

Minutes of a Regular Council Meeting of Clearwater County, Province of Alberta, held April 08, 2014 in the Clearwater County Council Chambers in Rocky Mountain House.

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

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

Brad Welygan introduced new IT System Support Analysts staff; Mike Bell and Sean Kelly.

**AGENDA
APPROVAL:**

Councillor Graham requested addition of a Committee Report from the Red Deer River Group. Ron Leaf requested addition of an In Camera Item I2 - Legal Report. Mr. Leaf requested Item E2 attachment, 2013 Year-End Surplus Amounts, replaced with an updated 2013 Year-End Surplus Amounts, as presented.

COUNCILLOR GRAHAM: That the April 08, 2014 Regular Meeting Agenda be accepted as amended.

137/14 CARRIED 7/0

**CONFIRMATION
OF MINUTES:**

1. March 25, 2014 Regular Meeting Minutes

COUNCILLOR MAKI: That the Minutes of the March 25, 2014 Regular Meeting be accepted.

138/14 CARRIED 7/0

Rhonda Serhan and Rudy Huisman joined the meeting.

2. March 25, 2014 Public Hearing Minutes

COUNCILLOR DUNCAN: That the Minutes of the March 25, 2014 Public Hearing be accepted.

139/14 CARRIED 7/0

**PUBLIC
WORKS:**

1. Tender Award: Nordegg Phase 1 Water System Capacity Upgrades

Kurt Magnus stated administration tendered capacity upgrades for phase one of the Nordegg water system. Upgrades include new well completion, raw water line installation, additional water storage reservoir, and piping to connect to the existing water treatment plant.

Clearwater County received three bids, with the lowest bid of \$2,092,144.58 from Urban Dirtworks Ltd. Mr. Magnus explained there is a variance of \$107,519 between the estimated project costs from Public Works and Planning 2014 budget and Urban Dirtworks Ltd's tendered amount due to updated costs for construction, third party, and engineering costs. Marshall Morton noted costs for additional soil testing also contributed to the variance. The variance created a shortfall and administration requests funds allocated from municipal contingency in the amount of \$89,000 to Public Works and \$20,000 to Planning.

Administration responded to questions from Council and noted the location of the new tank and storage capacity.

COUNCILLOR VANDERMEER: That Council awards the Nordegg Phase 1 Water System Capacity Upgrades tender in the amount of \$2,092,144.58 to Urban Dirtworks Ltd.

140/14

CARRIED 7/0

COUNCILLOR DUNCAN: That Council reallocate \$89,000 to Public Works and \$20,000 to Planning from municipal contingency .

141/14

CARRIED 7/0

2. Road Weights Exemption

Marshall Morton stated Councillor Graham inquired on the possibility of Clearwater County following suit with the province's temporary road ban exemption for farmers transporting grain from storage to elevators.

Mr. Morton explained the conditions for an exemption permit under the provisions of the county's existing policy and noted the temporary exemption is in effect from April 1 to June 30, 2014.

Discussion followed and administration responded to questions.

COUNCILLOR GRAHAM: That Council grants temporary road ban exemption, from April 1 to June 30, 2014, for farmers transporting grain from storage to elevators under the provisions of the Road Weights Control policy.

142/14

CARRIED 7/0

3. Dust Control Transitional Program

Marshall Morton provided information on the dust control program currently in place and noted cost for the product used, SB-90, has increased significantly. For the 2014 program, costs for a three-year contract to apply 150 meters of SB-90 is \$3,969 and the contract holder is subsidized 50% by the county. As a result, it is becoming increasingly difficult to manage a cost effective and affordable dust control program to rate payers using SB-90.

Administration proposes a pilot program to switch to a Magnesium Dust Control Program. Costs for a one-year contract to apply 150 meters of magnesium is \$1000. During a three year transition period, the county would subsidize the contract holder for two-thirds of the cost, after which the program will be reviewed.

Discussion followed on comparisons between SB-90, calcium chloride, and magnesium for dust suppression and it was noted SB-90 requires expensive and labour intensive maintenance; calcium chloride is highly corrosive, prone to potholing, slippery after rainfall, and leaves a residue; and magnesium is cost effective over time, requires less maintenance, environmentally friendly, and provides soil stabilization thus reducing washboard.

Administration responded to questions from Council and Mr. Morton noted during the transition period both products will be available for use; application of magnesium will be contracted; issues from application of magnesium on SB-90 are expected to be minimal; and grader maintenance will continue.

Ron Leaf noted should Council approve the pilot program to transition to the use of magnesium as a dust suppression, administration will amend the current Dust Control Policy and present to Council at a future date.

COUNCILLOR GREENWOOD: That Council approves the Magnesium Dust Control pilot program.

143/14

CARRIED 6/1

Brad Welygan, Sean Kelly, and Mike Bell left the meeting.

4. Tender Award: 2014 Culvert Requirements

Kurt Magnus stated Clearwater County tendered 2014 culvert requirements and received three bids, with Canada Culvert as the low valid bidder at \$93,000.70.

Discussion followed and administration responded to questions from Council on culvert requirements and materials.

COUNCILLOR MAKI: That Council awards the 2014 Culvert Tender to Canada Culvert in the amount of \$93,000.70.

144/14

CARRIED 7/0

5. BF77944 & BF77945 Bridge Culvert Rehabilitation Tender Award

Kurt Magnus stated Clearwater County tendered the BF77944 & BF77945 Bridge Culvert Rehabilitation for culverts on Range Road 8-2 (Prentice Creek Road).

On March 6, Clearwater County received six bids, with Unsurpassable Construction Ltd. as the low valid bidder at \$595,613.02. Unsurpassable Construction Ltd. has since withdrawn their bid and as a result, Netook Construction Ltd. was the next lowest valid bidder at \$778,783.00. This amount is \$2,076.70 below the engineers estimated amount of \$906,452.00.

Discussion followed and administration responded to questions from Council on size of culverts required for the project and construction requirements.

Councillor Duncan noted the accepted bid amount is a considerable amount of money.

Janice Anderson and Ed Grose joined the meeting.

Erik Hansen noted the project cost reflects requirements for meticulous and time-consuming installation procedures that are critical for proper installation.

Councillor Greenwood inquired if Clearwater County will source and pay for materials. Mr. Hansen responded costs for materials, sourcing of materials and all required permits are included in the contract amount.

Councillor Maki inquired on estimated timeframe for completion of the project and Mr. Magnus responded approximately one month.

145/14

COUNCILLOR GRAHAM: That Council awards the tender for BF77944 and BF77945 Bridge Culvert Rehabilitation to Netook Construction Ltd. in the amount of \$778,783.00.

CARRIED 7/0

COUNCILLOR LAING: That Council resumes consideration of tabled item "Repair of BF01963".

146/14

CARRIED 7/0

6. BF01963 (James River Bridge) Bridge Rehabilitation Assessment

Kurt Magnus provided background information on the James River Bridge BF01963, constructed in 1950, and located on Range Road 5-3 (NW 15 34 05 W5), 16 km north of Sundre. Mr. Magnus noted as per the Bridge Inspection Maintenance (BIM) dated June 30, 2004 and December 21, 2011, posted tonnage for the bridge was 36 tonnes for Semi Truck and 48 tonnes for Truck Train.

An assessment on the bridge completed by DH2M Hill on January 14, 2014, determined a rating of 10 tonnes for all types of vehicles due to severe deterioration to abutment and pier cap concrete at bearing locations; corrosion on stringers and floor beams; and section loss on bridge pier bearing supports. The bridge received a structural rating of 38.9%, and without immediate repairs, closure of the bridge and possibly road access, is imminent in one to three years.

Mr. Magnus outlined four options including costs, for Council's consideration, as follows:

- Option 1: replace bridge \$6,720,000
- Option 2: repair bridge (consider replacement in 2024) \$286,045
- Option 3: major bridge rehabilitation (consider replacement in 2034) \$1,039,230
- Option 4: no action taken (consider closure/repair/replacement in 2016 assuming bridge life to 2016). Mr. Magnus stated with this option, administration recommends a Level I Bridge Inspection in spring 2014 and every year thereafter.

Discussion followed on age of the bridge; amount of traffic on the bridge; and comments received from local residents; suitability of alternative bridge structures; and potential for discussing the future of the James River Bridge with Mountain View County.

Marianne Cole joined the meeting.

COUNCILLOR GRAHAM: That Council approves Option 2: repairs in the amount of \$286,045 on BF01963 James River Bridge.

147/14

DEFEATED 5/2

COUNCILLOR VANDERMEER: That Council approves Option 4: no action taken on bridge repairs and/or replacement on BF0193 James River Bridge; posts required notification; and consults with Mountainview County on effects of bridge closure.

148/14

CARRIED 4/3

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

**CORPORATE
SERVICES:**

1. Delegation: HR Outlook – Ed Grose

Janice Anderson introduced Ed Grose, HR Outlook consultant, to Council.

Mr. Grose noted he has worked with Clearwater County for over six years and provided background information on previous market compensation reviews conducted in 2008, 2009, and 2011 for Clearwater County.

Mr. Grose explained the methodology, compensation principles, and philosophy used to conduct a compensation review and how they apply to Clearwater County's labour force. Mr. Grose noted common statistics used in compensation surveys and provided examples of each.

Mr. Grose outlined market survey questions, salary model principles, and possible comparators used in the survey. Ron Leaf provided rationale on municipalities noted as possible comparators.

Mr. Grose outlined procedures and next steps to conduct the compensation survey for Clearwater County.

COUNCILLOR GREENWOOD: That Council accepts the information as presented.

149/14

CARRIED 7/0

2. Reserve Analysis

Rhonda Serhan explained the 2013 year-end surplus is due to more revenue than expected from the Well Drill Equipment Tax (WDET) and paving projects that are under budget.

Ms. Serhan outlined recommendations from administration for the 2013 reserve transfers as per the updated spreadsheet presented to Council. Ms. Serhan noted the following: there are no transfers to the paving reserve as Public Works expects to continue the practice of capitalizing on lower oil prices; and transfers to the bridge deficit and sewer reserves are for future projects under consideration.

Ron Leaf noted administration's recommendations are influenced by the provincial budget, notably zero funding for bridges and the elimination of water/wastewater grants.

Ms. Serhan noted Council is able to transfer funds between reserves at any time should priorities change.

Ms. Serhan responded to questions from Council and provided clarification on transfer amounts to the disaster and SAR funds and noted as provincial funding does not fully cover costs, transfers are made as per Council's policy.

COUNCILLOR DUNCAN: That Council authorizes the 2013 reserve transfers as recommended.

150/14

CARRIED 7/0

Rhonda Serhan left the meeting. Denniece Crout joined the meeting.

3. Municipal Tax Rate Comparison

Rudy Huisman presented the 2014 Assessment and Percentage, 2014 Municipal Percentage of Revenue, and 2013 Municipal Tax Rate Comparison charts for Clearwater County.

Denniece Crout explained the figures for each chart. It was noted amounts on the 2014 Municipal Percentage of Revenue chart were incorrect. Ms. Crout stated Council will receive a corrected chart.

Discussion followed on farmland assessments and Ms. Crout noted they are heavily regulated.

Ms. Crout provided comparisons of Clearwater County's municipal tax rate to rates in other municipalities and noted maintaining competitive municipal taxes provides an economic advantage and also complies with Council's philosophy to maintain an average ranking in the municipal tax rate.

COUNCILLOR GRAHAM: That Council tables Item E3 – Municipal Tax Rate Comparison pending further information on the 2014 Municipal Percentage of Revenue.

151/14

CARRIED 7/0

Rick Emmons joined the meeting.

4. 2014 Property Tax Bylaw 985/14 – First Reading

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

- Residential municipal tax rate at .0025110
- Farmland municipal tax rate at .0039383 and
- Non-residential, machinery and equipment, and linear rates at .0069139

Ms. Crout noted the Provincial Education live tax rates:

- Residential and Farmland – .0024288 Tax Rate 2014
- Non-residential and Linear – .0035405 Tax Rate 2014
- Uncollectible School Tax Rate - .0000019 (unchanged from Tax Rate 2013) Ms. Crout noted the rate is calculated based upon prior years' uncollected amounts and this year the amount of change is minimal and requires no additional tax rate.
- Westview Lodge Tax Rate - .000717 Tax Rate 2014

Ms. Crout stated overall, County assessments saw a net increase primarily due to the oil and gas sector which saw growth above the provincial average. The Provincial education requisition for 2014 has increased by \$117,729 to \$16,365,272 from \$16,247,543 and this has had an effect on the net tax rate. The non-residential and the machinery and equipment rates include the highway levy. Ms. Crout noted taxes will be levied beginning April 23, 2014 and distribution of the notices by mail completed by May 16, 2014. The public will then have sixty (60) days after mailing to submit appeals pertaining to the assessed value, ending the appeal period approximately on July 16, 2014.

Councillor Maki inquired on the purpose of two tax penalty dates and proposed changing the dates.

Ms. Crout explained as there are only two weeks between the September 16 and the October 1 penalty dates, it would be administratively efficient to eliminate the October 1 penalty date.

Discussion followed and administration responded to questions from Council and noted administration will present the Tax Penalty Bylaw to Council at the April 22, 2014 regular meeting.

Discussion continued and Council noted the following:

- the impact of provincial budget changes to County programs
- tax rate increases generate revenue for future programs and projects
- loss in linear tax revenue is a possibility
- although reserves are substantial, a modest increase will allow for savings and completion of workplans
- without a modest increase in 2014 a much larger increase may be unavoidable in the future
- it is important to prepare for the future needs of County residents
- without sufficient revenue, funding for new projects solicited by ratepayers will not be available

COUNCILLOR MAKI:

That Council grants First Reading to Bylaw 985/14 2014 Tax Rate Bylaw.

152/14

CARRIED 7/0

COUNCILLOR GREENWOOD:

That Council grants Second Reading to Bylaw 985/14 2014 Tax Rate Bylaw.

153/14

CARRIED 7/0

COUNCILLOR VANDERMEER:

That Council tables Third Reading of Bylaw 985/14 2014 Tax Rate Bylaw until April 22, 2014.

154/14

CARRIED 7/0

Rhonda Serhan, Christine Heggart, Dennis Ross, Marianne Cole and Denniece Crout left the meeting.

MUNICIPAL:

1. North Saskatchewan Regional Plan (NSRP) Regional Advisory Council (RAC)

Ron Leaf stated the provincial government is accepting applications from individuals interested in being a member on the RAC for the NSRP.

Mr. Leaf noted in 2009, the Alberta Association of Municipal Districts and Counties (AAMDC) nominated Reeve Alexander as a member for RAC. The Land Use Secretariat advised AAMDC that they will not accept the nomination as they now plan on appointing individuals.

Administration recommends that Pat Alexander submit an application as an individual and that the County provide a letter of reference or support.

Discussion followed on the RAC's future implementation; proposed members; and possible impact of the NSRP on Clearwater County's Municipal Development Plan.

COUNCILLOR MAKI: That Council provides a letter of support for Pat Alexander's RAC application.

155/14

CARRIED 7/0

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

PLANNING: 1. Nordegg Road Tour & Nordegg Chamber of Commerce Meeting

Rick Emmons stated administration recommends Council attend an educational session on the Nordegg Development Plan (NDP) and a tour of Nordegg in order to prepare for future considerations of Nordegg historical and non-historical buildings, lease rates, and growth of the hamlet.

Mr. Emmons noted the Nordegg Chamber of Commerce extends an invitation to meet with Council in conjunction with the tour of Nordegg.

COUNCILLOR LAING: That Council attends the Nordegg Development Plan educational session on May 9, 2014; tours Nordegg and meets with the Nordegg Chamber of Commerce on May 12, 2014.

156/14

CARRIED 7/0

Denniece Crout joined the meeting.

INFORMATION: 1. Information

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

157/14

CARRIED 7/0

COUNCILLOR MAKI: That Council removes from the table Item E3 Municipal Tax Rate Comparison.

158/14

CARRIED 7/0

CORPORATE SERVICES: 3. Municipal Tax Rate Comparison

Denniece provided Council with the corrected 2014 Municipal Percentage of Revenue as follows:

- Farmland 0.04%
- Residential 10.60%
- Non-Residential 7.00%
- M&E 27%
- Linear 55%

COUNCILLOR VANDERMEER: That Council accepts the information as presented.

159/14

CARRIED 7/0

COMMITTEE REPORTS:

Councillor Graham provided information from the Red Deer River Group meeting regarding flood mitigation.

COUNCILLOR DUNCAN: That Council accepts the information as presented.

160/14

CARRIED 7/0

COUNCILLOR DUNCAN: That the meeting recess for lunch at 12:05 P.M.

161/14

CARRIED 7/0

Reeve Alexander reconvened the meeting at 12:30 P.M.

IN CAMERA:

COUNCILLOR GRAHAM: That Council meets as a Committee of the Whole to discuss the Withrow Wastewater Engineering Study Administrative Report and a Legal Report at 12:30 P.M.

162/14

CARRIED 7/0

COUNCILLOR MAKI: That the meeting reverts to an Open Meeting at 1:43 P.M.

163/14


CARRIED 7/0

**ADJOURNMENT:
1:43 P.M.**

COUNCILLOR GRAHAM: That the Meeting adjourns.

164/14

CARRIED 7/0


REEVE


CHIEF ADMINISTRATIVE OFFICER