention is with this group.

Resolution 14-15F

**Rural Utilities Act Amendment Regarding Rural Electrification Association (REA)
Service Areas**

Camrose County

*Three-fifths Majority Required
Endorsed by Edmonton East District*

WHEREAS the cooperative movement has historically been a vital feature of Alberta's economic development; and

WHEREAS all Albertans benefit from the distribution of utility services from Rural Electrification Association (REA) co-ops with safe, reliable and cost effective service; and

WHEREAS Rural Electrification Associations are instrumental in moving Alberta's rural economy forward to be more innovative, vibrant and sustainable with 47,740 members, 350 direct or indirect jobs in rural Alberta, collectively purchasing over \$13.5 million in goods and services, and currently hold over \$180 million in assets¹: and

WHEREAS under the *Rural Economic Development Action Plan*, the Government of Alberta identified the need to pursue options for Rural Electrification Associations to diversify their business model and enterprise portfolios to improve their economic viability and long-term sustainability in rural areas; and

WHEREAS Rural Electrification Associations are being forced from the community, 15 REAs sold to investor owned utilities since 2012, only 32 REAs out of an original 381 are still in existence of which six are large operating REAs while twenty six are small and contract out services; and

WHEREAS rural demographics are rapidly changing with the number of farms nation-wide having fallen from 84,315 in the 1950's to 43,234 by 2010² which significantly impacts REAs' economic bottom line; and

WHEREAS Rural Electrification Associations legislatively can only serve members and are restricted by wire owner agreements to supplying electrification services to rural residences and farm business.

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that the Government of Alberta amend the *Rural Utilities Act* and Regulations to provide Rural Electrification Associations the exclusive right to serve all new members within their geographic service area.

Member Background

- Starting in the 1940's rural electrification has been an issue, 1941 census reported 99,732 farms in Alberta, yet in 1945 only 496 of those had electricity.
- Investor owned utilities (IOU) were not interested in expanding into the rural area.
- 6 rural co-ops started in the early 1940's
- Government stepped in, in 1946
- First REA cooperative was formed in 1947 and by 1951 there were 356 REAs operating³

The cooperative REA model has brought value to rural Alberta by being member owned, locally operated, uniquely responsive to customer need, has proven to be price and service level competitive, a local job creator and committed to re-investing in the community.

Rural Electrification Associations collectively save members 19 million dollars annually.⁴

Rural Electrification Associations provide a check and balance to IOU's.⁵

The Rural Electrification Association landscape is changing rapidly with only 32 of the original 381 still in existence today, with 15 REAs selling since 2012 to IOU's, with another sale in the process. There are only 6 large fully operational REAs left, with a large enough membership and service area to operate their own

electricity distribution systems. The other 26 REAs have small membership numbers and contract out the operation of their systems.

Rural Electrification Associations face challenges related to the decline in farm numbers, expansion of urban footprint to traditional rural areas, aging infrastructure, complexity of service regimes within the industry and governmental involvement.

Rural Electrification Associations are looking for the opportunity to increase market share by amending legislation to allow REAs within their service area the designated right to serve all customer classes and the right to manage REA service and delivery, to amalgamate across service areas in order to maintain that check and balance within the industry for all Albertans.

AAMDC Background

6-03F: Support for Rural Electrification Associations

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Government of Alberta to revise the Regulated Default Supply Regulation, the Distribution Tariff Regulation and the Roles, Relationships and Responsibilities Regulation to reduce or eliminate the negative impact these regulations have on rural Albertans;

AND FURTHER BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Government of Alberta to support the regulatory jurisdiction of REAs boards of directors in decision-making matters of those associations.

ER1-02S: Rural Utilities

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties support rural electrification associations, natural gas co-ops, water co-ops, and municipally-owned utilities by urging the Government of Alberta to ensure existing legislation and regulations remain in effect and are enforced to allow member owned rural utilities and municipal utilities to continue to provide a competitive alternative to investor-owned utilities.

DEVELOPMENTS: In 2014, the Government of Alberta's MLA Retail Market Review Committee (RMRC) Implementation Team released *Enhancing the Retail Market for Electricity*, which was intended to provide a follow-up of *Power to the People*, the RMRC's 2012 report that included 41 recommendations for improving Alberta's retail electricity market by empowering consumers and increasing competition among electricity retailers.

Included in the RMRC recommendations were several related to rural electrification associations (REAs). Some of these recommendations had the potential to compromise the viability of REAs, including requiring them to meet the same regulatory requirements as much larger investor-owned utilities (IOUs). For many REAs, the costs of meeting these regulatory requirements will be impossible to meet without having an expanded customer base, as REAs are currently only able to service agricultural operation and residences, both of which are shrinking demographics. The AAMDC wrote a letter to the Minister of Agriculture and Rural Development and the Minister of Energy, expressing their concern with the challenges that this increased regulatory burden would have on REAs, especially if REAs are not able to broaden their customer base beyond agricultural operations and agricultural residences.

Resolution 15-15F

Management of Farm Development and Agricultural Leases

Big Lakes County

*Simple Majority Required
Endorsed by Northern District*

WHEREAS currently the Department of Public Lands, under the Ministry of Alberta Environment and Parks (AEP), manage the use and operation of farm development leases and agricultural leases; and

WHEREAS Alberta Agriculture and Forestry would be better to adapted to manage the lease land as their expertise in agricultural production would give stronger representation as to the needs of producers; and

WHEREAS the current policies and practices utilized by the AEP do not account for the unique nature of agriculture, and frequency in which the market changes, thus effecting the financial abilities of producers to operate; and

WHEREAS more direct control from the Ministry of Agriculture and Forestry would allow the policies and procedures to be adapted in a more timely manner minimizing the negative effects on producers;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that Alberta Environment and Parks transfer the management of farm development leases and agricultural leases to the Ministry of Agriculture and Forestry.

Member Background

Farm development leases are currently managed by Department of Public Lands under the Ministry of Alberta Environment and Parks (AEP). Under the current management practice farm development leases are leased for 10 years terms, with a 5 year review. At this time lease rates are adjusted based on market current market value. The most recent assessments were done at seven years, two full years overdue. This caused for major increases to lease rates in the region.

The assessment does not take into consideration environmental factors that affect the producers. The problem with this type of approach is that most Crown leases are in marginal areas which would not otherwise be suited for farming. Many leases are in areas that flood from year to year, in some instances over ninety percent of the usable land in under water. The current policies do not address this issue and producers are charged the full acreage rate, whether the land is useable or not. Forage production is also overlooked as land production varies from quarter to quarter and the assessments can be derived for upward of 10km away from the lease site.

Another factor overlooked by AEP is that comparing private lease land and Crown Lease land is not a direct comparison, as there are restrictions set in place on lease land that would not otherwise be placed on private leases. AEP has limited the ability to clear brush, apply herbicide, develop drainage, or install sensible fencing designs to further help efficiency thus lowering the production potential. Best management practices are not taken into account. Requests to control weeds and improve the productivity of the lease land are often delayed to the point the land is completely consumed by noxious weeds. In many cases these leases are near or part of environmentally sensitive areas and if immediate action had been taken the impacts to the environment could have been substantially deceased.

Saskatchewan and Manitoba have both defined agricultural leases and now manage them under their ministries of agriculture, as they saw the need to have a more direct role in the mange practices. Saskatchewan has implemented the use of field agrolgists, to help determine more accurate land production and thus helping calculate lease rates. Annual reviews are implemented with the producer having the ability to dispute lease rates with in the current season, based on economic and environment factors.

The agenda of AEP and Agriculture and Forestry are very similar with regards to the protection of the province's natural environment, the difference resides in the way each ministry mitigates the impact to the environment. To have AEP apply a natural only approach to an environment that is by no means a natural ecosystem is not only impractical but impossible. If lands are to be used for agriculture, then management practices must be such that producers can improve productivity while controlling the impact on the environment. The ability to manage the land in a timely manner would not only increase productivity, but reduces the spread of noxious and prohibited noxious weeds in the surrounding environment. If we have deemed this land for agricultural use, then the ministry with the strongest connection to agriculture, Agriculture and Forestry should manage these leases.

AAMDC Background

6-15S: Management of Farm Development and Agricultural Leases

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that Alberta Environment and Sustainable Resource Development transfer management of farm development leases and agricultural leases to the Ministry of Agriculture and Rural Development.

DEVELOPMENTS: Currently awaiting government response.

Resolution 16-15F

Species at Risk Act (SARA)

County of Forty Mile, County of Warner

*Three-fifths Majority Required
Endorsed by Foothills Little Bow District*

WHEREAS the federal *Species at Risk Act* (SARA) and the designated independent committee for habitat protection legislation will have long lasting negative economic impact on agriculture, industry, rural development, and land use in Alberta and is of great concern to rural municipalities and elected officials; and

WHEREAS agriculture, industry, species at risk and rural development can co-exist; and

WHEREAS rural municipalities are firm supporters of the goals of the *Species at Risk Act*; and

WHEREAS all municipalities, industry and agricultural producers are affected by the above. Leading to a shift in the social and economic balance between urban and rural municipalities in the province;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties facilitate a round table discussion with representation from the federal Environment Minister and provincial Environment Minister to rebuild the current *Species at Risk Act* to improve it in a way that seeks a balanced and cooperative approach (economic, environmental, and social) to species protection that focuses on ecosystem protection; limiting impact on agriculture, industry, rural development, and land use in Alberta.

Member Background

SPECIFIC LEGISLATION LINKAGES: *SPECIES AT RISK ACT* (SARA) setting the stage

(From Wikipedia):

The *Species at Risk Act* (SARA) is a piece of **Canadian** federal **legislation** which became law in Canada on December 12, 2002. It is designed to meet one of Canada's key commitments under the International **Convention on Biological Diversity**. The goal of the Act is to protect endangered or threatened organisms and their habitats. It also manages species which are not yet threatened, but whose existence or habitat is in jeopardy.

SARA defines a method to determine the steps that need to be taken in order to help protect existing relatively healthy environments, as well as recover threatened habitats. It identifies ways in which governments, organizations, and individuals can work together to preserve species at risk and establishes penalties for failure to obey the law.

The Act designates **COSEWIC**, an independent committee of wildlife experts and scientists, to identify threatened species and assess their **conservation status**. COSEWIC then issues a report to the government, and the **Minister of the Environment** evaluates the committee's recommendations when considering the addition of a species to the **List of Wildlife Species at Risk**.

- Alberta Government by Alberta's Endangered Species Conservation Committee (current list attached)

Specific Member Background:

1. The *Species at Risk Act* (SARA), while important in principal; the current wording and application limits rural communities and our province to grow and prosper and does not take into account the impact on agriculture, industry, rural development and land use in Alberta.

2. SARA will not do what is intended to do for the species it wants to protect nor the rural municipal economy.
3. Repeal current SARA provisions and rebuild with an approach to species protection that seeks a balanced and cooperative approach (economic, environmental, and social); agriculture, industry, species at risk and development can co-exist
4. The habitat protection position of SARA is problematic; however, we believe these problems can be addressed.
5. SARA removes development control away from municipalities and does not allow them to perform the core responsibility of balancing the public interest as it relates to land use.
6. Negative effect on future growth - long lasting negative economic impact on agriculture, industry, rural development and land use in Alberta.
7. Rural municipalities are committed to a healthy, sustainable environment. We firmly believe that endangered species can co-exist successfully with agriculture, industry, rural development and land use; it isn't an "either/or"
8. Endangered/at-risk species are affecting agriculture and industry in the grassland and farming communities such as the Milk River Watershed, including fish in the Milk River and tributaries (list attached).
9. Protecting biodiversity and protection for endangered species and their habitats are important. Governments, organizations, industry and individuals can work together to preserve species at risk that is enforced by legislation.
10. The goals and intent of SARA can be achieved by repealing the current SARA provisions and rebuilding the legislation in a way that seeks a balanced and cooperative approach (economic, environmental, and social) to species protection that focuses on ecosystem protection; limiting impact on agriculture, industry, development and rural municipal land use in Alberta.

(HISTORY OF THE ISSUE)

Other stakeholders with a vested interest: Province wide impacts for municipalities

1998 Agricultural Service Board Resolutions - Resolution #1

Endangered species legislation

Be it resolved - That the Government of Canada reject proposals for federal endangered species legislation and ensure that future efforts to protect Canada's endangered species and their habitats focus on cooperative, compensatory, voluntary programs driven by local officials and private landholders and not through mandatory, restrictive and unenforceable federal legislation.

Response - **Alberta Environmental Protection:** As this resolution is directed strictly to the Government of Canada, a departmental response is unnecessary.

Environment Canada: The federal government remains committed to protecting endangered species. Minister Stewart is aware that private property owners and farmers in particular have raised concerns regarding the legislation that was before the House in April 1997. She also appreciates the agricultural community's cooperative, voluntary approach to conservation activities. Environment Canada officials are reviewing the legislation with the intent of ensuring that landowners are not unfairly penalized. The review also seeks to ensure that the voluntary efforts of landowners to protect and conserve endangered species are recognized and encouraged.

Programs and policies must be developed to support and reinforce the stewardship of our lands, the conservation of species and the protection of species at risk. To this end, work has started on the issue of stewardship to complement legislation, and we will hold workshops this summer. Representatives of the provincial and territorial governments will be well informed of the plans.

I am confident that the legislation that emerges from the current review will foster the cooperation and partnership required to protect Canada's species at risk. Please be assured that your comments will be taken into account as we prepare for the re-introduction of federal endangered species legislation.

1998 Agricultural Service Board Resolutions - Resolution #2

The Canada Endangered Species Protection Act

Be it resolved - The Provincial Government of Alberta actively lobby the Federal Government of Canada to ensure that the Canada Endangered Species Protection Act does not unduly inhibit the ability of individuals involved in the agricultural industry and others to carry on their normal business activities.

Response - Alberta Environment: The Government of Alberta is actively lobbying the federal government to ensure that federal endangered species legislation is consistent with the National Accord for the Protection of Species at Risk and its supporting framework. The National Accord is the umbrella agreement under which all provinces, territories and the federal government agreed to cooperatively establish national endangered species programs and legislation. Based on the principles of cooperation, education, awareness, and partnerships, it encourages a cooperative approach to endangered species conservation by governments, private organizations, industry and citizens. We are also lobbying the federal government to abandon its confrontational approach respecting civil remedies which will avoid costly and time consuming delays in resource and land management decisions, and better respect the rights of individuals.

AAMDC Background

4-14S: Species at Risk Act

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties and the Government of Alberta lobby the federal government to repeal the current Species at Risk Act and rebuild it in a way that better respects the socio-economic reality, seeking a balanced approach (economic, environmental, social).

DEVELOPMENTS: The response received from Environment Canada outlined the Ministry's recovery strategy and supporting action planning process for endangered and threatened species under SARA. The action planning stage includes evaluating the social and economic costs and benefits of actions and the integration of provincial management plans. Though this process works towards the request of this resolution, a recovery strategy is not a regulatory document and as such, it lacks enforcement. Based on this information, the AAMDC assigns this resolution a status of Unsatisfactory and will continue to assess Environment Canada's process to seek a balanced approach to enforcement and implementation related to the *Species at Risk Act*.

Resolution 17-15F

Community Aggregate Payment Levy Rate Amendment

Lacombe County

*Three-fifths Majority Required
Endorsed by Central District*

WHEREAS Section 409.1 of the *Municipal Government Act* authorizes the council of a municipality to pass a community aggregate payment levy bylaw to impose a levy in respect of sand and gravel businesses in the municipality; and

WHEREAS the *Community Aggregate Payment Levy Regulation* 263/2005 and 187/2010 made pursuant to section 409.3 of the *Municipal Government Act* specifies that the maximum levy rate to be imposed in respect of sand and gravel operators is \$0.25 per tonne of sand and gravel; and

WHEREAS municipalities use the community aggregate payment levy to fund the maintenance and construction of infrastructure, community projects and enforcement positions to work with the sand and gravel industry and residents to manage the gravel extraction process; and

WHEREAS the costs of providing infrastructure, community projects and enforcement staff continues to increase each year; and

WHEREAS the maximum levy rate to be imposed has not been increased since the *Community Aggregate Payment Levy Regulation* came into effect on January 1, 2006; and

WHEREAS the *Community Aggregate Payment Levy Regulation* is set to expire on December 31, 2015;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Government of Alberta to renew the *Community Aggregate Payment Levy Regulation* and to update the maximum levy rate to reflect inflation and the increased cost of infrastructure upgrading and maintenance.

Member Background

Municipalities have used the community aggregate payment levy to construct and maintain infrastructure to accommodate the sand and gravel industry, support community projects and fund community peace officer positions to work with the sand and gravel industry. The community aggregate payment levy has allowed municipalities to address many of the concerns relative to the negative aspects of the sand and gravel industry and improve the image of the industry. Unfortunately the community aggregate payment levy has not kept up with inflation and the increased cost of maintaining infrastructure.

Similar resolutions to increase the maximum community aggregate payment levy were considered by the AAMDC membership in 2008 and 2012 and received support from the majority of the delegates at the convention. Alberta Municipal Affairs reviewed the *Community Aggregate Payment Levy Regulation* in 2010 and notwithstanding the position taken by the AAMDC the maximum levy of \$0.25 per tonne was retained.

AAMDC Background

10-12F: Community Aggregate Payment Levy Rate

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Province of Alberta to review the maximum levy under a community aggregate payment levy bylaw of sand and gravel; and

FURTHER BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Province of Alberta to institute a regular 5-year review and revision of the maximum community aggregate payment levy provision under Alberta Regulation 263/2005.

24-08F: Community Aggregate Payment Levy Rate Amendment

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Province of Alberta to establish an Aggregate Payment Levy Review Committee to evaluate and consider changes to the maximum levy rate provided in section 5(2) of Community Aggregate Payment Levy Regulation 263/2005

DEVELOPMENTS: To aid municipalities with rising costs for infrastructure maintenance, the fall 2012 resolution calls for the regular review of the aggregate payment levy rate under the Alberta Regulation 263/2005. The Government most recently reviewed this in 2010 and the AAMDC was consulted during that process, however, overall stakeholder responses expressed contentment with the regulation as is. As there is no intent to review the levy rate at the present time, the AAMDC deems this resolution as Unsatisfactory.

The community aggregate payment levy has been incorporated as an item for input as part of the Taxation and exemptions discussion of the MGA Review.

The *Community Aggregate Payment Levy Amendment Regulation* is set to expire in 2015 and the AAMDC has submitted feedback Municipal Affairs as part of a limited consultation.

Resolution 18-15F

Availability of Aggregate Royalty Data

Westlock County

*Simple Majority Required
Endorsed by Pembina River District*

WHEREAS the Government of Alberta collects extraction data from aggregate owners and operators on a regular basis; and

WHEREAS Alberta Environment and Parks (formerly known as Alberta ESRD) has refused to share any information regarding the names, addresses and amounts of material extracted from aggregate sources by aggregate owners and operators; and

WHEREAS this has potentially allowed the aggregate owners and operators to evade the responsibility of paying their fair share of aggregate royalties to the local municipality;

THEREFORE BE IT RESOLVED that the Government of Alberta share all pertinent information pertaining to the amount of aggregate extraction with those municipalities who have aggregate extraction operations within their boundaries.

Member Background

Many municipalities may not be receiving their full aggregate royalties from the owners and/or operators of Alberta who are extracting material from within their boundaries, therefore the residents of Alberta are not receiving their fair share of these royalties, and by the province sharing such information it would guarantee proper royalty payments to affected municipalities.

AAMDC Background

The AAMDC has no active resolutions related to this issue.

Resolution 19-15F

Amendment to the *Municipal Government Act* for the Dedication of Environmental Reserves in Specific Cases

County of Stettler

*Three-fifths Majority Required
Endorsed by Central District*

WHEREAS a municipality that plans to provide multi-lot recreational residential development adjacent to a major water body has a responsibility to provide public access to the bed and shore of the water body, and often use Section 664(1)(c)(ii) of the *Municipal Government Act* to acquire a minimum of 6 metres of land adjacent to the bed and shore of a water body for the purpose of providing public access in the form of continuous and inter-connected pathways;

AND WHEREAS Section 663 of the *Municipal Government Act* provides an exemption to the ability of a municipality to require reserve dedication when one lot is subdivided from an un-subdivided quarter section of land and/or when land is to be subdivided into lots of 16 hectares or more and is to be used only for agricultural purposes;

AND WHEREAS the exemptions in Section 663 stated above may be detrimental to the municipality's ability to provide public access in the form of continuous and inter-connected pathways;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties advocate to the Minister of Municipal Affairs to amend Section 663 of the *Municipal Government Act* by the following addition:

- (e) **except when, in the case of when one lot is to be created from a quarter section of land or land is to be subdivided into lots of 16.0 hectares or more and is to be used only for agricultural purposes, the land to be subdivided is adjacent to the bed and shore of a water body where the municipality has adopted by bylaw a statutory plan that identifies the future development adjacent to the bed and shore of the water body for the purpose of providing public access, in which case the subdivision authority may require environmental reserve dedication pursuant to Section 664(1)(c)(ii)."**

Member Background

Section 663 of the *Municipal Government Act* currently reads:

"Reserves not required

663 A subdivision authority may not require the owner of a parcel of land that is the subject of a proposed subdivision to provide reserve land or money in place of reserve land if

- (a) one lot is to be created from a quarter section of land,
- (b) land is to be subdivided into lots of 16.0 hectares or more and is to be used only for agricultural purposes,
- (c) the land to be subdivided is 0.8 hectares or less, or
- (d) reserve land, environmental reserve easement or money in place of it was provided in respect of the land that is the subject of the proposed subdivision under this Part or the former Act;"

Without amending section 663 through the addition of section (e) as outlined in the resolution above, there is a possibility that the County's efforts to provide continuous and inter-connected pathways for the purpose of providing public access to the bed and shore of Buffalo Lake may be jeopardized when a first parcel is subdivided from two un-subdivided quarter sections within the identified growth area.

This issue could impact all municipalities with multi-lot recreational residential development adjacent to the bed and shore of a water body where pathways are planned for the purpose of providing public access adjacent to the bed and shore of the water body.

AAMDC Background

The AAMDC has no resolutions related to this issue.

Resolution 20-15F

Capital Funding for Community Airports

MD of Lesser Slave River

*Simple Majority Required
Endorsed by Pembina River District*

WHEREAS Alberta requires significant, predictable and sustainable infrastructure funding for community airports; and

WHEREAS community airports are key assets in rural Alberta for emergency services, medical services, wildfire suppression, and access to facilities and activities that form the province's economic engine; and

WHEREAS many of the airport facilities in use today were constructed in the 1950s and 1960s and are nearing or have exceeded their projected surface renewal life span; and

WHEREAS these critical structures pose a serious safety concern and public liability if not replaced in an appropriate time frame, especially in the case of catastrophic failures; and

WHEREAS the Community Airport Program was created prior to 1991 to assist municipalities with community-owned public-use airports, in the ongoing upgrading and replacement of airside facilities such as aprons and runways;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to reinstate funding for the Community Airport Program to a level that reflects the needs of municipalities to implement necessary and timely capital upgrades for community-owned public-use airports.

Member Background

Community airports are significant resources that serve areas beyond the metropolitan areas of Alberta. While most do not have scheduled air service, the criteria that excludes this type of infrastructure from receiving federal funding, these airports are key to rural Albertans who live in towns and rural areas and to those that need timely access to the resources that drive Alberta's economy.

A living example of the value of a community airport and the challenges it faces is evidenced in Slave Lake:

- Used extensively with an average 8000 aircraft movements annually
- Used as an Alberta Health Services air ambulance base
- Used as an Alberta Agriculture and Forestry air tanker base (heavier aircraft, tankers, have a major impact on the life of the asphalt surfaces)
- Requires \$4.1 million of capital replacements; rejected under Building Canada Fund because of no regularly scheduled air service.

The Community Airport Program (CAP) was created prior to 1991 to assist in the funding of capital upgrades for community-owned public-use airports that could not fund the large investment required to resurfacing projects such as runway and apron overlays. Additionally, regulatory requirements change over time that add to capital life cycle costs. Given the uses of community airports and the users that use them, they represent a provincial resource. While one-off funding, such as the recent investment under the Alberta Community Partnership grant for the Red Deer Airport for the Canada Winter Games and growth that has been experienced in that region are appreciated when they occur, community airports need certainty. Provincial granting certainty is needed to match financing with the sustainability of airport assets.

This resolution follows a previous resolution on community airport funding made by Mountain View County passed by the AAMDC in 2007 seeking funding. The difference now is that the program is unfunded.

AAMDC Background

1-08F: Provincial Funding for Community Airport Program

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to increase the level of funding for the Community Airport Program to a level that reflects the needs of municipalities to implement necessary and timely capital upgrades for community-owned public-use airports.

DEVELOPMENT: In 2011, the Community Airport Program was discontinued as a separate grant program and aggregated under the Government of Alberta's Strategic Transportation Infrastructure Program (STIP), along with the Resource Road Program, Local Road Bridge Program (LRBP), and Local Municipal Initiative Program. Beginning in the 2013 budget, the Government of Alberta unfunded the entire STIP, including the community airport program. The AAMDC is currently advocating for a return of STIP funding through numerous resolutions related to the LRBP.

Resolution 21-15F

Minimum Wage Increase

MD of Taber

*Simple Majority Required
Endorsed by Foothills Little Bow District*

WHEREAS the Government of Alberta has indicated its intention to increase minimum wage from \$10.20 per hour to \$15.00 per hour within 3 years;

WHEREAS the proposed 47% hike in minimum wage does not recognize Alberta's low tax environment within Canada in which the after-tax minimum wage rate is currently the second highest in Canada;

WHEREAS according to information provided by the Government of Alberta, approximately 50% of those earning minimum wage are between 15 and 24 years of age, 55% are working part-time, 50% live with their parents, less than 10% were the head of a household and only 1.5% are single parents with children;

WHEREAS according to research conducted by the Canadian Federation of Independent Business, a 47% increase in minimum wage will result in a decrease in youth employment, a reduction in entry-level jobs, a reduction in work hours and a reduction of benefits to employees;

WHEREAS the proposed minimum wage increase will disproportionately affect small businesses and non-profit organizations and will negatively impact businesses of all sizes due to a ripple effect which will occur within the wage structure within the organizations of all employers within Alberta;

WHEREAS the Government of Alberta should consider other causes of poverty which include both individual and social responsibilities that include but are not limited to; high school completion rates, employment training programs, programs to assist in relocation for employment purposes and other platforms that will assist low income earners to increase personal earning potential;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request the Government of Alberta to reconsider its intention to increase the minimum wage in Alberta.

Member Background – Please see attachments below for added member background.

- Canadian Federation of Business – Policy Submission - \$15 minimum wage = maximum impact for small business.
- Calgary Chamber of Commerce – Infographic: Understanding minimum wage in Alberta
- Edmonton Journal – Impact of unprecedented Alberta minimum wage increase disputed. Karen Kleiss – June 29, 2015.

AAMDC Background

The AAMDC has no active resolutions directly related to this issue.

\$15 minimum wage = maximum impact for small business

Hiking minimum wage to \$15/hour by 2018 will cause serious damage to many independent businesses in Alberta

Many Canadians assume a higher minimum wage for workers in entry-level jobs must be a good thing since it appears to put a bit more money in people's pockets. Besides, they say, businesses can afford it. In reality, hiking the minimum wage too far, too fast, can have important and far-reaching negative implications, particularly on small businesses that can often least afford significantly higher costs.

For those businesses, hiking the minimum wage to \$15 an hour, as proposed by the new NDP government in Alberta, would mean far fewer resources to maintain current operations, invest into new equipment, train their workforce, and ultimately, grow their business. Some businesses may even be forced to close.

That's not just bad news for the business owner, but for employees too. For them, it means reduced employment opportunities, fewer paid hours available, and in many instances, even their jobs would be at risk. A \$15 minimum wage will end up hurting the very people the government seeks to help.

We hope the Alberta government will be open to a meaningful debate about a new minimum wage policy, and ways to mitigate impact on smaller firms. Furthermore, we hope the government will reflect on the need to focus more on alternative solutions to help people working in entry-level positions obtain the skills and information they need to secure better paying jobs.

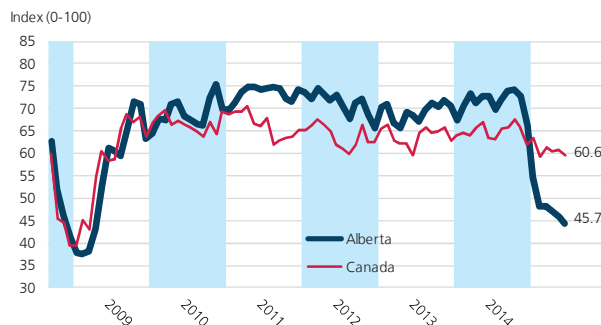
Timing couldn't be worse

The timing to start a 47 per cent increase in the minimum wage over the next three years, quite frankly, couldn't be worse. Alberta is currently teetering on the verge of a recession. Both the Conference Board of Canada and CIBC are predicting a recession for Alberta in 2015, with unemployment expected to climb.¹

Similarly, according to the latest Business Barometer index from CFIB, Alberta's small business confidence about the future of the economy continues to drop.

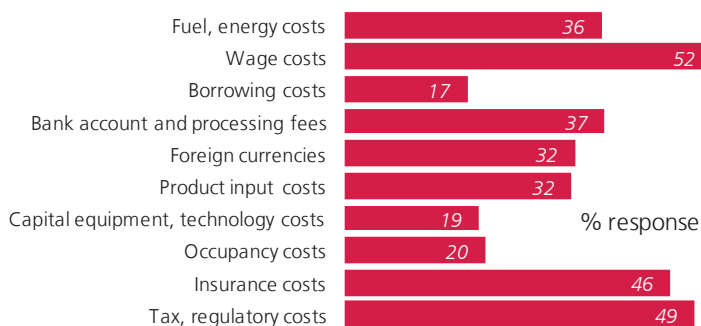
¹ *Alberta to face recession in 2015, CIBC predicts*, CBC News, Feb 17th, 2015

The Alberta index in May dropped 1.3 points to 45.7, its lowest level since the recession in 2009, the worst result among the provinces, and fully 15 points below the national average.²



Hiring plans pretty much came to a standstill in May, with only 19 per cent of owners expecting to add full-time staff, versus 17 per cent who plan to cut back.

Independent business owners are also highly concerned about rising wage costs. In May, 52 per cent said wage costs were a major constraint, a higher level of concern than any other cost factor.



Smaller firms in Alberta have been struggling to manage rising expenses on many fronts, including rent, input costs, and replacing equipment.

For a bigger business, there are opportunities to reduce or avoid these operating costs, shift things around, or even adjust prices.

The story is definitely not the same for most small and medium-sized businesses. Piling major new labour costs onto small businesses over the next three years will significantly squeeze many of Alberta’s small businesses, especially in the service sector where margins are razor-thin, competition is intense, and the ability to increase prices is severely limited. The fundamental viability of many of these businesses will, no doubt, be in question.

Who are we trying to help?

The vast majority of studies have found that minimum wage increases do not, in fact, reduce poverty.³ The reason: most workers who benefit from the increase are young, live with family members, and are not in low-income households.

According to information supplied by the Government of Alberta, approximately 50 per cent of those earning minimum wage are between 15 and 24 years of age, while 55 per cent are working part-time.⁴ Fifty-three per cent were employed in the retail, accommodation, or food service industries.

Furthermore, according to Statistics Canada, approximately 50 per cent of minimum wage earners across Canada live with their parents, the majority of whom are attending school. Of the rest, 26 per cent had a working spouse. In Alberta, less than 10 per cent were the head of a household and only 1.5 per cent are single parents with children. In addition, most minimum wage earners are also not “stuck” in those jobs, considering that approximately half of minimum wage earners move on to other employment within one year.

² The May 2015 findings are based on 890 responses, collected from a stratified random sample of CFIB members, to a controlled-access web survey. Findings are considered accurate to +/- 3.3 per cent 19 times in 20. Measured on a scale between 0 and 100, an index level above 50 means owners expecting their business’ performance to be stronger in the next year outnumber those expecting weaker performance. An index level of between 65 and 75 means the economy is growing at its potential.

³ For a review of the research, please see “Minimum Wage: Reframing the Debate”, CFIB, 2011, page 4-6.

⁴ Minimum Wage Fact Sheet, Government of Alberta, June 11, 2015

Considering a \$15 minimum wage is such a significant policy change, it would certainly be helpful to gain a better understanding about who the government is truly trying to help by such a large jump in the floor on wages.

The impact on employment

CFIB has conducted research on the employment effects of raising the minimum wage. According to our analysis, a 47 per cent increase in the minimum wage in Alberta would result in 50,290 to 183,300 jobs lost. These are jobs that are either direct cuts, or are positions that will never be created as a result of the massive increase in payroll costs for employers.

Our analysis is similar to the findings of a long list of academic studies. A landmark study (Gunderson) revealed a 10 per cent increase in the minimum wage would result in a 3 to 6 per cent decrease in youth employment. To extrapolate, moving Alberta's floor on wages to \$15 per hour, a 47 per cent increase, would produce a 14 to 28 per cent decrease in youth employment.

In other words, hiking the minimum wage by 47 per cent may help some workers in entry-level jobs earn more per hour, but it will come at the expense of many other workers who will see hours and jobs cut as businesses adjust to substantial new labour costs. Even those workers who end up making more per hour may see their own hours reduced, thereby not actually increasing their take home pay.

That means the very people who the \$15 minimum wage activists are trying to help - those individuals with low levels of skills and experience (i.e. young people and new Canadians) - are actually the ones who bear the brunt of the negative employment impact.

It is worth noting that increasing the minimum wage will not just have inflationary impacts for employers that offer entry-level jobs; there will be upward pressure across the entire payroll. Employees being currently being paid \$15 an hour will expect \$20, and so on.

The research has also revealed employers typically respond to higher labour costs due to increases in the minimum wage by reducing other non-wage costs like training, free employee parking, or complimentary staff meals. Again, these adjustments end up helping to negate the jump in wages.

All this begs the question: What economic analysis has the Government of Alberta done? What is the expected impact on jobs, training, hours of work, etc? What does it mean in terms of increased costs for the provincial government, either directly or through grant programs for services, municipalities, or funding for government agencies, boards, and commissions?

The bottom-line: The Alberta Government should not move forward with any increase in the minimum wage until it has conducted a thorough employment and economic impact analysis. If it has already conducted the research, then the details must be made public. Otherwise, it will simply appear the government is creating major new public policy in a vacuum.

Governments are biggest beneficiaries

The Alberta Government has been promoting the benefits of raising the minimum wage as a way to boost incomes, but fails to explain how their revenues actually stand to benefit from such a policy.

For minimum wage earners, federal and provincial payroll deductions, such as EI and CPP, reduce the value of any minimum wage increase. For the federal and provincial governments, higher wages also means more income tax.

Another fundamental question the Alberta government must answer before ushering in a \$15 an hour minimum wage hike: What is the expected hike in provincial income tax revenue as a result of a significantly higher minimum wage?

More flexibility is needed, not less

The current formula for adjusting the minimum wage in the province (increase in inflation plus average weekly earnings) was already boosting the wages of those earning minimum wage faster than the rise in the cost of living.

In light of the fragile state of Alberta's economy, and the difficulty many small businesses with entry-level jobs will have adjusting to a sudden jump in wage costs, we believe the government should proceed with caution and not increase the minimum wage by more than the current indexation formula would dictate for 2015/16 (i.e. a 3-5 per cent increase). Furthermore, the Government should not box itself in by outlining now what the increases will be in future years, and should be prepared to extend the timeline to get to \$15 an hour until after 2020.

If the Alberta Government does decide to plow ahead and significantly hike the minimum wage over the next few years, it would make sense to increase, not decrease, flexibility for small business by expanding the number and type of minimum wages allowed. For instance, allowing small businesses to offer a slightly lower "training wage" to new employees for three or six months that would recognize the investment that small businesses make in training new employees.

The liquor server differential should also be maintained. The vast majority of liquor servers earn tips and gratuities in addition to their wages, meaning they are often making several times more than the minimum wage in total compensation. The Alberta Government has yet to provide a rationale as to why it wants to phase out the liquor server wage.

There are better options

We also believe it's time to look at these issues in an entirely new way.

Rather than mandating a significantly higher floor on wages for all employees, along with all the negative, unintended consequences that would result, it would be far more effective for governments to focus on building better skills training and social programs, especially for those individuals who are supporting a family.

The real question is how to equip people move beyond entry-level jobs. Government should look for better ways of providing labour market information to those individuals who feel stuck in entry-level positions about where better paying job opportunities exist.

Small and medium-sized businesses already invest heavily in training, and it's important to realize they often train employees differently than larger businesses. In fact, smaller firms hire people without experience at twice the rate of larger businesses and typically rely more on on-the-job mentorship and training.

If the government moves ahead with significant increases to the minimum wage, then flexible new training tax credit programs should be put in place at the same time. For instance, the Alberta Government has done a lot of work on the development of a new Alberta Job Fund that would recognize and incent informal, on-the-job training that occurs in many small businesses. The initiative was put on hold due for budgetary reasons, but it should be revived and implemented.

During the recent election campaign, the NDP also proposed to “introduce a Job Creator’s Tax Credit to directly and effectively help Alberta businesses who invest to create jobs”. It was also promised that the Summer Temporary Employment Program (STEP) would be restored. Those programs should be rolled out concurrently with any significant increase in the minimum wage, not after the fact.

Another idea worthy of consideration is increasing the basic personal exemption on income tax. More specifically, increasing the amount someone can earn before paying provincial income taxes to match what a minimum wage earner would earn working full-time for a year. That way the provincial government is not raising the floor on wages on one hand, while taking more income taxes out of the pockets of minimum wage earners on the other.

Income tax relief would be a much better way of helping people working in entry-level positions to actually keep more of what they earn, but that responsibility would instead be equally shared by all taxpayers, not just employers.

Conclusion

Improving the lives of low-income earners and their families is a laudable goal that we all agree on. For their part, the owners of small businesses aim to offer competitive wages that will help them attract and retain good employees, often providing them with their first job experience. But massive hikes to the minimum wage in Alberta will be damaging to many small businesses that have entry-level jobs, particularly in the service sector. It will, in fact, hurt many of the very people we are trying to help, including young and inexperienced workers. Clearly, there are more practical and effective ways to support those individuals who need it than dramatically increasing the cost of employment.

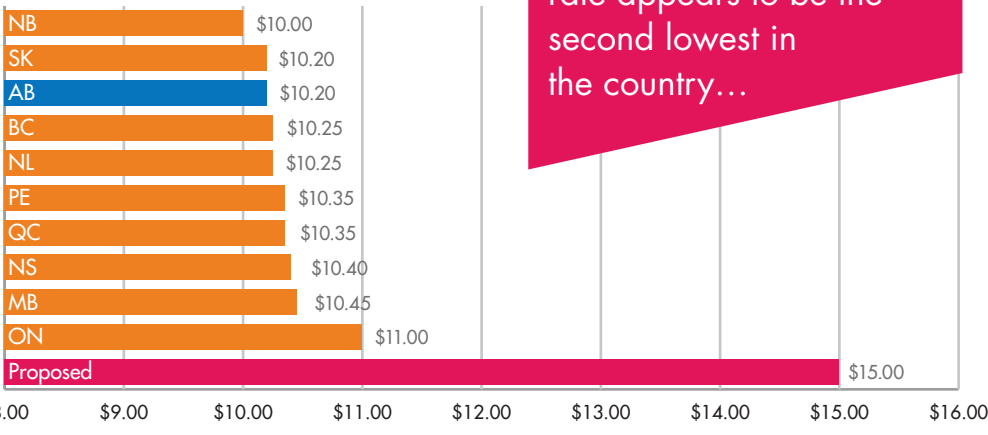
Recommendations

1. The Alberta Government should not move forward with any increase in the minimum wage, beyond what was already planned for 2015/16, until it has conducted a thorough analysis of the impact on the economy, employment, and government tax revenues. If it has already completed the research, then the details should be made public.
2. Considering the fragile state of Alberta’s economy, the government should take a cautious approach and not increase the minimum wage by more than the current formula would dictate for 2015/16. Furthermore, it should not box itself in by outlining now what the increases will be in future years, and should extend the timeline to get to \$15 an hour until after 2020.
3. If the Alberta Government does decide to hike the minimum wage by a significant amount (starting October 1st), it would make sense to:
 - Increase flexibility for small business by expanding the number and type of minimum wages allowed. For instance, allowing small businesses to offer a slightly lower “training wage” to new employees for 3-6 months that would recognize the investment they make in training new employees. The liquor server differential should also be maintained.
 - Simultaneously roll-out new tax credit programs to incent hiring and the informal on-the-job training that happens in most small businesses by implementing the proposed Job Creator’s Tax Credit program, the Summer Temporary Employment Program (STEP), and the Alberta Job Fund initiative.
4. In order to help people working in entry-level positions actually keep more of what they earn, consideration should be given to increasing the basic personal exemption from provincial income tax to directly match what a minimum wage earner would make working full-time in a year.

Understanding minimum wage in Alberta

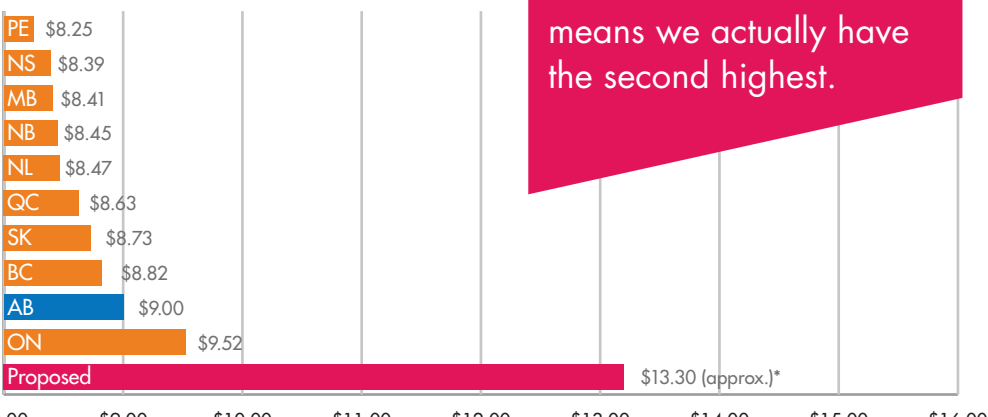
The Government of Alberta has outlined a plan to raise Alberta's minimum wage from the current rate of \$10.20 per hour to \$15 per hour by 2018. At the Calgary Chamber we believe alleviating poverty and ensuring that all Albertans are paid a fair wage for a day's work are important public policy concerns; ones that are nuanced and should be subjected to thorough analysis and frank dialogue. A change in minimum wage can have wide-ranging implications for families, businesses, employment and overall economic growth. These potential implications, and the nuances associated with them, need to be reflected on when considering reforms. Together with the Government of Alberta we look forward clarifying what problem we are trying to solve, and what the best course of action is.

Before-tax minimum wage rate



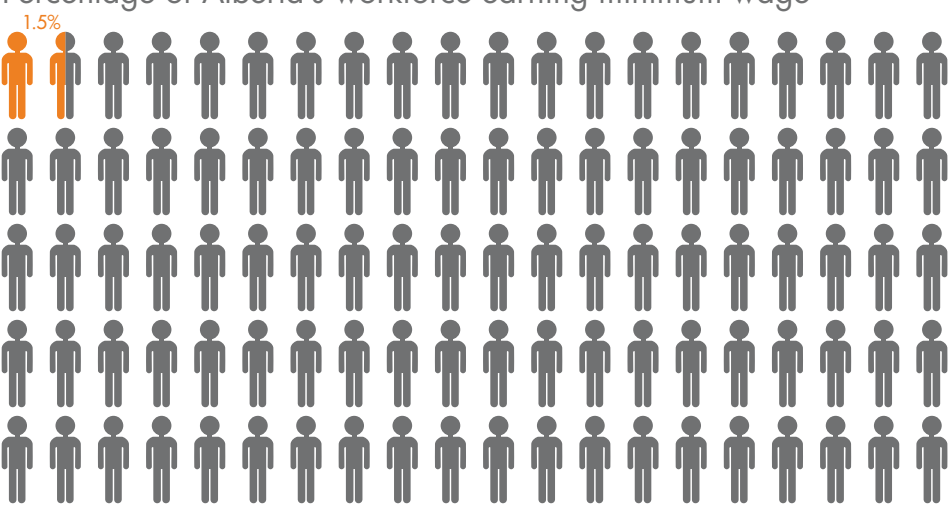
While our minimum wage rate appears to be the second lowest in the country...

After-tax minimum wage rate

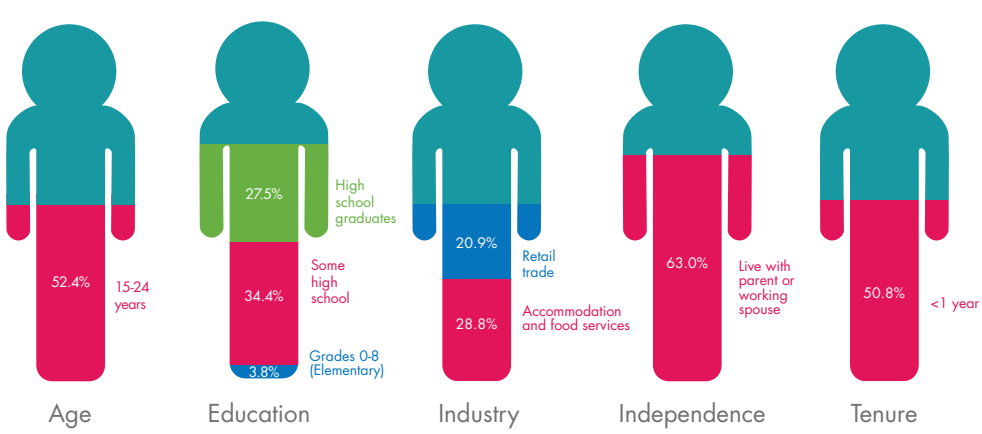


...our low-tax environment means we actually have the second highest.

Percentage of Alberta's workforce earning minimum wage



Demographics of minimum wage earners



Potential implications of increasing the minimum wage



Small businesses and non-profits are especially vulnerable to any changes to the minimum wage. The dialogue on this issue must therefore also include a discussion on how to ease any negative economic implications it may cause. Mitigating strategies are a vital component of any new policy framework for the minimum wage.

Ideas worth exploring include establishing "minimum compensation" models which take into account benefits provided by employers not entirely captured in their wage. A strict wage threshold may disincentivize businesses from offering additional employee benefits. Prolonged and flexible phase-in periods are also key in helping small businesses and non-profits with limited resources and flexibility comply with changing regulations. Establishing a lower minimum wage during training periods may also be beneficial in mitigating job insecurity for young and low-skilled workers.

Any changes to the minimum wage must strive to maximize help for vulnerable populations, while minimizing negative impacts on an already fragile economy. Frank and evidence-based discussions are the cornerstone of any effective and successful policy.

Sources

- <http://work.alberta.ca/documents/minimum-wages-comparison-after-taxes.pdf>
- <http://work.alberta.ca/documents/alberta-minimum-wage-profile.pdf>
- <http://calgaryherald.com/opinion/columnists/lammam-and-clemens-increasing-the-minimum-wage-wont-reduce-poverty>
- http://www.finance.alberta.ca/calculator/tax_lcalc.html



Impact of unprecedented Alberta minimum wage increase disputed

BY KAREN KLEISS, EDMONTON JOURNAL JUNE 29, 2015



In just three years, Rachel Notley's NDP government intends to raise the province's base wage from the lowest to highest in Canada, rising to \$15 from \$10.20, a nearly 50-per-cent increase that University of Toronto economist Morley Gunderson believes is unprecedented in Canada.

Photograph by: Ryan Jackson, Edmonton Journal

Originally published May 22, 2015.

EDMONTON - Alberta is among a small number of jurisdictions with plans to significantly boost pay for low-income workers, becoming the first Canadian province and fifth place in North America to set its sights on a \$15-an-hour minimum wage.

In just three years, the province's base wage will go from the lowest to highest in Canada, rising to \$15 from \$10.20, a nearly 50-per-cent increase that University of Toronto economist Morley Gunderson believes is unprecedented in Canada.

The economic impact is unknown. Business groups say the hike will destroy hundreds of thousands of jobs while advocates say a living wage will lift Albertans out of poverty.

Gunderson, a minimum wage expert, says politically charged comments from both sides are not supported by academic studies.

High-quality studies that look at minimum wage hikes and related job losses are inconclusive, with some finding an adverse impact and others finding none, Gunderson said. In Canada, about five studies have found that for every 10-per-cent increase in the minimum wage, there is a roughly three- to six-per-cent reduction in jobs for teens and young people.

“It’s not that, all of the sudden, an employer says ‘I’m going to lay these people off,’ ” Gunderson said. “It’s a longer-run, subtle adjustment.”

An employer might restructure a business to add more automation, for example, or offer less training. Workers who keep their jobs might be asked to work harder, with shorter breaks and fewer perks such as meal allowances.

There is some evidence that a higher minimum wage has a “spillover effect” and increases wages up the line, but Gunderson said it’s not clear from the literature how big that effect is.

Similarly, Gunderson said there is little evidence to suggest that higher minimum wage eases poverty.

“Minimum wages are at best a very blunt instrument for dealing with poverty,” he said. “The connection with poverty is very weak. It’s not zero — there are some families, single-earner families, that are working at the minimum wage. If they keep their job, they clearly are better off.”

Notley confirmed Wednesday she will keep her election promise to raise Alberta’s minimum wage to \$15 an hour by 2018.

“Without question, that was in our platform and we intend to move forward on it,” she said.

Cabinet will meet through the summer and roll out changes this fall, she said. Spokeswoman Cheryl Oates said the province’s two-tier minimum wage — which pays liquor servers \$1 less than the minimum — is also under review. The government will consult with business and advocates before making changes, Oates said.

Government figures show nearly 26,000 Albertans were working for the \$10.20 minimum wage in 2014. Of those, nearly half were over 25 and just over half work full time. The majority are permanent employees (67 per cent) and almost all are non-unionized (96 per cent).

Statistics Canada figures show 383,900 Albertans work for \$15 per hour or less.

Canadian Federation of Independent Business spokeswoman Amber Ruddy said a 50-per-cent jump in the minimum wage will have a huge impact on small business owners, pointing to a CFIB study that shows that between 53,500 and 195,000 Albertans will lose their jobs as a result of the minimum wage increase.

“If the problem is that people are stuck at that job, we should focus on getting them training, so they can upscale and get into jobs that would help them provide for their families,” Ruddy said.

Public Interest Alberta spokesman Bill Moore-Kilgannon said of the 143,000 children living below the poverty line, 60 per cent have at least one parent working full-time, full year.

“Employers are paying people low wages, and taxpayers are subsidizing those employers,” he said, pointing to the host of taxpayer-funded social programs that are used by low-income Albertans, ranging from child care subsidies to social housing to increased use of health care.

Notley’s pledge to raise minimum wage came one day after the Los Angeles city council voted to raise the minimum wage in that city to \$15 from \$9 by 2020, joining Seattle, San Francisco and Emeryville, Calif., in raising the wage floor. Similar motions are on the table in other major U.S. cities.

The wage hikes are largely the result of the “Fight for \$15” movement, which started in 2012 and has evolved to a nationwide protest on April 15, when 60,000 low-wage workers demonstrated in 200 U.S. cities. Bankrolled with millions from organized labour, it was believed to be the largest protest of its kind in U.S. history.

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Comparison of minimum wages in other provinces, as of May 1, 2015:

British Columbia \$10.25

Alberta \$10.20

Saskatchewan \$10.20

Manitoba \$10.70

Ontario \$11.00

Quebec \$10.55

New Brunswick \$10.30

Nova Scotia \$10.60

Prince Edward Island \$10.35

Newfoundland and Labrador \$10.25

Nunavut \$11.00

Northwest Territories \$10.00

Yukon \$10.86

Source: Retail Council of Canada

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Resolution 22-15F

Amendment to the *Municipal Government Act* Regarding Joint and Several Liability

MD of Willow Creek

*Three-fifths Majority Required
Endorsed by Foothills Little Bow District*

WHEREAS most Canadian jurisdictions, including Alberta, have adopted a joint and several liability regime; and

WHEREAS under this regime, when a plaintiff suffers damage on account of the separate wrongful acts of two or more defendants, each defendant is considered to be 100 percent liable to the plaintiff for all of the damage suffered; and

WHEREAS the plaintiff is entitled to recover all of his/her damages from any particular defendant, regardless of that defendant's particular share of fault;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Alberta to amend the *Municipal Government Act* to reflect one of the following regimes:

- a) a system of pure proportionate liability; or
- b) limit joint and several liability to only certain types of losses; or
- c) limit joint and several liability to defendants whose fault exceeds a specified threshold or;
- d) eliminate joint and several liability where the plaintiff is contributory negligent.

Member Background

Canadian jurisdictions have adopted a joint and several liability regime where regardless of the amount of liability assigned (example: Joe Citizen is 70% liable and Municipality of Good Town is 30% liable), the plaintiff is entitled to recover all of his damages from one of the defendants, leaving that defendant to have to seek contribution from the co-defendant for the amount paid to the plaintiff in excess of the proportionate share of fault.

This is illustrated by the scenario in which a plaintiff obtains a judgement against two defendants, defendant A and defendant B. If defendant A is found to be 70 percent at fault, and defendant B is found to be 30 percent at fault, the plaintiff would nevertheless have the right to recoup 100 percent of the damages from defendant B. Defendant B would then be entitled to receive contribution from defendant A for an amount equal to 70% of the plaintiff's damages.

The purpose of the joint and several liability rule is to reduce the probability that plaintiffs will fail to receive compensation for their losses when a defendant is unable to shoulder its proportionate share of the plaintiff's damages, by transferring that share to the remaining defendant so as to not deny the plaintiff adequate redress.

The rationale of joint and several liability appears laudable but the regime is flawed, because while the system effectively assists victims in obtaining full compensation for their losses, it is done at the expense of so-called "deep pocket" entities such as municipalities. Municipalities routinely incur liability alongside insolvent defendants unable to pay their share of damages. In these circumstances, the rule of joint and several liability requires municipalities to shoulder all or substantially all of the plaintiff's damages, without any recourse against the other at fault party. The unfairness of this is aggravated by the fact that municipalities are often secondarily liable, but find themselves contributing to the plaintiff's judgement in an amount far in excess of their proportionate share.

Given the increasing burden on municipalities and their taxpayers, we recommend taking steps to provide for municipal exceptions that would be part of any legislative reform to the MGA.

AAMDC Background

The AAMDC has no active resolutions directly related to this issue.

Resolution 23-15F

Alberta Transportation Highway Signage

Mountain View County

*Simple Majority Required
Endorsed by Central District*

WHEREAS Alberta Transportation, through legislation, maintains control of all signs within the limits of the right-of-way of any provincial highway; and

WHEREAS the Alberta Transportation development control zone includes 300 metres on either side of a controlled highway, or within 800 metres of a highway intersection; and

WHEREAS The *Public Highways Development Act* and the *Highways Development and Protection Regulation* do not allow private or commercial signs to be constructed without a permit in the development control zone; and

WHEREAS Alberta Transportation relies on municipalities to use municipal bylaws to enforce non-compliant signs; and

WHEREAS application of municipal bylaws to address sign enforcement issues is not consistent amongst jurisdictions; and

WHEREAS The *Highway Development and Protection Regulation* is currently not being applied consistently by Alberta Transportation between urban and rural municipalities when applications for electronic signs are received;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that Alberta Transportation enforce third party sign regulations within the development control zone; and

FURTHER BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that Alberta Transportation provide all municipalities with the sole authority to permit and regulate electronic signs that are within the Alberta Transportation development control zone.

Member Background

Alberta Transportation and municipalities share jurisdiction to regulate privately owned signs within the development control zone along rural highways. The *Public Highway Development Act* and the *Highway Development and Protection Regulation* sets out Alberta Transportation's requirements for development while the land use bylaw guides and regulates development within municipalities.

Alberta Transportation does not enforce illegal signs within the development control zones of controlled rural provincial highways.

Alberta Transportation has not treated urban sign approvals consistently with rural sign requests. For example, on the Queen Elizabeth Highway 2, Alberta Transportation has implied consent for electronic signs within the development control zone in urban municipalities, but has refused permit requests within rural jurisdictions. Individual municipalities should have the authority to determine what types of signs and the number of signs that is appropriate for their municipality.

No changes are being requested to the rules and regulations regarding other types of signs or developments within the Alberta Transportation development control zone.

References:

General Provisions for Installing Private Signs Within the highway Right-of-Way

<http://www.transportation.alberta.ca/Content/docType233/Production/43GeneralProvisionsforInstallingSignsRevised2011.pdf>

Public Highways Development Act

http://www.qp.alberta.ca/1266.cfm?page=P38.cfm&leg_type=Acts&isbncln=9780779753307&display=html

Highways Development and Protection Regulation

http://www.qp.alberta.ca/documents/Regs/2009_326.pdf

General Instructions for Sign Installation Near a Provincial Highway

<http://www.transportation.alberta.ca/Content/docType329/Production/signinstr.pdf>

AAMDC Background

The AAMDC has no resolution related to this issue.

Resolution 24-15F

Alternative Energy Source – Solar Power

Brazeau County

*Simple Majority Required
Endorsed by Pembina River District*

WHEREAS municipalities in Alberta are concerned about environmental sustainability; and

WHEREAS these same municipalities commonly strive to show leadership and responsibility in acting sustainably; and

WHEREAS energy purchased to heat, operate, and power commercial buildings and residences is one of the significant consumptions of fossil fuels; and

WHEREAS there are options for the installation of technologies to utilize solar energy as an alternative renewable energy source; and

WHEREAS renewable energy options are often available only at a premium cost or at a tremendous upfront investment with an unrealistic pay-back period; and

WHEREAS the Government of Alberta needs to support the access to solar energy technologies enabling residents to transition from conventional resources (burning of fossil fuels) to alternative energy sources, specifically solar power, without financial burden; and

WHEREAS municipalities need to explore opportunities for solar energy pilot projects on commercial residential buildings and seek opportunities for residences and buildings to be constructed to be ready for solar energy systems; and

WHEREAS Albertans need to start making choices to utilize alternative energy resources to promote environmental responsibility and sustainability for all;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to provide initiatives in the way of subsidies or grants for solar energy technologies, and provide attractive micro generation rates to promote the transition from using fossil fuels to solar energy.

Member Background

Brazeau County has dedicated \$500,000.00 in the year 2015 to an Alternative Energy Restricted Surplus Fund and further funds of \$200,000.00 per annum in an effort to promote a seamless transition from conventional resources (burning of fossil fuels) to alternative energy sources, specifically solar power.

AAMDC Background

The AAMDC has no active resolutions directly related to this issue.

Resolution 25-15F

Pedigreed Cereal Seed Testing for Fusarium graminearum

MD of Smoky River

*Three-fifths Majority Required
Endorsed by Northern District*

WHEREAS Fusarium graminearum has for years been considered the most serious disease of cereal crops in Canada affecting yield and grade, impacting the grains' ability to be used for food, feed and malt; and

WHEREAS the most likely means of transmission of Fusarium graminearum from one area to another is with infected seed; and

WHEREAS the *Canada Seeds Act* regulates pedigreed seed, which means seed that is designated as "foundation", "registered" or "certified"; and

WHEREAS the *Federal Seeds Act and Regulation* sets a precedence to prevent the spread of disease via seed as outlined in Schedule I, Table I (applicable to wheat) which states a maximum number of ergot bodies that is allowable, and in Table II (applicable to Barley) which states a maximum allowable percentages set for True Loose Smut; and

WHEREAS there is currently no requirement to have any grade of pedigreed cereal seed tested for Fusarium graminearum; and

WHEREAS setting a maximum allowable standard would, at minimum, make it a requirement that all Pedigreed cereal seed being sold in Canada be tested for the presence of Fusarium graminearum;

THEREFORE BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties lobby the Government of Canada to amend the *Seeds Act and Regulation* to set allowable maximum levels of Fusarium graminearum for all grades of pedigree seed for cereal crops.

Member Background

Fusarium graminearum (Fg) is one of the causal agents of Fusarium Head Blight (FHB). When FHB is caused by Fg, it often results in significant yield and grade loss, light shriveled kernels and the presence of a mycotoxin called deoxynivalenol (DON) which is poisonous to humans and livestock above certain threshold levels. Fg damaged kernels may prevent the grain from being used for flour, feed or as malt.

Fg was declared a pest in Alberta under the *Agricultural Pests Act* in 1999.

Currently the purchaser of seed must request the results of any Fg tests, but there are many types of tests available, and testing grain to be sold for seed is voluntary, not mandatory. By adding it as a required test under the *Seeds Act*, the type of test performed would become standardized, and mandatory.

At the 2015 Provincial A.S.B. Conference the emergent resolution "Fusarium Graminearum Management Plan" was carried by the A.S.B.'s, direction from the Resolution was:

THEREFORE BE IT RESOLVED THAT ALBERTA'S AGRICULTURAL SERVICE BOARDS REQUEST That Alberta Agriculture and Rural Development maintain the current tolerance level in the Fusarium Graminearum Management Plan with no detectable amount allowed.

FURTHER BE IT RESOLVED THAT ALBERTA'S AGRICULTURAL SERVICE BOARDS REQUEST That Alberta Agriculture and Rural Development keep Fusarium Graminearum on the *Agricultural Pests Act* as a Pest.

Of important note; the resolution passed at the 2015 Provincial A.S.B. Conference does not request or state "zero tolerance" it asks for "no detectable amount allowed". The primary difference is that if Fg is present,

and the seed is treated with a fungicide registered to control it and tested the disease is controlled and therefore “non-detectable”. The *Seeds Act* makes the same “exemption” with True Loose Smut of Barley, it is only allowed at set levels, but if the seed is treated the levels no longer apply.

Requiring pedigreed cereal seeds to be tested under the federal *Seeds Act* would be complementary to Alberta’s *Agricultural Pests Act*. Currently it is not mandatory for pedigreed seed to be tested, this would make it a required test, and the federal government would then set allowable limits as well as stipulating which specific type of test would be required. The province can decide to accept those allowable limits, or they can set more stringent limits (but not less-stringent) under the *Agricultural Pests Act*.

SCHEDULE I(Sections 2, 5 to 7, 11 and 12, 18, 23 to 27, 30 and 40)

TABLE I

Applicable to:

(a) Wheat, common — *Triticum aestivum* L.(b) Wheat, durum — *Triticum turgidum* L. subsp. *durum* (Desf.) Husn. (= *T. durum* Desf.)

1	2	3	4	5	6	7	8	9	10
	Maximum Number of Seeds per kg								
	Noxious Weeds								Minimum Percentage of Germination
Grade Name	Primary	Primary Plus Secondary	Total Weeds	Total Barley, Rye & Triticale	Other Crops Including Total Barley, Rye & Triticale	Additional Common Wheat in & Durum Wheat in Common Wheat	Maximum Number of Ergot Bodies & per kg	Common Wheat	Durum Wheat
1. Canada 0 Foundation No. 1	0	0	2	0	0	0	1	85	80
2. Canada 0 Foundation No. 2	0	0	4	1	2	0	8	75	70
3. Canada 0 Registered No. 1	0	0	3	0	1	0	1	85	80
4. Canada 0 Registered No. 2	0	0	6	1	2	0	8	75	70
5. Canada 0 Certified No. 1	0	0	3	1	2	5	2	85	80
6. Canada 0 Certified No. 2	0	0	6	2	5	10	8	75	70
7. Common No. 1	0	2	10	10	10	12	2	85	80
8. Common No. 2	2	4	20	20	20	24	8	70	70

TABLE II

Applicable to:

(a) Barley, six-row, two-row, hulless — *Hordeum vulgare* L. subsp. *vulgare*
 (b) – (k) includes Bean, mung, Buckwheat, common, Buckwheat, tartarian, Emmer, Thell,
 Lentil, Lupine, lupin, Oats including hulless, Rye, Spelt, Triticale

1	2	3	4	5	6	7	8	9	10	11
	Maximum Number of Seeds per kg Noxious Weeds					Maximum Number of Ergot Bodies per kg			Minimum Percentage of Germination	
		Primary Plus Secondary								
Grade Name	Primary	In Oats	In Other Kinds	Total Weeds	Other Crops	In Barley & Oats	In Triticale & Rye	Maximum Percentage of Loose Smut in Barley	Rye, Triticale, Hulless Barley & Hulless Oats	Other Kinds
1. Canada Foundation No. 1	0	0	0	2	1	1	2	2	75	85
2. Canada Foundation No. 2	0	0	0	4	2	8	10	4	65	75
3. Canada Registered No. 1	0	0	0	3	2	1	2	2	75	85
4. Canada Registered No. 2	0	0	0	6	4	8	10	4	65	75
5. Canada Certified No. 1	0	0	0	3	4	2	4	2	75	85
6. Canada Certified No. 2	0	1	1	6	10	8	15	4	65	75
7. Common No. 1	0	2	2	10	25	2	4	4	75	85
8. Common No. 2	2	4	4	20	50	8	15	6	65	75

Fusarium takes toll on seed – Western Producer article

Posted Jan. 11th, 2013 by Brian Cross



Fusarium cut grain yields by as much as 50 percent in some parts of the province, and the proportion of fusarium damaged kernels (FDK) in certified wheat and barley crops was unusually high, leading to additional cleanout losses of 30 percent or more. | File photo

Yields cut by nearly half | Concerns rise over spread of disease through cleaned pedigreed seed

Fusarium graminearum took a huge bite out of pedigreed seed supplies in 2012, particularly in Saskatchewan where some seed growers harvested unusually small crops that were heavily infected with the disease.

Fusarium cut grain yields by as much as 50 percent in some parts of the province, and the proportion of fusarium damaged kernels (FDK) in certified wheat and barley crops was unusually high, leading to additional cleanout losses of 30 percent or more.

The disease's prevalence is raising concerns about whether it is being spread via pedigreed seed that contains traces of fusarium graminearum, even after the seed has been cleaned and conditioned. Graminearum is the most aggressive and costly of the fusarium species.

The yield losses caused by fusarium will almost certainly result in regional shortages of certified wheat and barley seed, said Bruce Carriere, manager of Discovery Seed Labs.

"There's going to be a seed shortage, big time," Carriere said. "There are some growers that have nothing to sell."

Fusarium losses in Saskatchewan varied from region to region and were largely influenced by local weather conditions.

Seeding date was also an important factor in determining overall infection rates.

Some crops planted in early to mid-May were heavily infected while others planted later experienced minor losses.

Overall, there were numerous hotspots where infections rates reached record levels and where fusarium graminearum was evident on more than 50 percent of harvested kernels.

Joe Rennick, a certified seed grower from Milestone, Sask., south of Regina, said certified seed crops on his farm produced variable yields, depending on when they were seeded.

In some instances, wheat crops that looked like they would produce 50 or 60 bushels per acre yielded in the mid 20s.

“In the crops that were affected, it really hit the yield hard,” said Rennick.

He said certified wheat crops that were hardest hit produced yields of 22 to 28 bu. per acre, a disappointing outcome considering the density of the stands.

Clean-out losses on that material could cut production by another 20 to 30 percent, pushing the total marketable yield of conditioned certified seed as low 15 to 20 bu. per acre.

The prevalence of fusarium in certified seed crops is prompting discussions about whether the pedigreed seed industry should establish fusarium thresholds on certified seed supplies.

Most fusarium damaged kernels can be cleaned out of pedigreed seed using a gravity table, but there is no guarantee that the remaining seeds do not carry traces of fusarium graminearum.

Commercial grain growers who buy certified seed are responsible for asking whether the seed has been tested for fusarium graminearum and whether fusarium damaged kernels were prevalent in pre-conditioned seed lots.

Growers who plant farm-saved seed should check seed for traces of the disease.

In Alberta, fusarium graminearum was declared a pest under the province’s Agricultural Pest Act in 1999.

The declaration, when combined with Alberta’s fusarium management plan, means there is a zero-tolerance threshold on pedigreed seed that contains detectable traces of fusarium graminearum.

In other words, it is illegal for any Alberta farmer to buy, sell, distribute or grow seed that is contaminated with the fungus.

The increasing prevalence of the disease in Western Canada has the Alberta government and some Alberta seed growers questioning whether the zero-tolerance policy for seed-borne fusarium graminearum should be revisited.

Fusarium has already been detected in cereal crops produced in southern Alberta in 2010 and 2011.

The disease has also been confirmed in the Peace River district.

As well, unusually wet weather in Alberta last year is expected to encourage the disease’s spread.

Gayah Sieusahai, chair of the province’s fusarium action committee, said plant pathologists are reviewing the province’s fusarium management plan.

Support for a zero-tolerance policy on seed-borne fusarium may be waning in Alberta, especially given that the disease has already been detected in the province.

As well, Sieusahai said it is difficult to ensure that all certified seed transported across the Saskatchewan-Alberta border is fusarium-free.

To complicate matters, plots of breeder seed planted at Agriculture Canada’s seed increase unit near Indian Head, Sask., were also heavily infected in 2012.

That has prompted concerns that breeder seed from Agriculture Canada’s newest and most promising cereal varieties may contain traces of fusarium graminearum, even after the seed has been cleaned and conditioned.

If that is the case, breeder seed from Agriculture Canada’s Indian Head facility would be prohibited from entering Alberta’s pedigreed seed system unless existing terms of the province’s fusarium management plan are amended.

Officials at Indian Head will be examining conditioned seed lots in early 2013 to determine if heat treatment procedures were effective in eliminating seed-borne traces of fusarium graminearum.

AAMDC Background

2-03S: Zero Tolerance for Fusarium

THEREFORE BE IT RESOLVED THAT the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to adopt a zero tolerance policy for Fusarium graminearum, including livestock feed.

DEVELOPMENTS: In recent years, the AAMDC has participated on the Alberta Fusarium graminearum Action Committee, which was formed in 2011 to provide the former Minister of Agriculture and Rural Development with advice on issues related to Fusarium graminearum. In 2012, the committee developed the *Alberta Fusarium graminearum Management Plan*, which included recommended best practices for mitigating the outbreak of Fusarium graminearum.



AGENDA ITEM

PROJECT: 2015/16 Provincial Budget Analysis		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: CAO	WRITTEN BY: Ron Leaf	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite)		
STRATEGIC PLAN THEME: Governance	PRIORITY AREA: Service Level; Advocacy	STRATEGIES:
ATTACHMENT(S): Impact Consulting 2015/16 Budget Analysis, AUMA budget analysis		
RECOMMENDATION: 1) That Council accepts this report and attachments for information		

BACKGROUND: Attached are two documents summarizing and commenting on the recently released 2015/16 Alberta budget. The first report is the budget analysis provided to the AAMDC Board and its members, prepared by Impact Consulting; the second, is the budget analysis completed by AUMA staff. Some items of note¹:

- The Government of Alberta plans to borrow about \$8 billion annually over the next five years for infrastructure projects. Minister of Finance and President of Treasury Board, Joe Ceci introduced legislation on October 27, 2015 that will cap borrowing at 15% of GDP – an estimated \$55 billion.
- Several taxation changes have been introduced in the 2015-16 budget including changes to the locomotive fuel tax, taxes on tobacco, and insurance premiums. I anticipate that the changes in insurance premiums will impact County operational costs with respect to vehicle and liability programs, although the actual cost implications are not known at this time.
- The Strategic Transportation Infrastructure Program (STIP), which to date has included the Resource Road Program, the Local Road Bridge Program, and the Community Airport Program, has received \$18.7 million in funding after being unfunded in the 2013-14 and 2014-15 budgets. In discussions with Provincial staff, the specifics of how the funding will be allocated is not known at this time.
- The Municipal Sustainability Initiative (MSI) has been funded at approximately \$877 million for 2015-16. This includes \$497 million in MSI capital funding, as the MSI allocation provided previously (March 2015) was considered a component of the 2015 MSI payment (not surplus as previously hoped), \$30 million in MSI operating funding (unchanged from last year) and approximately \$350 million in Basic Municipal Transportation Grant (BMTG) funding (an increase of \$7 million). The 2015 Capital Plan also identifies a \$100 million increase for MSI capital funding over the next five years. The AAMDC has learned that this will come in the form of \$50 million increases (over the 2015-16 amount), in 2016-17 and 2017-18.

- Alberta Community Partnership funding has decreased by 18% to \$40 million for 2015.
- Despite the lack of short-term increases to municipal water/wastewater funding, the Capital Plan includes significant increases in funding for water/wastewater systems beginning in 2016-17, with a \$160 million being dedicated. Overall, from 2015-16 to 2019-20, the Government of Alberta has targeted to dedicate \$706 million to water/wastewater systems.
- Family and Community Support Services (FCSS) funding has increased by 33% to approximately \$101 million. The Government of Alberta has also indicated their intent to work with the FCSS community on a renewed vision to support improved social outcomes for all Albertans.

County staff will monitor the various Provincial programs and program criteria to determine what programs/projects Clearwater County may be eligible for in the next four years. However, it is my view that there will be no program or funding changes occurring between now and the end of March, the end of the Province's 2015/16 fiscal year.

Further, I am concerned that details with respect to 2016/17 budget will not be announced April/May of 2017. If my concern proves out, it would be difficult to incorporate 2016/17 this grant funding into the County's 2016 capital projects, unless a retroactive clause is implemented/allowed within the Province's programs.

I recommend that during any discussions councillors may have with Ministers or NDP MLAs that the need for the Notley Government to release their capital funding criteria and program details as soon as possible be stressed.

¹ AAMDC Contact Oct. 28, 2015

2015 ALBERTA BUDGET

OVERVIEW AND ANALYSIS

- Budget 2015-16 is the first provincial budget assembled by the Notley administration. It represents the clearest picture yet on how the NDP government will manage the province over the next four years.
- Budget 2015 has been organized around three priorities:
 - protecting and stabilizing front-line public services, including health care, education and social services;
 - setting out a plan to return to balance by restoring fairness to government revenue and ensuring the province is in a stronger fiscal position when the economy recovers; and
 - stimulating economic growth and diversification, including partnering with job creators, entrepreneurs and visionaries to stimulate economic growth and diversification.
- With its emphasis on infrastructure investment, the government has closely aligned itself with a municipal agenda. It remains to be seen whether this agenda will tilt towards urban populations or also include rural priorities.
- The government has also drawn a distinction between its plans and “proposals for reckless cutbacks to front-line public services.” This aligns with the support the government received in the last provincial election from labour groups and government workers centered in the capital region.
 - This will become an increasingly important distinction between the government and official opposition, who will try to use this as a wedge issue between public sector employees/unions and the rest of Albertans, who face difficult economic times.
 - The political debate will also shift to the government’s efforts to further diversify the economy. While the government increases its efforts on job creation, the opposition will focus on the clear shift in provincial policy that will see the government become much more active inside the provincial economy through increased capital access and venture loan funding, potentially driving outcomes through their diversification efforts.
- While continuing to invest in healthcare, education, and other front line services, the government has also signaled that it will be looking to find some efficiencies. This will result in policy and political challenges in the near future.
 - Specifically, the government has indicated that “we need to better manage significant annual spending pressures from the cost of compensating our province’s world-class and dedicated doctors; from the rising cost of pharmaceuticals; from the rising costs of operating a very large network of hospitals and other facilities; and from the rising costs of having gotten it tragically wrong on long-term care and mental health care – driving people into our hospitals who would be better helped in more appropriate facilities or through community services.”
 - To address any of these issues, the government will need to review and dramatically alter long held policies such as physician fees, pharmacist fees and access to pharmaceuticals. Even though there is an increase allotted to drug spending, the increased age of the population, cost of new innovative medications and the shift to home care, will apply pressure on the

government to look for innovative ways to manage their budget on their current spending to manage this.

- The Budget projects a \$6.1 billion deficit this year. This includes both increases to government operational spending across departments as well as increases to revenue (including previously announced corporate and personal income tax measures as well as new increases announced in the October 26th budget).
- With deficits projected for the next four fiscal years (a total of approximately \$18 billion), a capital infrastructure investment of more than \$34 billion over five years, and the commitment to not introduce a debt repayment plan until the budget is balanced, this budget will form the political dialogue between the Government and opposition parties for the foreseeable future.
- Budget 2015-16 includes borrowing for operating expenditures. This is controversial, as such borrowing has been traditionally considered bad debt. This is the first time since 1993 that the government of Alberta has borrowed to fund operating expenses.
 - The government has introduced *Bill 4 - An Act to Implement Various Tax Measures and to Enact the Fiscal Planning and Transparency Act*. The original Act, introduced by the Klein Administration, prevented the government from running operational deficits.
 - The repeal of the legislation is a marked departure from past conservative administrations and represents a historic break from the core financial principles that have governed the province for the past two decades.
- The new *Fiscal Planning and Transparency Act* will establish a limit on defined government debt based on 15% of the (nominal) Gross Domestic Product (GDP) of Alberta’s economy.
 - The government has indicated that “on average, Canadian governments are managing debt equivalent to 30% of their GDP in pursuit of their objectives.” As GDP widely varies among different provinces, it is helpful for some perspective on the size of GDP of each province (Data Source – Provincial Nominal GDP – in millions \$CDN – 2013 Statistics Canada):

BC	AB	SK	MB	ON	QC	NB	PEI	NS	NFLD
\$229,685	\$338,166	\$83,222	\$61,323	\$695,705	\$362,846	\$31,900	\$5,788	\$39,145	\$35,832

- The budget comes less than a week after the creation of a new Economic Development and Trade ministry tasked with diversifying and expanding Alberta’s economy. Between the creation of the new ministry and this budget, the Notley Administration has staked out the province’s economic health and job creation as major planks of its political mandate.
- The fiscal year that Budget 2015-16 represents will end in March, 2016 – with this fiscal year near completion it is expected that Budget 2016-17 will contain additional revenue enhancements and expenditure restraints that will further address Alberta’s revenue challenges and program and capital expectations.

FISCAL CONTEXT

- Oil and gas resource revenue is forecast to decline sharply in 2015. The government is projecting to take in \$2.8 billion in resource royalties, a \$6.1 billion decrease since the previous year.
 - Benchmark oil pricing (WTI) is now forecast to average US\$50/bbl in 2015-16. This will edge slightly up in 2016-17 to US\$61/bbl and US\$68 in 2017-18.
- For this year, real GDP growth is forecast to contract by -0.6%. The government is projecting growth to return in 2016 with a forecast of 0.9%. Of note, the government is also indicating that weakness in the oil and gas industry has started to spread to other sectors.
- Population growth is forecast to be 2% in 2015, down from 2.9% in 2014. This is projected to ease further to 1.4% per year in the next two years.
- The unemployment rate is expected to increase to 5.8% for 2015-16. This is an increase of 1.1% from last year (4.7% in 2014-15). The government further projects the unemployment rate to further increase next fiscal year to 6.2% (16-17 target) and then moderate to 5.8% in 2017-18.
- With a gradual recovery in oil prices and Alberta’s new tax structure, consolidated provincial revenue is expected to grow by about 6% per year over the next four years, while consolidated expense will grow by just over 2% per year. The government however will remain in a deficit position until 2019-2020:
 - 2015-16 - \$6.1 Billion Deficit
 - 2016-17 - \$5.4 Billion Deficit
 - 2017-18 - \$4.4 Billion Deficit
 - 2018-19 - \$2.1 Billion Deficit
 - 2019-20 - \$1.1 billion Surplus
- In his speech, Minister Ceci noted that fiscal recovery would be dependent on oil prices, if oil prices recover more quickly revenues will go to balance the budget sooner, if oil prices recover more slowly, numbers will have to be revisited.
- Budget 2015 shows that the \$6.5 billion Contingency Account will be exhausted in late 2016-17, requiring borrowing for the fiscal plan until 2019-20 when the Account will begin to be replenished.
- Liabilities for Capital Projects/Fiscal Plan borrowing will increase from \$12.9 billion at the end of 2014-15 to \$47.4 billion by 2019-2020. This includes a 15% increase in capital spending over the next five years.
- Total consolidated Revenue is projected to increase from \$43.8 billion this fiscal year to \$47.9 billion in 2017-18. In addition to the corporate and personal income tax measures already announced, new measures for this fiscal year will include:
 - Tobacco taxes increase from \$45 to \$50 per carton, effective October 28, with an equivalent increase applied to other tobacco products.
 - Liquor mark-ups increase 5%, effective October 28, and the mark-up structure is being refined to promote made-in-Alberta products.
 - Locomotive fuel taxes will increase by 4 cents to 5.5 cents per litre, effective November 1, 2015.
 - Insurance Premiums Tax rates will increase one percentage point on April 1, 2016, as included in the March budget.
- The Heritage Fund will remain relatively stable over the same time period.

- The government has also announced key measures related to managing government expenses. This includes:
 - Managing expense growth at 2% each year over the next four years, as revenue increase by an estimated 6% each year over the same period;
 - Implementing a salary freeze for Cabinet ministers, MLAs and political staff for the entire term of this Legislature (expected to expire in 2019);
 - Conducting a review of Alberta’s Agencies, Boards and Commissions;
 - Applying a hiring restraint across the Alberta Public Service. Across the broader public sector, there are increases in front-line staffing levels for school boards and Alberta Health Services.

OPERATIONAL SPENDING

- Total Consolidated Expenses will increase from \$49.9 billion this fiscal year to \$52.3 billion by 2017-18. Highlights of key ministries include:

Health

- Budget 2015 provides Alberta’s public health care system with predictable, long-term funding while getting the annual growth of the health budget under control. Three-year funding includes:
 - 2015-16: \$19.7 billion
 - 2016-17: \$20.4 billion
 - 2017-18: \$20.9 billion
- Investments will be made in key priorities including:
 - \$120 million over two years (starting in 2016-17) for new long-term care spaces
 - \$90 million over two years (starting in 2016-17) to expand public homecare
 - \$10 million annually to implement a mental health strategy
 - Increased support for seniors’ health care, including drug, dental, optical and supplemental health benefits
 - \$40 million increase from 2014-15 to drugs and supplemental health benefits.
- The government will limit the rate of growth in health spending by limiting the increase to the operating budget to 4% in 2016-17 and 3% in 2017-18, getting to down to align with other ministries at 2% in 2018-19

Advanced Education

- Budget 2015 restores previously announced budget cuts from the Prentice budget and provides stable funding for the post-secondary system, supporting an estimated 250,000 full and part-time students and apprentices. Three-year funding includes:
 - 2015-16: \$5.7 billion
 - 2016-17: \$5.9 billion
 - 2017-18: \$6.0 billion
- Highlights include:
 - a two year tuition freeze for post-secondary students
 - \$228 million for Student Aid programs in 2015-16, to support scholarships for about 47,500 students and grants for about 16,000 students

- \$579 million in student loans disbursed to more than 77,000 students in 2015-16
- Government will review the overall funding model for Campus Alberta this fall.

Education

- Budget 2015 demonstrates stable and predictable funding for schools that will fully cover growth in student enrolment. Three-year funding includes:
 - 2015-16: \$7.6 billion
 - 2016-17: \$7.9 billion
 - 2017-18: \$8.1 billion
- Highlights include:
 - approximately 380 more teachers and 150 more support staff added to the education system
 - increased support for students with special needs in the form of educational assistants and other classroom supports
 - \$60 million for a new school nutrition program to support families
 - a \$45 million annual investment to reduce the burden of school fees for families, beginning in 2016

Human Services

- Budget 2015 follows through on the commitment to provide strong families and strong communities through investment in child care, child intervention services, women’s shelters and FCSS. Three-year funding includes:
 - 2015-16: \$4.3 billion
 - 2016-17: \$4.5 billion
 - 2017-18: \$4.7 billion
- Highlights include:
 - \$1.1 billion for programs supporting persons with disabilities, including operation of Michener Centre
 - \$297 million for the creation of new child care spaces and improve affordability, quality and access.
 - \$178 million for homeless and outreach support programs, this will help to house about 2,000 homeless Albertans this year and support nearly 3,200 spaces in 25 homeless shelters as well as support for women’s shelters.
 - \$101 million for Family and Community Support Services (FCSS) to provide preventative social services across the province.
 - a new Alberta Child Benefit to help lower and middle income families make ends meet

Other Highlights of the 2015-16 Budget

- Establishment of the Job Creation Incentive Program and the reintroduction of the Summer Temporary Employment Program (STEP).
 - The new Job Creation Incentive Program will provide Alberta employers with grants of up to \$5,000 for each new job – it will support up to 27,000 new jobs each year, through to 2017
- A new Ministry of Economic Development and Trade to expand Alberta’s access to foreign and domestic markets

- New measures to improve access to capital for small- and medium-sized businesses
- Funding to help build a new relationship with Indigenous peoples and support initiatives in response to the United Nations Declaration on the Rights of indigenous Peoples.
- Support for rural development and agriculture insurance, lending and income support programs.
- An enhanced Alberta Family Employment Tax Credit (AFETC) to provide lower and middle-income working families with additional support and a new Alberta Child Benefit
- Additional funding over the next two years to help grow creative industries such as media and arts.
- Establishment of an energy retrofitting loan program.

CAPITAL AND INFRASTRUCTURE

- The Capital Plan will support \$34 billion in infrastructure projects over five years, a 15% increase from the March budget.
 - \$3.8 billion for 200 new and modernized schools
 - \$4.7 billion for roads and bridges
 - \$2.2 billion for health facilities and equipment
 - \$4.4 billion in new projects and programs that will be considered based on transparent and accountable criteria
- The Plan includes \$750 million for new investments to better support communities, improve public transit and municipal roads, and support local water and wastewater projects:
 - \$330 million in new funding for transit initiatives, in addition to \$946 million to be provided through GreenTRIP over five years.
 - \$170 million increase for Water and Wastewater Management, with a total allocation of \$706 million over five years.
 - \$100 million to restore Strategic Transportation Initiative Program grants.
 - \$100 million increase for the Municipal Sustainability Initiative (capital), with a total allocation of \$3.9 billion over five years.
 - \$50 million increase for the Community Facility Enhancement Program, with a total allocation of \$240 million over five years.
- The Plan includes \$2.2 billion for health facilities and equipment over five years, with \$830 million to begin work on the Calgary Cancer Centre. As well, planning begins for major renovations at the Misericordia and Royal Alexandra hospitals in Edmonton.
- There is \$581 million for post-secondary facilities, including the NAIT Centre for Applied Technology,, NorQuest College's Downtown Campus and Lethbridge College Trades and Technology.
- \$387 million has been committed to rural and urban sustainable housing renewal.
- The Plan also includes \$4.4 billion to be allocated to new projects and programs to be included in future capital plans.
- In addition to the Capital Plan, there is also another \$4 billion in capital investment self-financed by Alberta Health Services, school boards and post-secondary institutions.

THE DODGE REPORT

The Dodge Report outlines a new approach to government capital and infrastructure investment and considered the following context:

- The overall size of the capital plan,
- The appropriate mix of capital investment to support both the delivery of education and health care services and long term growth of output and productivity, through better infrastructure, and,
- Approaches to financing the capital plan in the current economic climate.

The report focusses predominately on provincial funding of capital and notes it should follow the same principles as private investment – “resources should be allocated to services which are judged to be most important for citizens and business and to investments which are judged to yield the highest rate of return.”

Mr. Dodge’s recommendations are based upon the premise of countercyclical budgeting. By this the report is suggesting that government should increase public investment during an economic downturn, taking advantage of low interest rates and reduced construction costs. Conversely, during good economic times, government should lend capital, taking advantage of higher interest rates. Dodge acknowledges that while this sound good on paper, execution is a finer art as capital investment takes time to plan and longer to execute and it is difficult to forecast the strength of the economy into the future.

Recommendations:

1. Government departments and agencies need to implement a process to determine the lowest cost mix of capital, labour and other inputs required to deliver their programs efficiently and then assess their capital requirements against this optimal mix.
2. Departments and agencies need to plan for capital investment over a 5-10 year period
3. Bottom up requests from departments and agencies for both operating and capital budgets are to be rolled up and prioritized by Treasury Board and Cabinet.
4. Capital expansion spending should be financed from a mix of annual surpluses, asset sales and prudent borrowing.
5. Budgets for planned capital expansion should be based on prudent projections of future needs with both upside and downside assessment of risks.

Alberta spends less on capital per GDP than other provinces, however as a ratio to total population, real net capital spend is greater than most other provinces. Dodge recommends that Alberta take the weighted mean ratio of real capital stock to real GCP in the other five largest provinces as a provincial benchmark for Alberta. This number is 16 percent of GDP.

To meet the 16 percent benchmark by 2019/20, Alberta would need to add an average of \$1.6 billion per year.



AUMA Provincial Budget Analysis Fall 2015

October 27, 2015



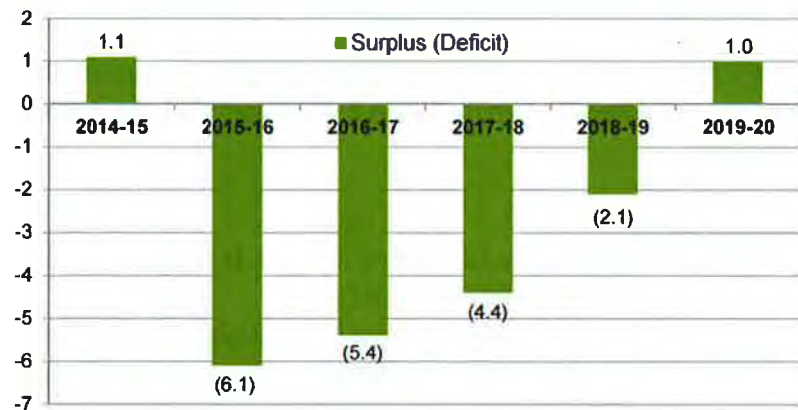
Alberta is the only province that owns more financial assets than it owes in debt.

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

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

These projections are based on the following economic assumptions:

Plan to Return to Balance
(billions of dollars)



Source: Alberta Treasury Board and Finance

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

Budget 2015 - Municipal Impacts

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

2015-16 Impacts

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

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



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



Revenue

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

Albertans will continue to pay the

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

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

Budget 2015 Consolidated Revenue

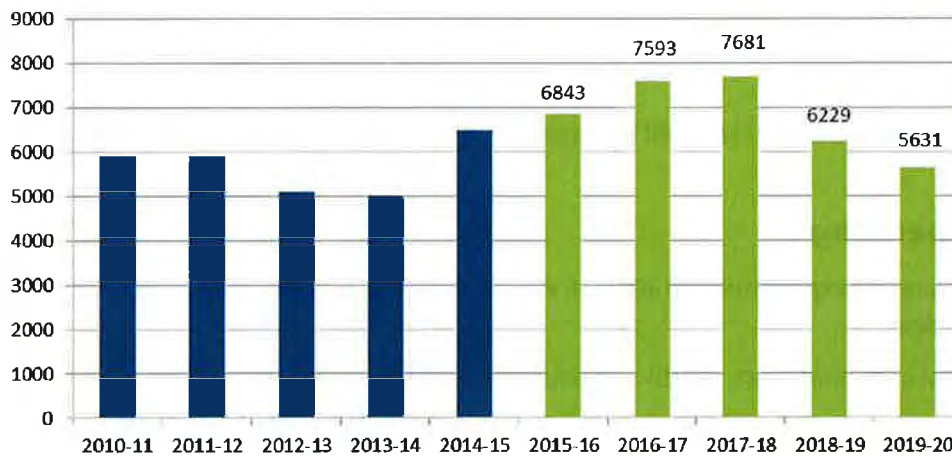
(millions of dollars)	2014-15 Actual	2015-16 Estimate	2016-17 Target	2017-18 Target
Income and Other Taxes	21,436	22,099	23,121	23,803
Non-Renewable Resource Revenue	8,948	2,768	3,412	4,365
Transfers from Government of Canada	5,982	6,984	7,288	7,559
Investment Income	3,113	2,820	2,564	2,512
Net Income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

Capital Plan

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

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

Capital Plan 2015-2020 (Core Government) (millions of dollars)



Data Source: Alberta Treasury Board and Finance



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

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

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

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

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

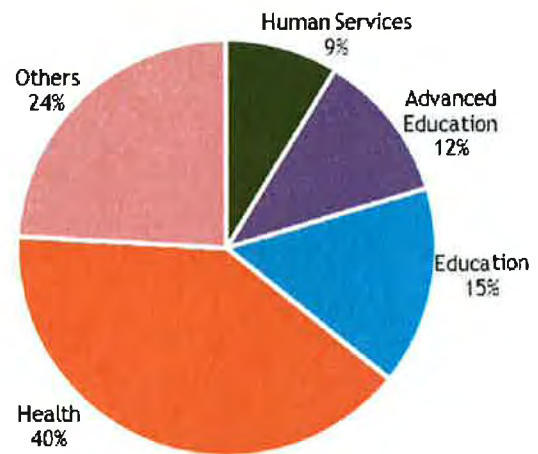
The province is undertaking a comprehensive review of agencies, boards and commissions. It is expected that this could have an impact on some municipal processes.

Conclusion and Next Steps

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

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

Operating Expense by Ministry





AGENDA ITEM

PROJECT: West Fraser- delegation		
PRESENTATION DATE: November 10, 2015		
DEPARTMENT: CAO	WRITTEN BY: Ron Leaf	REVIEWED BY: Ron Leaf
BUDGET IMPLICATION: <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Funded by Dept. <input type="checkbox"/> Reallocation		
LEGISLATIVE DIRECTION: <input type="checkbox"/> None <input type="checkbox"/> Provincial Legislation (cite) <input type="checkbox"/> County Bylaw or Policy (cite)		
STRATEGIC PLAN THEME: Managing Growth; Well Governed & Leading Organization	PRIORITY AREA: Local Economy; Natural Environment; Engagement	STRATEGIES: 1.4.4; 1.4.7; 2.3.2; 2.3.3
ATTACHMENT(S):		
RECOMMENDATION: That Council accepts the West Frasier delegation report for information.		

BACKGROUND:

Paul Bradley and Tom Daniels with West Fraser will provide an update on West Fraser's operations.

West Fraser typically meets with Council once or twice a term to provide updates on the local plants operations as well as insights into the opportunities and challenges facing the timber industry in Canada, North America as well as global markets.