

**AGENDA FOR THE REGULAR MEETING OF  
THE COUNCIL OF THE TOWN OF ONOWAY  
HELD ON THURSDAY, SEPTEMBER 3, 2020 IN THE COUNCIL CHAMBERS  
OF THE ONOWAY CIVIC OFFICE AT 9:30 A.M.**

**1. CALL TO ORDER**

**2. ADOPTION OF AGENDA**

- as is, or with additions or deletions

**Pg 1-5 3. ADOPTION OF MINUTES – August 20, 2020 Regular Council Meeting**

**4. APPOINTMENTS/PUBLIC HEARINGS – n/a**

**5. FINANCIAL REPORTS – n/a**

**6. POLICIES & BYLAWS – n/a**

**7. ACTION ITEMS**

- a) **Coronavirus Preparation/Update – Standing item – Verbal update at meeting time.  
(for discussion and direction of Council at meeting time)**

b) Tendering of Contracts for the Town of Onoway – Further to Councillor Johnson's August 31, 2020 email. *(for discussion and direction of Council at meeting time)*

c) Onoway Community Hall – At Councillor Pat St. Hilaire's request, Council made an onsite visit to the Hall on August 26. Clause 1.3 of the lease agreement indicates that the current term is Jan.1, 2017 to Dec. 31, 2020. Renewal terms need to be discussed by Council. *(for discussion and direction of Council at meeting time)*

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d) Onoway Make the Connection Night September 9 – This event has been set for the evening of September 9 from 5:00 p.m. to 8:00 p.m. at the Heritage Centre Gym. Councillor Pat St. Hilaire has asked for a door prize to be provided. *(for discussion and direction of Council at meeting time)*

Pg 7-20

e) Lac Ste. Anne County (LSAC) Adjacent Landowner Referral Letters –1) August 26, 2020 letter for Hillview Estates, advising of a request received for a Home Based Development Permit from Hillview Lodge for a hospitality accommodation for public rent and leisure activities. 2) August 20, 2020 letter for Golden Glen Estates, advising of a request received for a Major Home Based Development Permit for the purchase and resale of used vehicles. *(for discussion and direction of Council at meeting time)*

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f) ATCO Gas and Pipelines Ltd. Franchise Agreement Clause 5 – please refer to the attached August 25, 2020 letter from Paul Delano of ATCO advising of the Town's ability to change the franchise fee percentage for the 2021 year. Based on consumption history, if the Town leaves the franchise fee the same (7.50%), it is anticipated to generate \$28,792.00 in revenue, which is an increase of \$5,700.00 from what we budgeted in 2020 (\$23,000.00). *(leave franchise fee as is, with 2021 estimate of \$28,792.00, or consider an increase or decrease to the fee for 2021)*

g) Darwell Lagoon Commission – further to the August 30, 2020 email distributed by CAO Wildman to Council, the Commission has requested a meeting with the Town of Onoway Council and Administration to discuss the proposed sewage transmission line coming from Sandy Beach to the Onoway Lagoon. Council, please come to this meeting prepared with dates to suggest as well as questions you'd like to see asked about this proposed project. *(for discussion and direction of Council at meeting time)*

h)

i)

j)

## 8. COUNCIL, COMMITTEE & STAFF REPORTS

- a) Mayor's Report
- b) Deputy Mayor's Report
- c) Councillor's Reports (x 3)
- d) CAO Report
  - Capital Projects 2020/2021
  - AUMA Convention and virtual voting
  - Onoway Economic Development Profile
- e) Public Works Report

## 9. INFORMATION ITEMS

Pg 22 a) Onoway Public Library - August 28, 2020 news release advising that 1,500 masks have been provided to the Library from the Government of Alberta for distribution to the public as part of the Masks for Albertans program

Pg 23-27 b) Alberta Counsel – August 27, 2020 analysis of the 2020 Provincial Fiscal Update

Pg 28 c) Darwell and District Agricultural Society – Correspondence received August 27, 2020 advising that the Society cancelled all events in 2020

Pg 29-30 d) Infrastructure Canada Federal Grants in the Riding of Yellowhead – August 26, 2020 email from MP Gerald Soroka providing a list of grants including \$4,720,000.00 towards Phase B of the Darwell Wastewater Transition Line

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e) Parkland County Community Services – August 17, 2020 letter from the Parkland Emergency Communications Centre advising that rates are increasing to \$2.08 per capita effective April 1, 2021

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f) Alberta Urban Municipalities Association (AUMA) – August 22, 2020 email from Barry Morishita, President, providing an Information Kit on the Provincial Assessment Model Review Report for wells and pipelines for review, communicating with residents and providing feedback to MLA's and Ministers

g)

h)

i)

**10. CLOSED SESSION – n/a**

**11. ADJOURNMENT**

**12. UPCOMING EVENTS:**

- September 3, 2020 – EOEP Public Engagement 2:30 p.m.
- September 17, 2020 – Regular Council Meeting 9:30 a.m.
- \*\* Sept. 17 location change to Heritage Centre Gym\*\***
- September 17 – MDP Public Hearing 10:00 a.m.
- September 23-25, 2020 – AUMA Convention Virtual
- October 1, 2020 – Regular Council Meeting 9:30 a.m.
- October 15, 2020 – Regular Council Meeting 9:30 a.m.

TOWN OF ONOWAY  
REGULAR COUNCIL MEETING MINUTES  
THURSDAY, AUGUST 20, 2020  
COUNCIL CHAMBERS OF THE ONOWAY CIVIC OFFICE

	<b>PRESENT</b>	Mayor: Judy Tracy Deputy Mayor: Lynne Tonita Councillor: Lisa Johnson Councillor: Jeff Mickle Councillor: Pat St. Hilaire Administration: Wendy Wildman, Chief Administrative Officer Jason Madge, Public Works Manager Debbie Giroux, Recording Secretary
<b>1.</b>	<b>CALL TO ORDER</b>	Mayor Judy Tracy called the meeting to order at 9:33 a.m.
<b>2.</b>	<b>AGENDA</b> <b>Motion #234/20</b>	<b>MOVED</b> by Deputy Mayor Lynne Tonita that Council adopt the agenda of the regular Council meeting of Thursday, August 20, 2020 with the following additions:  7h) Onoway Regional Medical Clinic August 12 Meeting 7i) AUMA Provincial Assessment Review August 14 Meeting 7j) Assessment Review Mayerthorpe August 17 Interview 7k) AUMA Construction Risk Management August 19 Meeting  <p style="text-align: right;"><b>CARRIED</b></p>
<b>3.</b>	<b>MINUTES</b> <b>Motion #235/20</b>	<b>MOVED</b> by Deputy Mayor Lynne Tonita that the minutes of the Thursday, August 6, 2020 regular Council meeting be adopted as presented.  <p style="text-align: right;"><b>CARRIED</b></p>
<b>4.</b>	<b>APPOINTMENTS/PUBLIC HEARINGS</b>	n/a
<b>5.</b>	<b>FINANCIAL REPORTS</b> <b>Motion #236/20</b>	<b>MOVED</b> by Councillor Jeff Mickle that the July 31, 2020 Revenue and Expenses Report be adopted as presented.  <p style="text-align: right;"><b>CARRIED</b></p>
<b>6.</b>	<b>POLICIES &amp; BYLAWS</b>	n/a
<b>7.</b>	<b>ACTION ITEMS</b> <b>Motion #237/20</b>	<b>MOVED</b> by Deputy Mayor Lynne Tonita that Council accept the discussion and updates on Covid-19 preparation for information, and that the Town continue to share information with Council and residents as necessary.  <p style="text-align: right;"><b>CARRIED</b></p>

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**DRAFT**

**DRAFT**

<b>Motion #238/20</b>	<b>MOVED</b> by Councillor Lisa Johnson that the Alberta Purchasing Connection (APC) website link be added to the Town's website when Town projects are tendered. <p style="text-align: right;"><b>CARRIED</b></p>
<b>Motion #239/20</b>	<b>MOVED</b> by Councillor Pat St. Hilaire that, as the current lease agreement between the Onoway Facility Enhancement Association and the Town of Onoway expires at the end of 2020, that Council and Administration take the opportunity to tour the Community Hall on Wednesday, August 26 at 11:00 a.m. and provide 24 hours prior notice as per the existing agreement. <p style="text-align: right;"><b>CARRIED</b></p>
<b>Motion #240/20</b>	<b>MOVED</b> by Deputy Mayor Lynne Tonita that the Town accept the July 10, 2020 letter from Lac Ste. Anne County Library Board Chair Judy Kidd regarding municipal funding to local libraries, for information. <p style="text-align: right;"><b>CARRIED</b></p>
<b>Motion #241/20</b>	<b>MOVED</b> by Deputy Mayor Lynne Tonita that Jason Madge be appointed as Director of Emergency Management for the Town of Onoway, effective immediately. <p style="text-align: right;"><b>CARRIED</b></p>
<b>Motion #242/20</b>	<b>MOVED</b> by Councillor Jeff Mickle that October 1 be declared as International Day of Older Persons and accept the letter and other material for information. <p style="text-align: right;"><b>CARRIED</b></p>
<b>Motion #243/20</b>	<b>MOVED</b> by Councillor Jeff Mickle that the zoning of 5459 Lac Ste. Anne Trail North be deferred to the agenda of the September 3, 2020 Council meeting. <p style="text-align: right;"><b>CARRIED</b></p>
<b>Motion #244/20</b>	<b>MOVED</b> by Councillor Pat St. Hilaire that Council ratify the attendance of Mayor Judy Tracy and Deputy Mayor Lynne Tonita at the August 12 Onoway Regional Medical Clinic Meeting. <p style="text-align: right;"><b>CARRIED</b></p>
<b>Motion #245/20</b>	<b>MOVED</b> by Councillor Lisa Johnson that Council ratify the participation of Councillors at the August 14 AUMA Provincial Assessment Review webinar. <p style="text-align: right;"><b>CARRIED</b></p>
	Council recessed from 11:40 a.m. to 11:50 a.m.

TOWN OF ONOWAY  
REGULAR COUNCIL MEETING MINUTES  
THURSDAY, AUGUST 20, 2020  
COUNCIL CHAMBERS OF THE ONOWAY CIVIC OFFICE

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	<p><b>Motion #246/20</b></p> <p><b>Motion #247/20</b></p> <p><b>Motion #248/20</b></p>	<p><b>MOVED</b> by Deputy Mayor Lynne Tonita that Council ratify the attendance of Mayor Judy Tracy at the Provincial Assessment Review interview with other Mayors in Mayerthorpe on August 17.</p> <p style="text-align: right;"><b>CARRIED</b></p> <p><b>MOVED</b> by Deputy Mayor Lynne Tonita that Council authorize the use of the Town of Onoway's logo and approve the contents of the joint municipalities letter drafted by the Town of Mayerthorpe expressing concerns with the Provincial Assessment Review model.</p> <p style="text-align: right;"><b>CARRIED</b></p> <p><b>MOVED</b> by Deputy Mayor Lynne Tonita that Council ratify the participation of Deputy Mayor Lynne Tonita at the AUMA Construction Risk Management Relaunch after Covid-19 meeting held August 19.</p> <p style="text-align: right;"><b>CARRIED</b></p>
8.	<p><b>COUNCIL, COMMITTEE &amp; STAFF REPORTS</b></p> <p><b>Motion #249/20</b></p> <p><b>Motion #250/20</b></p> <p><b>Motion #251/20</b></p>	<p><b>MOVED</b> by Deputy Mayor Lynne Tonita that Public Works remove the diseased trees on main street and apply root rot in 2020, and replace in 2021 (with preferred species Mountain Ash), and the cost to be covered from the Fortis Park Improvement Fund.</p> <p style="text-align: right;"><b>CARRIED</b></p> <p><b>MOVED</b> by Councillor Pat St. Hilaire that Public Works remove the diseased trees at Bretzlaff Park and apply root rot in 2020, replace in 2020 (with preferred species Prairie Spire Ash), and the cost to be covered from the Fortis Park Improvement Fund.</p> <p style="text-align: right;"><b>CARRIED</b></p> <p><b>MOVED</b> by Deputy Mayor Lynne Tonita that the verbal Council reports and the written and verbal reports from the Chief Administrative Officer and Public Works Manager be accepted for information as presented.</p> <p style="text-align: right;"><b>CARRIED</b></p>
9.	<p><b>INFORMATION ITEMS</b></p> <p><b>Motion #252/20</b></p>	<p><b>MOVED</b> by Councillor Pat St. Hilaire that Council accept the following items for information as presented:</p> <p>a) Alberta Urban Municipalities Association (AUMA) – August 7, 2020 statement on Alberta Health Services (AHS) changes to 911 dispatch in Calgary, Red Deer, Lethbridge and Wood Buffalo</p>

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TOWN OF ONOWAY  
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THURSDAY, AUGUST 20, 2020  
COUNCIL CHAMBERS OF THE ONOWAY CIVIC OFFICE

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		<p>b) Alberta Health – July 28, 2020 letter from Honourable Tyler Shandro, Minister, regarding medical first response (MFR) and co-response by fire services on emergency medical services (EMS) calls</p> <p>c) Town of Onoway – Municipal Development Plan (MDP) – July 18, 2020 letter to all residents advising of a September 17, 2020 public hearing at 10:00 a.m.</p> <p>d) Alberta Justice and Solicitor General Police Funding Model – July 29, 2020 email to municipalities with an explanation of the funding formula and how costs are distributed to municipalities</p> <p style="text-align: right;"><b>CARRIED</b></p>
<p>10.</p>	<p style="text-align: center;"><b>CLOSED SESSION</b>  <b>Motion #253/20</b></p> <p style="text-align: center;"><b>DRAFT</b></p> <p style="text-align: center;"><b>Motion #254/20</b></p>	<p><b>MOVED</b> by Deputy Mayor Lynne Tonita that, pursuant to Section 197(2) of the Municipal Government Act and Section 17 of the Freedom of Information and Protection of Privacy Act (FOIP), Council move into a Closed Session at 1:30 p.m. to discuss the following item:</p> <p style="padding-left: 40px;">1. "Disclosure Harmful to Personal Privacy"</p> <p style="text-align: right;"><b>CARRIED</b></p> <p>Council recessed from 1:30 p.m. to 1:35 p.m.</p> <p><b>CLOSED SESSION:</b></p> <p>The following individuals were present for the Closed Session:  Mayor Judy Tracy  Deputy Mayor Lynne Tonita  Councillor Lisa Johnson  Councillor Jeff Mickle  Councillor Pat St. Hilaire  Chief Administrative Officer Wendy Wildman  Public Works Manager Jason Madge  Recording Secretary Debbie Giroux</p> <p><b>MOVED</b> by Councillor Pat St. Hilaire that Council move out of Closed Session at 2:20 p.m.</p> <p style="text-align: right;"><b>CARRIED</b></p> <p>Council recessed from 2:20 p.m. to 2:25 p.m.  The meeting reconvened at 2:25 p.m.</p>
<p>11.</p>	<p style="text-align: center;"><b>ADJOURNMENT</b></p>	<p>As all matters on the agenda have been addressed, Mayor Judy Tracy declared the meeting adjourned at 2:25 p.m.</p>



TOWN OF ONOWAY  
REGULAR COUNCIL MEETING MINUTES  
THURSDAY, AUGUST 20, 2020  
COUNCIL CHAMBERS OF THE ONOWAY CIVIC OFFICE

<b>12.</b>	<b>UPCOMING EVENTS</b>	August 27, 2020	EOEP Public Engagement	2:30 p.m.
		September 3, 2020	Regular Council Meeting	9:30 a.m.
		September 3, 2020	EOEP Public Engagement	2:30 p.m.
		September 17, 2020	Regular Council Meeting	9:30 a.m.
		September 17, 2020	MDP Public Hearing	10:00 a.m.
		September 23-25, 2020	AUMA Convention	Virtual
		October 1, 2020	Regular Council Meeting	9:30 a.m.
		October 15, 2020	Regular Council Meeting	9:30 a.m.

\_\_\_\_\_  
Mayor Judy Tracy

\_\_\_\_\_  
Debbie Giroux  
Recording Secretary

DRAFT

**debbie@onoway.ca**

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**From:** cao@onoway.ca  
**Sent:** August 26, 2020 9:16 PM  
**To:** debbie@onoway.ca  
**Subject:** FW: Make the connection

Wendy Wildman  
CAO  
Town of Onoway  
Box 540  
Onoway, AB. T0E 1V0  
780-967-5338 Fax: 780-967-3226  
cao@onoway.ca

NOTE EMAIL CONTACT INFORMATION HAS CHANGED TO: cao@onoway.ca

This email is intended only for the use of the party to which it is addressed and for the intended purpose. This email contains information that is privileged, confidential, and/or protected by law and is to be held in the strictest confidence. If you are not the intended recipient you are hereby notified that any dissemination, copying, or distribution of this email or its contents is strictly prohibited. If you have received this message in error, please notify us immediately by replying to the message and deleting it from your computer.

-----Original Message-----

**From:** Pat St.Hilaire <psthilaire@onoway.ca>  
**Sent:** August 26, 2020 1:54 PM  
**To:** Lisa Johnson <ljohnson@onoway.ca>; Lynne Tonita <ltonita@onoway.ca>; Judy Tracy <jtracy@onoway.ca>; Jeffery Mickle <jmickle@onoway.ca>; Wendy Wildman <cao@onoway.ca>; Jason Madge <jason@onoway.ca>; Penny Frizzell <penny@onoway.ca>  
**Subject:** Make the connection

Sept 9 make the connection. Could we add this to the agenda for next meeting. I asked Letisha for a table for the town. Could we have a basket for door prize?

Sent from my iPad



Adjacent Landowner Referral Letter

Date: August 26, 2020

Permit Number: 193193-20-D0152  
File Number: 5501082028

To: TOWN OF ONOWAY  
PO BOX 540  
ONOWAY, AB T0E 1V0

Re: Adjacent Landowner Referral

Dear Sir or Madam (adjacent landowner):

Please be advised that a Discretionary Development Permit Application for **Minor Home Based Business, hospitality accommodation, for public rent and leisure activities using the 2 wood cabins** under application #193193-20-D0152 has been received and as an adjacent landowner who may be affected, you are being notified in accordance with the County's Land Use Bylaw regarding the below noted property:

As an adjacent landowner you are hereby given notice of the above noted development on the following land:

<b>Property Address</b>	<b>Long Legal</b>	<b>Lot, Block, Plan</b>
315, 1414 HWY 37	SW 08-54-03 W5M	20A, 4, 8020791
		Hillview Estates

This is your opportunity to provide comments to Lac Ste. Anne County. Be advised that all comments received are recorded as public information once presented to the Development Authority. All comments must be received within three (3) weeks from the date of this referral letter. Should you wish to review the Development Permit application in more detail, the application and supporting information is available and supporting information is available at the County Planning and Development Department during normal business hours.

If you have any questions or concerns regarding the Development Permit application, please contact the Department to make an appointment to review the application at (780)785-3411.

Yours truly,

Craig Goldsmith, Development Officer  
Planning & Development Department  
Lac Ste. Anne County

Encl: Application

The personal information provided as part of this application is collected under Sections 303 and 295 of the Municipal Government Act and in accordance with Section 32(c) of the Freedom of Information and Protection of Privacy Act. The information is required and will be used for issuing permits, Land Use Bylaw enforcement and property assessment purposes. The name of the permit holder and the nature of the permit are available to the public upon request.

If you have any questions about the collection or use of the personal information provided, please contact Lac Ste. Anne County FOIP Coordinator at Box 219, Sangudo, AB T0E 2A0 or phone 1-866-880-5722 or (780) 785-3411.

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# Commercial/Industrial/Home Based Development Permit

LAC STE. ANNE COUNTY



\*Please note that by providing your email address as part of this application you are hereby consenting to receiving correspondence electronically in relation to this application.

Incomplete Applications will not be accepted. If an incomplete application is submitted by mail the application will be sent back for further information.

I hereby make application for a Development Permit in accordance with the plans and supporting information submitted herewith.

### Planning & Development

<b>Office Use Only</b>	
Permit#	_____
Roll#	5501082028
Receipt#	322322


**BUSINESS OPERATING NAME INFORMATION**

Business Operating Name: Hillview Lodge

**LANDOWNER INFORMATION**

Registered Owner: Arthur & Narine Margaryan

This information has been redacted as per the Freedom of Information and Protection of Privacy Act (FOIP Act)



**LEGAL BUSINESS NAME INFORMATION**

Legal Business Name: Hillview Lodge

Mailing Address: 20435 49 Avenue City: Edmonton Postal Code: AB T5T 7L5

Phone: 780 802 7674 Email: artur.margaryan@yahoo.ca Website: N/A

**LAND INFORMATION**

Lot: 20A Block: 4 Plan: 8020791 Subdivision/Hamlet: Hillview estates

Rural Address: 315 1414 HWY 37 Division:  01  02  03  04  05  06  07

Quarter: SW Section: 8 Township: 55 Range: 1 West of 5th Meridian

Existing Use of Land: Residential Parcel Size: 6 Acres/Ha

Zoning: CRX

**PROPOSED DEVELOPMENT**

Commercial  Intensive Livestock Operation  (Major) Home Business

Industrial  (Minor) Home Business  Other

Existing Building and Present Use: Recreational cabin

Estimated Cost of Project: N/A Start Date: \_\_\_\_\_ Estimated Completion Date: \_\_\_\_\_

Box 219, Sangudo AB T0E 2A0  
 T 780.785.3411 TF 1.866.880.5722 F 780.785.2985 E [info@sangudo.ca](mailto:info@sangudo.ca) [www.lsaq.ca](http://www.lsaq.ca)



8



# Commercial/Industrial/Home Based Development Permit

Planning & Development

**PLEASE NOTE:**

Developmental changes such as structural size, material quality, and completion of progressive homes under construction are just some factors that affect the market value and will cause assessments to increase. If this applies to your property, you may want to make higher monthly payments earlier in the year to accommodate for potential tax increases on your next tax notice.

Any development permit application for construction of an accessory building prior to the construction of the main building or use (residence) becomes a discretionary permit application. Therefore the application must be presented to Municipal Planning Commission (MPC) for approval. A detailed description of the building and use must accompany the permit application. The processing time for discretionary permit applications can be up to 40 days unless an extension is issued.

**IS THE DEVELOPMENT WITHIN 1/2 MILE OF ANY OF THE FOLLOWING (Answer YES or NO):**

- 1. Is the subject property near a steep slope (exceeding 15%)? Yes  No
- 2. Is the subject property within 0.5 mile (0.8km) or bounded by a body of water (river, stream, watercourse, lake or other permanent body of water, or a canal, or a drainage ditch)?  
If YES, State its name \_\_\_\_\_ Yes  No
- 3. Is the subject property within 0.5 mile (0.8km) of the right-of-way of a highway?  
If YES, the Highway No. is \_\_\_\_\_ Yes  No
- 4. Is the subject property within 0.5 mile (0.8km) of a Sour Gas facility? Yes  No
- 5. Is the subject property within 0.5 mile (0.8km) of a Pipeline? Yes  No
- 6. Is the subject property within 0.5 mile (0.8km) of an Oil facility? Yes  No
- 7. Is the subject property within 0.5 mile (0.8km) of land that is or has been used as a municipal landfill for the disposal of garbage or refuse? Yes  No
- 8. Is the subject property within 0.5 mile (0.8km) of land that is or has been used as a municipal sewage treatment facility or sewage lagoon? Yes  No
- 9. Has the land had a history of flooding? Yes  No
- 10. Is the subject property immediately adjacent to the municipal boundary?  
If YES, the adjoining municipality is \_\_\_\_\_ Yes  No

**Effective November 1<sup>st</sup>, 2012:**

**REGULATORY REQUIREMENTS FOR SURFACE DEVELOPMENT IN PROXIMITY TO ABANDONED WELLS**

New Buildings larger than 47 sq. m. (500 sq. ft.) and Additions to Buildings that will as a result of the Addition become larger than 47 sq. m. (500 sq. ft.) must include documentation from the Energy Resources Conservation Board (ERCB) with this application.

1. Obtain the information from ERCB's Abandoned Well Viewer available on the ERCB Website [www.aer.ca](http://www.aer.ca)

2. Abandoned Well Information Included:  YES or  NO. If No Why Not: N/A

If an abandoned gas or oil well is identified on the land that is subject (the quarter section) of the proposed development, the applicant must include a map that shows the actual well location, as identified in the field, and the setback established in ERCB Directive 079 in relation to existing or proposed building sites.

To obtain clarification about the information provided by the Abandoned Well Viewer, or if you do not have internet access, contact ERCB Customer Contact Centre by Telephone at 1-855-297-8311 or by email at [Inquires@aer.ca](mailto:Inquires@aer.ca) or contact Information Services by mail at ERCB, Suite 1000, 250 - 5 Street SW, Calgary, AB T2P 0R4

Box 219, Sangudo AB T0E 2A0

T 780.785.3411 TF 1.866.880.5722 F 780.785.2985 E [Devassistant@LSAC.ca](mailto:Devassistant@LSAC.ca) [www.LSAC.ca](http://www.LSAC.ca)

(9)



# Commercial/Industrial/Home Based Development Permit

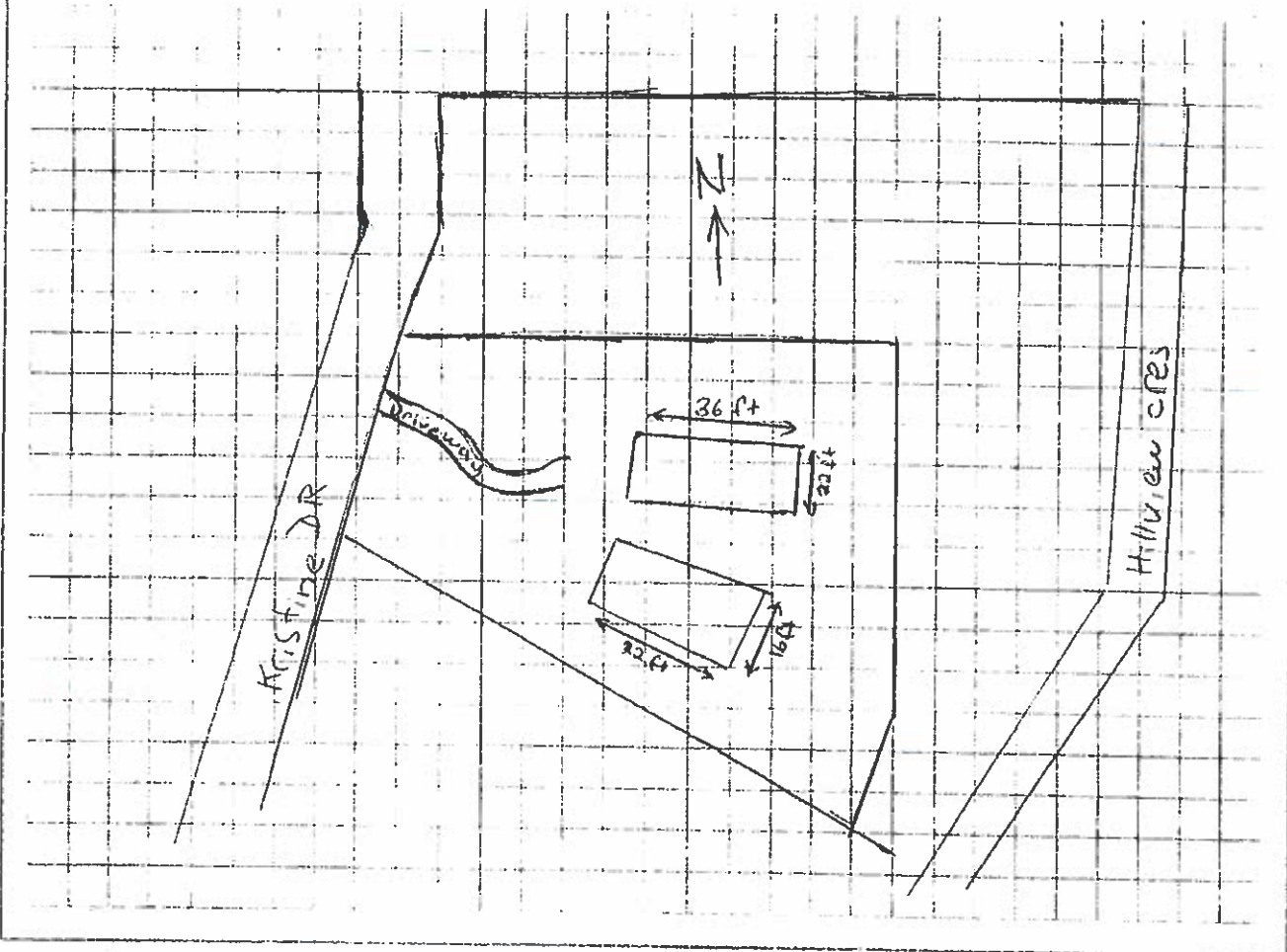
Planning & Development

THE FOLLOWING MUST BE INCLUDED ON YOUR SKETCH:



- NORTH indicated on sketch
- Dimensions of proposed building(s)
- Location of all structures on property (existing & proposed)
- Proposed Locations of Power Poles
- Show any pipeline crossing the property
- Public roads servicing the property
- Show the location of access to your property (approach) \*\*\*Your FRONT Yard Setback is the location of entrance (driveway) from a local road\*\*\*

Draw your site sketch in the grid below - All setbacks from proposed buildings to property lines **MUST** be included.  
Please include a legend.



Setbacks (indicate feet or meters): North \_\_\_\_\_ South SW East \_\_\_\_\_ West \_\_\_\_\_  
Quarter: \_\_\_\_\_ Section: 8 Township: 351414 Range: 1 West of 5th M

Please include a brief description of the property including any water bodies and steep embankments:  
flat land plan surrounded forest on all sides.

Box 219, Sangudo AB T0E 2A0

T 780.785.3411 TF 1.866.880.5722 F 780.785.2985



# Commercial/Industrial/Home Based Development Permit

Planning & Development

1. Describe the nature of the business A Hospitality accommodation for public rent and leisure activities.
2. What building(s) will the business be operated from Southern most 16 x 22ft wood cabin and Northern most 36 x 22ft wood cabin.
3. Number of people employed 2
4. Hours and days of operation Every day of the week at all hours.
5. Vehicles associated with the business (include type and size) 3 vehicles including a small SUV and two mid-sized SUV's.
6. Advertising details (signs) Will be advertized with a single sign near gateway entrance.
- \* 7. Number of expected customers/clients (day/week/month/year) 0/0/1/12
8. Indicate where storage of materials associated with the business will be stored In the buildings of operation.
9. Additional information/comments
10. I Arthur Margaryan hereby authorize Lac Ste. Anne County to post business information (Name of Company, Contact #, Website address (if available)) on Lac Ste. Anne County's Website.

This information has been redacted in per the Freedom of Information and Protection of Privacy Act (FOIP/PIA)



Applicant(s) Signature

Jul 24 2020

Date of Application





# Commercial/Industrial/Home Based Development Permit

Planning & Development

I hereby make application for a Commercial/Industrial/Home Based Business Permit in accordance with the plans and supporting information submitted herewith.

I authorize the Staff of Lac Ste. Anne County and other agencies as designated in Section 653(2) of the Municipal Government Act, R.S.A. 2000, to enter my land for the purpose of conducting a site inspection to confirm existing site conditions in relation to compliance with existing bylaws and in connection with my business license application. The personal information provided will be used to process the business license application and is collected under the authority of Section 642 of the Municipal Government Act. Personal information you provide may be recorded in the minutes of the Municipal Planning Commission, or otherwise made public pursuant to the provisions of the Freedom of Information and Protection of Privacy (FOIP) Act, including Section 39 through 42 therein. If you have any questions about the collection and use of this information, please contact the Lac Ste. Anne County FOIP Coordinator at 1-866-880-5722 56521, RGE RD 65, Lac Ste. Anne County, Box 219, Sangudo, AB T0E 2A0.

Any documentation/information (including personal information) required for processing an application may become public once submitted to Municipal Planning Commission (MPC) or the Development Authority for review and processing. The information has been released as per the Freedom of Information and Protection of Privacy Act (FOIP Act)

[Signature] [Signature] July 24, 2020

Applicant(s) Signature

Landowner(s) Signature

Date of Application

### MULTIPLE LANDOWNERS

I, Artur Margaryan THAT I AM THE REGISTERED OWNER July 24, 2020

I, Narine Margaryan THAT I AM THE REGISTERED OWNER July 24, 2020

I, \_\_\_\_\_ THAT I AM THE REGISTERED OWNER \_\_\_\_\_

I, \_\_\_\_\_ THAT I AM THE REGISTERED OWNER \_\_\_\_\_

### AUTHORIZATION FORM (Agent acting on behalf of registered owner)

I, (We), \_\_\_\_\_, being the registered owner(s) of \_\_\_\_\_, do hereby authorize \_\_\_\_\_ to make application for development on the above mentioned property.

Registered Landowner Signature

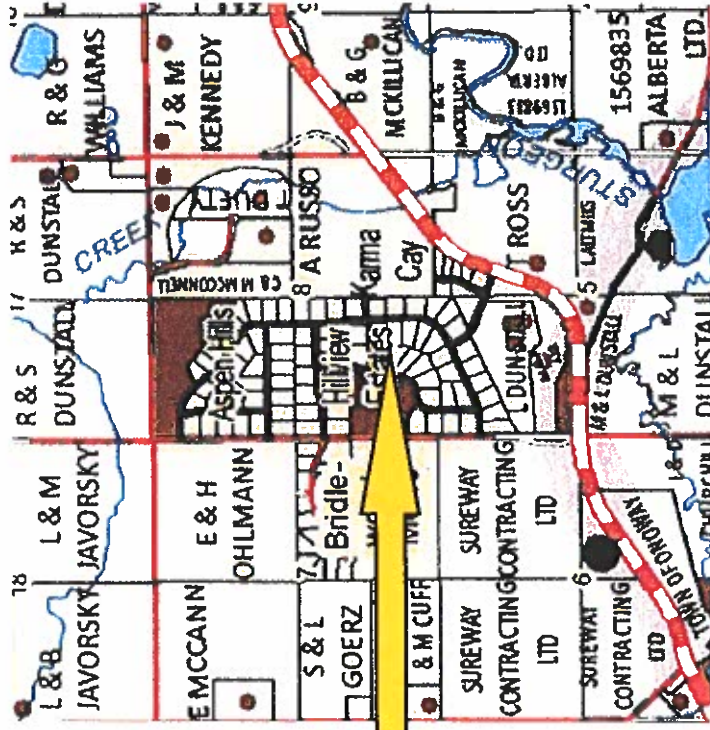
Registered Landowner Signature

Date of Application

(12)



**LOCATION SKETCH**  
**LAC STE. ANNE COUNTY**  
**DEVELOPMENT PERMIT APPLICATION 193193-20-D0152**



**193193-20-D0152**  
**Hillview Lodge**  
**Lot 20A, Block 4,**  
**Plan 8020791**

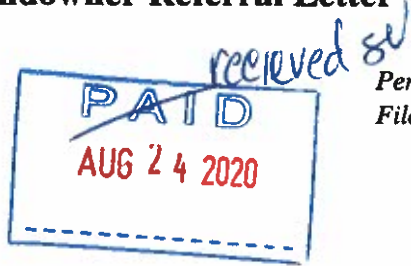


Adjacent Landowner Referral Letter

Date: August 20, 2020

To: TOWN OF ONOWAY  
PO BOX 540  
ONOWAY, AB T0E 1V0

Re: Adjacent Landowner Referral



Permit Number: 193193-20-D0144  
File Number: 5403122029

Dear Sir or Madam (adjacent landowner):

Please be advised that a Discretionary Development Permit Application for **Home Based Business (Major) purchase and resale of used vehicles** under application #193193-20-D0144 has been received and as an adjacent landowner who may be affected, you are being notified in accordance with the County's Land Use Bylaw regarding the below noted property:

As an adjacent landowner you are hereby given notice of the above noted development on the following land:

Property Address	Long Legal	Lot, Block, Plan
300, 54126 RGE RD 30	SE 12-54-3 W5	89 6 7920624 Golden Glen Estates

This is your opportunity to provide comments to Lac Ste. Anne County. Be advised that all comments received are recorded as public information once presented to the Development Authority. All comments must be received within three (3) weeks from the date of this referral letter. Should you wish to review the Development Permit application in more detail, the application and supporting information is available and supporting information is available at the County Planning and Development Department during normal business hours.

If you have any questions or concerns regarding the Development Permit application, please contact the Department to make an appointment to review the application at (780)785-3411.

Yours truly,

Tanya Vanderwell, Development Officer  
Planning & Development Department  
Lac Ste. Anne County

Encl: Application

The personal information provided as part of this application is collected under Sections 303 and 295 of the Municipal Government Act and in accordance with Section 32(c) of the Freedom of Information and Protection of Privacy Act. The information is required and will be used for issuing permits, Land Use Bylaw enforcement and property assessment purposes. The name of the permit holder and the nature of the permit are available to the public upon request.

If you have any questions about the collection or use of the personal information provided, please contact Lac Ste. Anne County FOIP Coordinator at Box 219, Sangudo, AB T0E 2A0 or phone 1-866-880-5722 or (780) 785-3411.

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# Commercial/Industrial/Home Based Development Permit

LAC STE. ANNE COUNTY



\*Please note that by providing your email address as part of this application you are hereby consenting to receiving correspondence electronically in relation to this application.

Incomplete Applications will not be accepted. If an incomplete application is submitted by mail the application will be sent back for further information.

I hereby make application for a Development Permit in accordance with the plans and supporting information submitted herewith.


### Planning & Development

<b>Office Use Only</b>	
Permit#	<u>20-20144</u>
Roll#	<u>5403122029</u>
Receipt#	<u>322127</u>

**BUSINESS OPERATING NAME INFORMATION**  
 Business Operating Name: 2081770 AB LTD

**LANDOWNER INFORMATION**  
 Registered Owner: Jesse Divk + Tina Kelgouris

**This information has been redacted as per the Freedom of Information and Protection of Privacy Act (FOIP Act)**



**LEGAL BUSINESS NAME INFORMATION**  
 Legal Business Name: 2081770 AB LTD  
 Mailing Address: Site 305 Comp 64 RR 3 City: Onaway Postal Code: T0E1V0  
 Phone: 6393661234 Email: JesseDivk@gmail.com Website: N/A

**LAND INFORMATION**  
 Lot: 89 Block: 6 Plan: 7920624 Subdivision/Hamlet: Golden Glen estates  
 Rural Address: #300 54126 Range road 30 Division:  01  02  03  04  05  06  07  
 Quarter: SE Section: 12 Township: 54 Range: 3 West of 5th Meridian  
 Existing Use of Land: Existing county Residential (CRX) Parcel Size: 3.02 (Acres/Ha)  
 Zoning: Zone 70

### PROPOSED DEVELOPMENT

- Commercial
- Intensive Livestock Operation
- (Major) Home Business
- Industrial
- (Minor) Home Business
- Other

Existing Building and Present Use: Modular home with detached garage. Currently used as primary residence.

Estimated Cost of Project: \_\_\_\_\_ Start Date: Aug 1/2020 Estimated Completion Date: \_\_\_\_\_

**RECEIVED**  
 2018.02.09  
 JUL 15 2020  
 Planning & Development

15



# Commercial/Industrial/Home Based Development Permit

Planning & Development

**PLEASE NOTE:**

Developmental changes such as structural size, material quality, and completion of progressive homes under construction are just some factors that affect the market value and will cause assessments to increase. If this applies to your property, you may want to make higher monthly payments earlier in the year to accommodate for potential tax increases on your next tax notice.

Any development permit application for construction of an accessory building prior to the construction of the main building or use (residence) becomes a discretionary permit application. Therefore the application must be presented to Municipal Planning Commission (MPC) for approval. A detailed description of the building and use must accompany the permit application. The processing time for discretionary permit applications can be up to 40 days unless an extension is issued.

**IS THE DEVELOPMENT WITHIN 1/2 MILE OF ANY OF THE FOLLOWING (Answer YES or NO):**

- 1. Is the subject property near a steep slope (exceeding 15%)? Yes  No
- 2. Is the subject property within 0.5 mile (0.8km) or bounded by a body of water (river, stream, watercourse, lake or other permanent body of water, or a canal, or a drainage ditch)?  
If YES, State its name \_\_\_\_\_ Yes  No
- 3. Is the subject property within 0.5 mile (0.8km) of the right-of-way of a highway?  
If YES, the Highway No. is \_\_\_\_\_ Yes  No
- 4. Is the subject property within 0.5 mile (0.8km) of a Sour Gas facility? Yes  No
- 5. Is the subject property within 0.5 mile (0.8km) of a Pipeline? Yes  No
- 6. Is the subject property within 0.5 mile (0.8km) of an Oil facility? Yes  No
- 7. Is the subject property within 0.5 mile (0.8km) of land that is or has been used as a municipal landfill for the disposal of garbage or refuse? Yes  No
- 8. Is the subject property within 0.5 mile (0.8km) of land that is or has been used as a municipal sewage treatment facility or sewage lagoon? Yes  No
- 9. Has the land had a history of flooding? Yes  No
- 10. Is the subject property immediately adjacent to the municipal boundary?  
If YES, the adjoining municipality is \_\_\_\_\_ Yes  No

**Effective November 1<sup>st</sup>, 2012:**

**REGULATORY REQUIREMENTS FOR SURFACE DEVELOPMENT IN PROXIMITY TO ABANDONED WELLS**

New Buildings larger than 47 sq. m. (500 sq. ft.) and Additions to Buildings that will as a result of the Addition become larger than 47 sq. m. (500 sq. ft.) must include documentation from the Energy Resources Conservation Board (ERCB) with this application.

1. Obtain the information from ERCB's Abandoned Well Viewer available on the ERCB Website [www.aer.ca](http://www.aer.ca)

2. Abandoned Well Information Included:  YES or  NO, If No Why Not: N/A

If an abandoned gas or oil well is identified on the land that is subject (the quarter section) of the proposed development, the applicant must include a map that shows the actual well location, as identified in the field, and the setback established in ERCB Directive 079 in relation to existing or proposed building sites.

To obtain clarification about the Information provided by the Abandoned Well Viewer, or if you do not have internet access, contact ERCB Customer Contact Centre by Telephone at 1-855-297-8311 or by email at [inquires@aer.ca](mailto:inquires@aer.ca) or contact Information Services by mail at ERCB, Suite 1000, 250 - 5 Street SW, Calgary, AB T2P 0R4

Box 219, Sangudo AB T0E 2A0

T 780.785.3411 TF 1.866.880.5722 F 780.785.2985 ■ [Devassistant@LSAC.ca](mailto:Devassistant@LSAC.ca) [www.LSAC.ca](http://www.LSAC.ca)

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# Commercial/Industrial/Home Based Development Permit

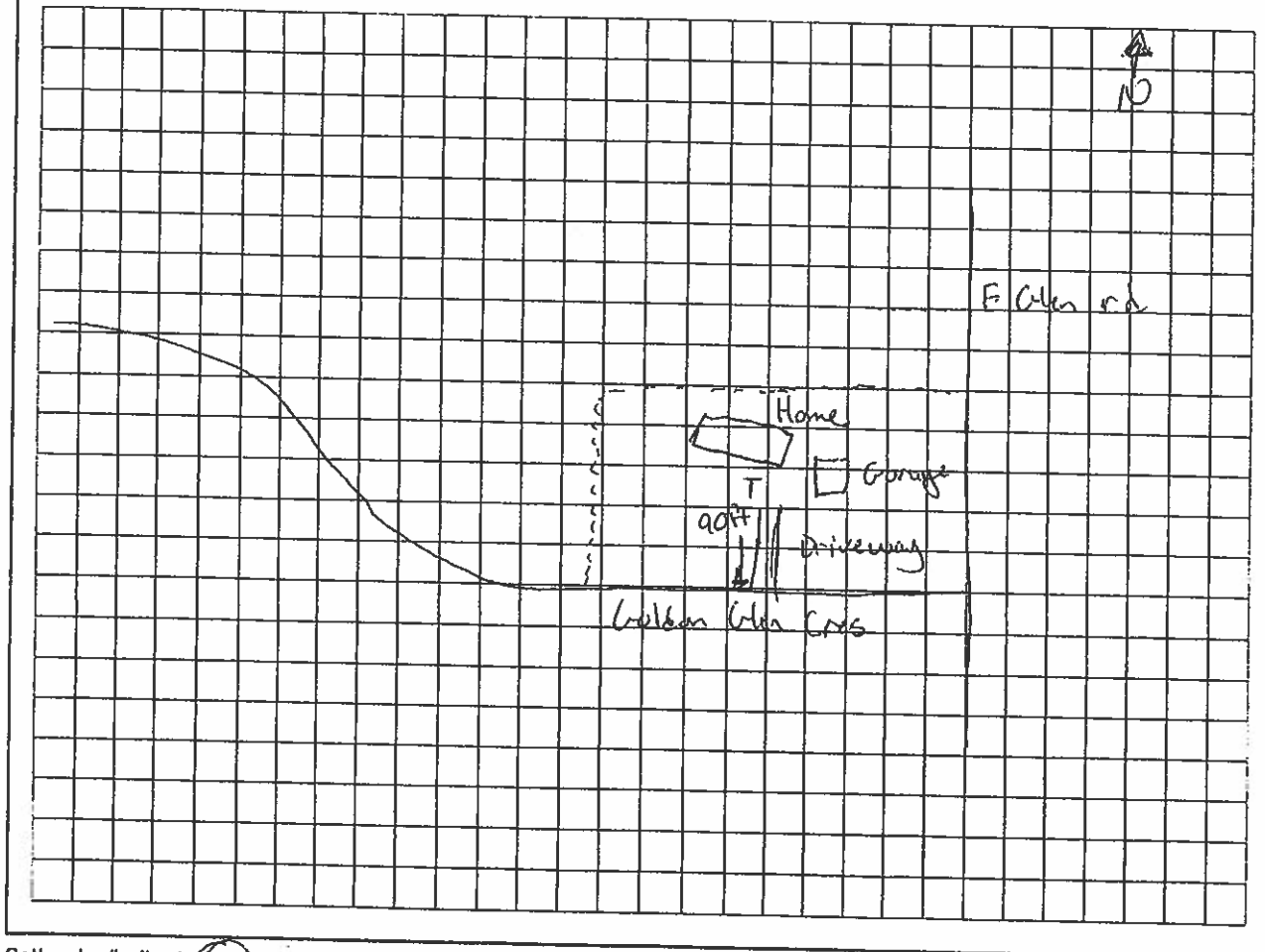
Planning & Development

THE FOLLOWING MUST BE INCLUDED ON YOUR SKETCH:



- NORTH indicated on sketch
- Dimensions of proposed building(s)
- Location of all structures on property (existing & proposed)
- Proposed Locations of Power Poles
- Show any pipeline crossing the property
- Public roads servicing the property
- Show the location of access to your property (approach) \*\*\*Your FRONT Yard Setback is the location of entrance (driveway) from a local road\*\*\*

Draw your site sketch in the grid below – All setbacks from proposed buildings to property lines **MUST** be included.  
Please include a legend.



Setbacks (Indicate feet or meters): North \_\_\_\_\_ South 90ft East \_\_\_\_\_ West \_\_\_\_\_  
Quarter: \_\_\_\_\_ Section: 12 Township: 54 Range: 3 West of 5th M

Please include a brief description of the property including any water bodies and steep embankments: Small hill/ elevation North of the house extends east almost to the edge of the lot.

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# Commercial/Industrial/Home Based Development Permit

Planning & Development

1. Describe the nature of the business Purchase and resale of used vehicles
2. What building(s) will the business be operated from The main home is an office, and the garage for house cleaning supplies
3. Number of people employed 1
4. Hours and days of operation TBD
5. Vehicles associated with the business (include type and size) 1 4 dr Sedan, potential to add a truck later.
6. Advertising details (signs) None.
7. Number of expected customers/clients (day/week/month/year) 6-10
8. Indicate where storage of materials associated with the business will be stored Vehicles waiting to be sold stored in driveway. Tools/materials stored in garage.
9. Additional information/comments Likely no more than 2 vehicles awaiting sale at a time
10. I Jesse Dvdt hereby authorize Lac Ste. Anne County to post business information (Name of Company, Contact #, Website address (if available)) on Lac Ste. Anne County's Website.

This document has been prepared at the direction of the President and Principals of P&D.



Applicant(s) Signature

July 14 / 2020  
Date of Application

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# Commercial/Industrial/Home Based Development Permit

Planning & Development

I hereby make application for a Commercial/Industrial/Home Based Business Permit in accordance with the plans and supporting information submitted herewith.

I authorize the Staff of Lac Ste. Anne County and other agencies as designated in Section 653(2) of the Municipal Government Act, R.S.A. 2000, to enter my land for the purpose of conducting a site inspection to confirm existing site conditions in relation to compliance with existing bylaws and in connection with my business license application. The personal information provided will be used to process the business license application and is collected under the authority of Section 642 of the Municipal Government Act. Personal information you provide may be recorded in the minutes of the Municipal Planning Commission, or otherwise made public pursuant to the provisions of the Freedom of Information and Protection of Privacy (FOIP) Act, including Section 39 through 42 therein. If you have any questions about the collection and use of this information, please contact the Lac Ste. Anne County FOIP Coordinator at 1-866-880-5722 56521, RGE RD 65, Lac Ste. Anne County, Box 219, Sangudo, AB T0E 2A0.

Any documentation/information (including personal information) required for processing an application may become public once submitted to Municipal Planning Commission (MPC) or the Development Authority for review and processing.

*[Handwritten mark]*

Applicant(s) Signature

Landowner(s) Signature

July 14 / 2020

Date of Application

### MULTIPLE LANDOWNERS

I, \_\_\_\_\_  
I, \_\_\_\_\_  
I, \_\_\_\_\_  
I, \_\_\_\_\_

THAT I AM THE REGISTERED OWNER July 14 / 2020

THAT I AM THE REGISTERED OWNER July August 17, 2020

THAT I AM THE REGISTERED OWNER \_\_\_\_\_

THAT I AM THE REGISTERED OWNER \_\_\_\_\_

### AUTHORIZATION FORM (Agent acting on behalf of registered owner)

I, (We), \_\_\_\_\_, being the registered owner(s) of \_\_\_\_\_, do hereby authorize \_\_\_\_\_, to make application for development on the above mentioned property.

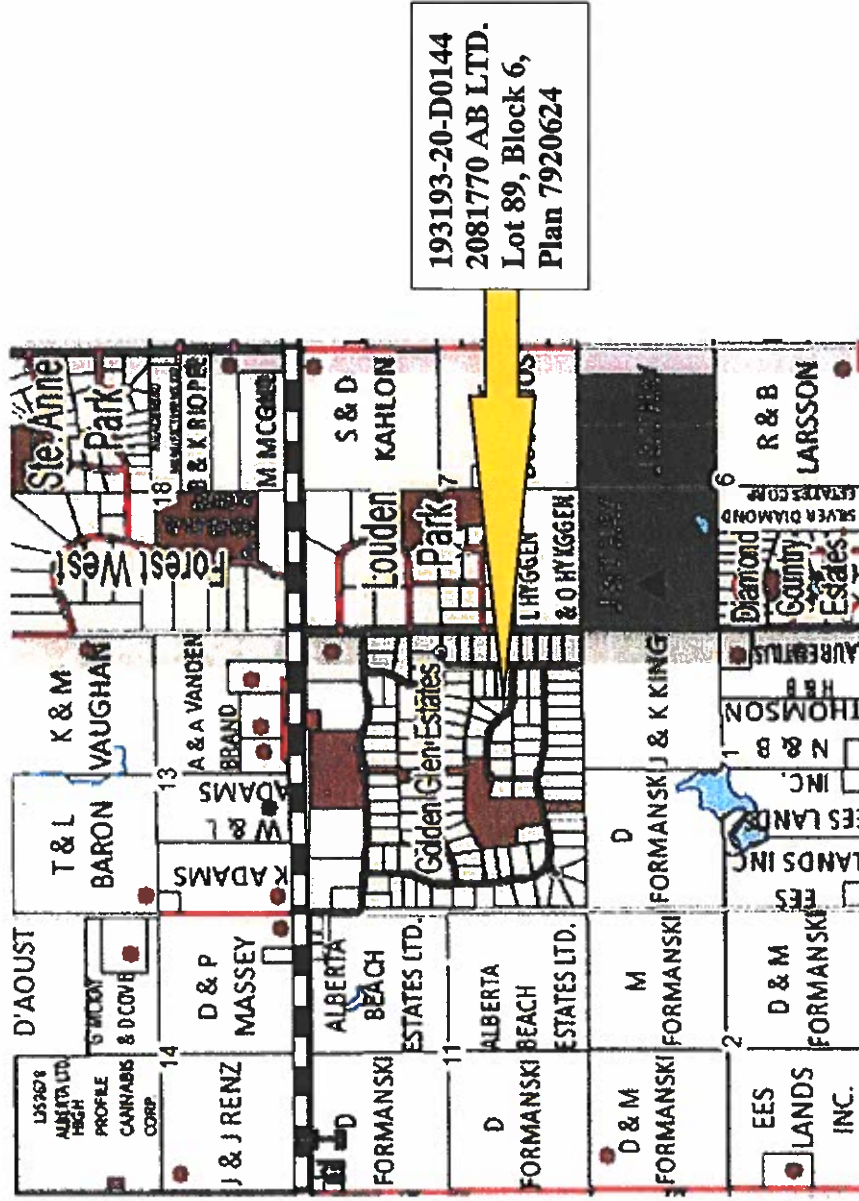
Registered Landowner Signature

Registered Landowner Signature

Date of Application

(19)

LOCATION SKETCH  
 LAC STE. ANNE COUNTY  
 DEVELOPMENT PERMIT APPLICATION 193193-20-D0144





August 25, 2020

Town of Onoway  
PO Box 540  
Onoway, AB  
T0E 1V0



**Attention:** Wendy Wildman / Chief Administrative Officer

**RE:** ATCO Gas and Pipelines Ltd. Franchise Agreement Clause 5

Pursuant to Clause 5 of our franchise agreement, the municipality has the ability to change the franchise fee percentage in 2021; this request must be received by ATCO Gas in writing prior to November 1<sup>st</sup>. If you are considering changing the franchise fee in 2021, please contact us as soon as possible to begin the process.

As you are aware, ATCO Gas pays the Town of Onoway a franchise fee. The franchise fee is collected from customers in the community based on a percentage of our Delivery Tariff. In the Town of Onoway, this percentage is 7.50%.

In 2019, our Delivery Tariff revenue in the Town of Onoway was \$343,100. Our forecast Delivery Tariff revenue for 2021 is \$383,894. Therefore, based on the current franchise fee percentage, the forecast 2021 franchise fee revenue would be \$28,792.

We trust you will find this information useful, and, if you have any questions or require anything further, please do not hesitate to contact me at (780) 420-3806 or Paul.Delano@atco.com.

Yours truly,

A handwritten signature in black ink, appearing to read "Paul Delano".

**Paul Delano**  
**Manager, Edmonton**  
**ATCO Natural Gas Division**

2020 budget rev - \$23,000<sup>00</sup>

For Release Time  
Date August 28<sup>th</sup>, 2020

## **Onoway Public Library Announces Availability of Non-Medical Masks**

*Public Libraries supporting community*

**Onoway, August 28, 2020** – Today, the Onoway Public Library announced immediate availability of disposable, non-medical masks, for community use.

“These masks are part of the Masks for Albertans program,” said Kelly Huxley, Library Manager, “and coordinated by Alberta Municipal Affairs Public Library Services Branch.”

Disposable, non-medical masks have been made available to Albertans through other locations, including the drive-thru at select restaurants. However, Kelly Huxley pointed out that not everyone in the community is able to access this program because of lack of transportation, distance or other reasons.

“As we were preparing our re-opening plans, we realized that access to personal protective equipment in the community could be a barrier for many residents. Even though there are other distribution points, they aren’t always accessible to everyone. Public libraries are a community resource and community gathering space. We are easily accessible to members of the community and we are committed to reducing barriers to information and resources in our community. By supplying masks, we are supporting community access to a tool that, currently, assists in preventing the spread of COVID-19.”

Onoway Public Library received 1500 masks for distribution. The masks may be used in the library and packages of 10 are available for community members to take away. The masks are available at the library located in the Onoway Heritage Center 4708 Lac Ste. Anne Trail. The library currently remains closed to the public; however, staff are on site Tuesday – Friday 10:30 – 4:30 and everyone is welcome to stop by to pick up some masks.

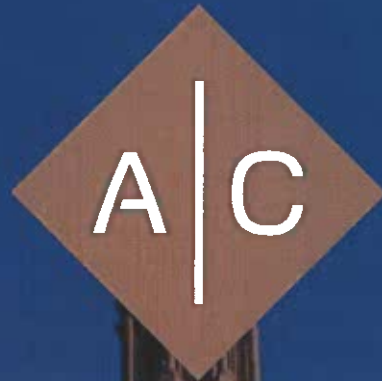
Established in 1973, the Onoway Public Library is committed to providing resources and information to the community.

##

For more information: Onoway Public Library, 780-967-2445 or email: [onowaylibrary@yrl.ab.ca](mailto:onowaylibrary@yrl.ab.ca)

For information on Onoway Public Library and programs/services: [www.onowaylibrary.ab.ca](http://www.onowaylibrary.ab.ca) or find us on Facebook @onowaypubliclibrary.

Go to <https://www.alberta.ca/masks.aspx#toc-0> for Masks for Albertans program information.



ALBERTA COUNSEL

# 2020 Fiscal Update Analysis

August 27, 2020

## Fiscal Update Overview

Throughout the duration of the COVID-19 pandemic, Premier Jason Kenney has warned Albertans that the province would be facing a deficit unlike anything we have seen in our history. People were instructed to prepare for a deficit “north of \$20 billion” as recently as this week’s cabinet shuffle. Finance Minister Travis Toews revealed that the province is facing down a \$24.159 billion deficit, a whopping \$16.849 billion greater than budgeted in the 2020-23 budget which was released on February 27<sup>th</sup>. To read the fiscal update in its entirety, you can access the document through the [Government of Alberta Open Data website](#).

On the whole, revenues have dropped drastically while expenses have gone through the roof. The vast majority of revenue losses can be attributed to lower personal and corporate income taxes as well as a \$3.866 billion loss of non-renewable resource revenue (as attributed to the OPEC+ price war and subsequent price crash). In sum, Alberta has lost \$11.547 billion in revenue while expenses have increased by \$5.302 billion. Capital grants and investments have increased by \$1.431 billion above what was projected in the last budget. Capital Plan financing has increased by \$1.431 billion over Budget 2020-23 numbers.

The province has updated the projected West Texas Intermediate (WTI) pricing to reflect the current climate. The UCP say that the price of oil has had an average cost of \$31/bbm but forecasts that the price will average at \$35.60USD. Bitumen royalty revenues are anticipated to drop by \$2.5 billion. A significant drop from the budgeted \$58/bbm forecasted in the 2020-23 budget. Not only did the price of oil drop, curtailment and a gargantuan decline in demand resulted in a more than 700,000 per day decline in production. This is not expected to recover until after 2021.

One interesting observation we have is related to Gross Domestic Product (GDP). This week, the Conference Board of Canada projected that Alberta’s GDP is expected to contract by 11.3%. However, the province’s numbers represent a contrary opinion by suggesting we are facing an 8.8% contraction. Net debt to GDP is expected to sit at 22%. As expected, a contributing factor has been a reduction in spending by Albertans due to the shutdown of many businesses in addition to job losses and lack of interprovincial and international tourism coming to Alberta. While the Premier at one time estimated that we could experience a 25% unemployment rate, the province now forecasts a much less severe outcome with a forecasted 11.6% average. These numbers are expected to improve next year but again, will not recover fully until after 2021.

Financial supports related to the COVID-19 pandemic have been a significant focus since we began to respond to the crisis earlier this year. While the vast majority of supports Alberta received had come from the federal government, the province spent large sums as well in addition to various other supports such as utility deferrals. \$500 million was added to the health budget, more than \$100 million had been spent on the emergency income support measure as the Canada Emergency Response Benefit (CERB) kicked in April, and other business supports. In the fiscal update, the province accurately highlights that many of the federal supports will expire at the end of this calendar year. To support Albertans, the province’s plan is to “create a competitive business environment and increase capital spending”. The province is expecting nearly \$10 billion in various federal transfers.

When reading the fiscal update, it is important to note how the government provided charts read differently in different sections. For example, the Fiscal Plan Summary compares the 2020-21 budget projections to current forecasts while the Balance Sheet of assets and liabilities section compares current forecasts to 2020 Actuals. For example, the government suggests the Heritage Savings Trust Fund is up a net \$207 million; however, current forecasts suggest we are \$241 million below Budget projections for 2020-21. While what they are saying about net increases is true, it is a factor that ought to be kept in mind when reading the fiscal update. Poor financial markets are responsible for the \$1.1 billion loss of investment revenue the province experienced recently.

Taxpayer supported debt has also reached atmospheric levels. The fiscal update projects a \$99.580 billion cloud hanging over the heads of Albertans, representing an increase of \$15.908 billion increase from budget projections. In total, the province is staring down \$142.033 billion in liabilities while we only hold \$75.158 billion in assets (down \$2.522 billion). Net, Alberta is in the red when offsetting capital is included in calculating net assets. \$12.733 billion in the red, to be exact.

Ministerial operating expenses have increased by a net \$87 million before COVID-19 supports are included in calculations (total operating expenses are forecasted to be \$2.608 billion more than what was budgeted for this year). Key increases to ministerial expenses can be found in Advanced Education, Health, and Transportation (pre-COVID-19). Post-pandemic, over \$3 billion in operating costs were accrued in Community and Social Services; Economic Development, Trade and Tourism (now Jobs, Economy and Innovation); Energy, Environment and Parks; Health; Labour and Immigration; and Municipal affairs. Eight other ministries accounted for \$170 million of those dollars.

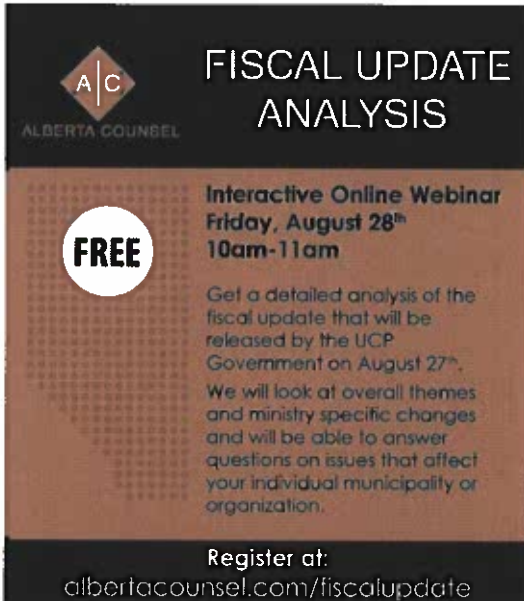
### Summary


Today's release of the fiscal update seems to confirm many of the warnings that have been issued by the UCP government from the onset of the COVID-19 economic shutdown. While the economy did not completely stop, the cumulative impact of job losses, collapse of global oil prices, and expenses related to the pandemic have resulted in Alberta having to navigate its way out of an astronomical deficit for many years to come.

As explained above, there are many key areas of our economy and society that are not expected to return to pre-pandemic levels until some time after 2021. The province has committed to releasing a new three-year plan in the fall session prior to the February release of the next budget.

You likely have many questions after reading the government's fiscal update. While this summary is able to outline many of the key points that will be important to you and your organization, you may still have specific questions which need answers.

Alberta Counsel will be hosting a free-of-charge Fiscal Update webinar tomorrow morning at 10AM where we will go over this summary and also go more in depth into the issues that are important to you and your organization. To register, simply visit [albertacounsel.com/fiscalupdate](http://albertacounsel.com/fiscalupdate) in order to sign up. You will receive an email with instructions on how to participate after you complete the registration form on our website.



**FISCAL UPDATE ANALYSIS**

**FREE**

**Interactive Online Webinar**  
**Friday, August 28<sup>th</sup>**  
**10am-11am**

Get a detailed analysis of the fiscal update that will be released by the UCP Government on August 27<sup>th</sup>. We will look at overall themes and ministry specific changes and will be able to answer questions on issues that affect your individual municipality or organization.

Register at:  
[albertacounsel.com/fiscalupdate](http://albertacounsel.com/fiscalupdate)

**Fiscal Plan Summary**

(millions of dollars)

**Income Statement**

	Fiscal Year		Change from Budget	
	2019-20 Actual	2020-21 Budget <sup>a</sup> Forecast		
<b>Revenue</b>				
Income tax revenue	15,351	17,105	12,858	(4,247)
Other tax revenue	5,747	5,782	5,242	(540)
Non-renewable resource revenue	5,937	5,090	1,224	(3,866)
Other revenue	19,189	22,019	19,125	(2,894)
<b>Total Revenue</b>	<b>46,224</b>	<b>49,996</b>	<b>38,449</b>	<b>(11,547)</b>
<b>Expense</b>				
Operating expense	48,616	47,809	47,896	87
Capital grants	1,696	2,302	2,380	78
Amortization / inventory consumption / loss on disposals	3,720	3,857	3,904	47
Taxpayer-supported debt servicing costs	1,783	2,066	2,220	154
Self-supported debt servicing costs	452	439	306	(133)
Pension provisions	(334)	(415)	(389)	26
<b>Expense (excl. COVID-19 / Recov. Plan, contingency, crude-by-rail)</b>	<b>55,936</b>	<b>56,056</b>	<b>56,317</b>	<b>261</b>
COVID-19 / Recovery Plan:				
Operating expense	218	500	3,021	2,521
Capital grants (municipal)	-	-	638	638
Inventory consumption (PPE)	-	-	632	632
Disaster and emergency assistance - allocated	1,356	-	491	491
Contingency / disaster and emergency assistance - unallocated	-	750	259	(491)
Crude-by-rail provision	866	-	1,250	1,250
<b>Total Expense</b>	<b>58,376</b>	<b>57,306</b>	<b>62,608</b>	<b>5,302</b>
<b>Surplus / (Deficit)</b>	<b>(12,152)</b>	<b>(7,310)</b>	<b>(24,159)</b>	<b>(16,849)</b>
<b>Capital Plan</b>				
Capital grants	1,696	2,302	3,018	716
Capital investment	3,868	4,687	5,401	714
<b>Total Capital Plan</b>	<b>5,564</b>	<b>6,989</b>	<b>8,420</b>	<b>1,431</b>

<sup>a</sup> Budget 2020-21 numbers have been restated to reverse reporting C-FER Technologies as a government business enterprise (GBE), adding \$17 million to expense (\$16 million operating, \$1 million amortization) and \$17 million to revenue (\$16 million miscellaneous, \$1 million GBE) of Economic Development, Trade and Tourism. Budget 2020 was also adjusted to add \$500 million to Health Ministry voted expense, prior to Royal Assent, for the COVID-19 pandemic.

(Source: Alberta 2020-21 Q1 Fiscal Update)

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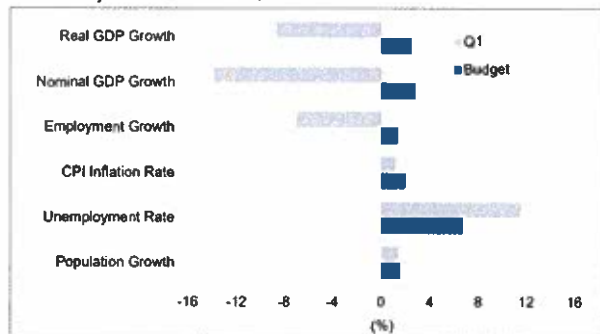
**Balance Sheet Summary**  
(millions of dollars)

	At March 31			Change from 2020
	2020 Actual	2021 Budget <sup>a</sup>	2021 Forecast	
<b>Financial Assets</b>				
Heritage Fund, endowment and other funds	20,670	21,118	20,877	207
Self-supporting lending organizations	22,075	23,046	22,296	221
Equity in commercial enterprises	1,105	1,258	519	(586)
Other financial assets (includes SUCH sector / cash reserves)	32,531	32,258	31,466	(1,065)
<b>Total Financial Assets</b>	<b>76,381</b>	<b>77,680</b>	<b>75,158</b>	<b>(1,223)</b>
<b>Liabilities</b>				
<u>Taxpayer-supported debt:</u>				
Liabilities for capital projects (direct borrowing / public-private partnerships - P3s)	37,207	41,461	42,785	5,578
Debt issued to reduce pre-1992 Teachers' Pension Plan unfunded liability	594	594	594	-
Direct borrowing for the Fiscal Plan	33,608	38,884	52,201	18,593
Other debt	2,733	2,733	4,000	1,267
<b>Total taxpayer-supported debt</b>	<b>74,142</b>	<b>83,672</b>	<b>99,580</b>	<b>25,438</b>
<u>Self-supporting lending organization debt:</u>				
Alberta Capital Finance Authority	15,640	15,829	15,440	(200)
Agriculture Financial Services Corporation	2,426	2,776	2,847	421
<b>Total taxpayer and self-supported debt</b>	<b>92,208</b>	<b>102,277</b>	<b>117,867</b>	<b>25,659</b>
Other liabilities (includes SUCH sector)	15,399	15,492	15,637	238
Pension liabilities	8,918	8,503	8,529	(389)
<b>Total Liabilities</b>	<b>116,525</b>	<b>126,272</b>	<b>142,033</b>	<b>25,508</b>
<b>Net Financial Assets / (Debt)</b>	<b>(40,144)</b>	<b>(48,592)</b>	<b>(66,875)</b>	<b>(26,731)</b>
Capital / other non-financial assets	54,801	56,068	57,477	2,676
Spent deferred capital contributions	(3,231)	(3,360)	(3,335)	(104)
<b>Net Assets</b>	<b>11,426</b>	<b>4,116</b>	<b>(12,733)</b>	<b>(24,159)</b>
<b>Change in Net Assets (before adjustments)</b>	<b>(12,152)</b>	<b>(7,310)</b>	<b>(24,159)</b>	

<sup>a</sup> Budget numbers have been restated to reflect 2019-20 Actual results.

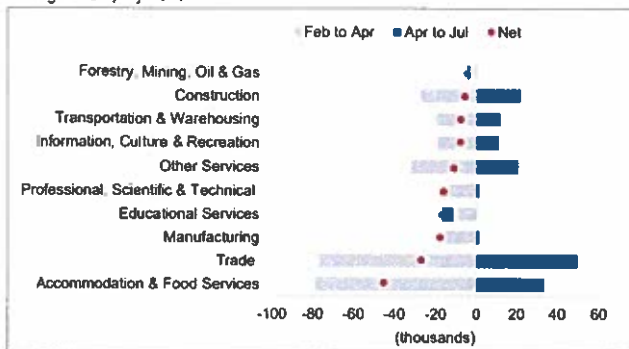
(Source: Alberta 2020-21 Q1 Fiscal Update)

**Chart 1: Outlook has changed dramatically since Budget 2020**  
Selected Key Economic Indicators, 2020

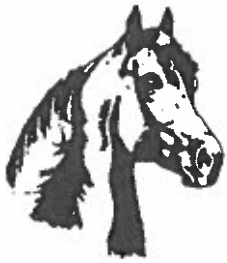


Source: Alberta Treasury Board and Finance

**Chart 2: Strong rebound in hardest hit industries**  
Change in employment



Source: Statistics Canada



# Darwell & District Agricultural Society

SUMMER FAIR  
Since 1944

General Delivery, Darwell, Alberta T0E 0L0



Dear participants, competitors, vendors

The Darwell & District Agricultural Society would like to thank you for all the continuing support and sponsorship through the years. We hope that we can work with you and you continue to support us in the upcoming future. Unfortunately due to the ongoing Covid-19 Pandemic and the restrictions of large gatherings the Darwell Ag Society has been forced to cancel our 2020 Barnburner, tractor pull and fair. Our decision was a very hard one to make and we hung in there as long as we could and for the best interest of the health and safety of the public and volunteers we have had to cancel our events for the 2020 season and will prepare and be bigger and better for the 2021 season. We wish you the best and a healthy and safe summer and look forward to seeing you in 2021.

Thank You very much.

Tyler Gach  
President  
Darwell & District Agricultural Society



----- Original Message -----

Subject: Infrastructure Funding for Yellowhead Riding

From: "Gasparini, Jeannette (Soroka, Gerald - MP)"

<[jeannette.gasparini.734@parl.gc.ca](mailto:jeannette.gasparini.734@parl.gc.ca)>

Date: Wed, August 26, 2020 8:39 am

To: "Drain, Nicholas (Soroka, Gerald - MP)"

<[nicholas.drain.734@parl.gc.ca](mailto:nicholas.drain.734@parl.gc.ca)>

Cc: "Drain, Nicholas (Soroka, Gerald - MP)"

<[nicholas.drain.734@parl.gc.ca](mailto:nicholas.drain.734@parl.gc.ca)>

Good morning,

Please see attached from MP Soroka.

Take care.

Sincerely,  
Jeannette



**Gerald Soroka, MP  
Yellowhead**

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**August 25th, 2020**

**Infrastructure Canada Announces Federal Grants in the Riding of Yellowhead**

OTTAWA: Member of Parliament for Yellowhead, Gerald Soroka is pleased to inform constituents that Infrastructure Canada has announced \$97,117,480 in infrastructure grants within the riding of Yellowhead. These investments will create jobs and help the economy grow and recover from COVID. See below for a breakdown of the grants.

Location	Project Name	Federal Funding
Drayton Valley	Sewage Lagoon (Cell No. 6) Replacement Project	\$1,700,000
Drayton Valley	Net Zero Aquatic Facility	\$7,584,956
Edson; Yellowhead County	Recreational Multi- Use Facility	\$20,000,000
Jasper	Recreation Facilities Renovation and Upgrade	\$3,664,584
Lac Ste. Anne County	Darwell Wastewater Transition Line Phase B	\$4,720,000
Rocky Mountain House	Regional Wastewater Treatment Facility	\$10,889,200



FYI

COMMUNITY SERVICES

received  
Aug 24/20

August 17, 2020

Town of Onoway  
Box 540  
Onoway, AB T0E 1V0

**Re: Parkland County Emergency Communications Fire Dispatch Rate Increase**

After budgeting considerations and review of operational costs, Parkland County Emergency Communication Center will be raising the 2021 dispatch rates following the Municipal Price Index of 2.74%.

Please accept this letter as notice that effective April 1, 2021 our rates will increase to \$2.08 per capita based on the most recent census reported to Alberta Municipal Affairs.

Thank you for understanding that this price increase means that we can continue to maintain the superior standard of dispatch.

Should you have any questions regarding our services, or the rate increase please contact Karen Clark, Manager of the ECC at 780-968-8310.

Yours truly,

A handwritten signature in black ink, appearing to read "K. Clark", written over a white background.

Karen Clark  
Manager, Emergency Communications Centre

Ph: 780-968-8310

Email: [karen.clark@parklandcounty.com](mailto:karen.clark@parklandcounty.com)

cc: Brian Cornforth, Fire Chief

(31)

**debbie@onoway.ca**

---

**From:** cao@onoway.ca  
**Sent:** August 22, 2020 8:58 AM  
**To:** debbie@onoway.ca  
**Subject:** FW: IMPORTANT: Province of Alberta Assessment Model Review Toolkit  
**Attachments:** AUMA Assessment Model Review Report - August 21-2020.pdf; AUMA Letter Template to MLA on AMR.docx; AMR Two-Page Summary.pdf; AMR Key messages.pdf

Info for next agenda,

**Wendy Wildman**  
CAO  
Town of Onoway  
Box 540  
Onoway, AB. T0E 1V0  
780-967-5338 Fax: 780-967-3226  
[cao@onoway.ca](mailto:cao@onoway.ca)

**NOTE EMAIL CONTACT INFORMATION HAS CHANGED TO:** [cao@onoway.ca](mailto:cao@onoway.ca)

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**From:** President <President@auma.ca>  
**Sent:** August 21, 2020 3:03 PM  
**Subject:** IMPORTANT: Province of Alberta Assessment Model Review Toolkit

Dear Mayors and CAOs:

As I'm sure you are now aware, the province initiated a review process on the [Assessment Model for wells and pipelines](#) in January 2020, which has been jointly led by the Ministry of Municipal Affairs and the Associate Ministry of Natural Gas and Electricity. Over a six-month period, four meetings were attended by three AUMA representatives, four RMA representatives, and representatives from four industry associations.

The process was embargoed until late July, at which time AUMA and RMA, and their members, started speaking out about their concerns with the proposed model changes. AUMA held [an online session for members via Zoom on August 14](#) to provide some background on the review and the impacts to municipalities and to engage members in a discussion about their questions and concerns.

In follow up to AUMA's [August 14 online session](#), we are providing a package of documents to assist you in better understanding the review; communicating with residents, your Council and staff; and, providing your feedback to MLAs and ministers. Attached are four (4) documents:

1. Document 1 – Assessment Model Review Report – AUMA webinar presentation.

- This presentation was delivered virtually by AUMA on August 14<sup>th</sup>. The attached includes the presentations speaking notes, which should provide the reader with fulsome knowledge of the Assessment model review. It very much reads as Report.
2. Document 2 - Sample letter to an MLA.
  3. Document 3 – Two-page summary that briefly explains the Assessment Model Review, the impacts to municipalities and other potential solutions; and
  4. Document 4 - Key messages document to use when discussing the Assessment Model Review and the impacts to municipalities with residents, media, MLAs, ministers, etc.

These tools are intended to assist you in communicating about the Assessment Model Review, however we encourage you to personalize your letters to MLAs or ministers and highlight the impacts that are of most concern to your Council and community.

Thank you for supporting your residents, your neighbours, and all Alberta municipalities by speaking out about the impacts of the proposed changes to the Assessment Model Review for wells and pipelines.

If you would like to discuss this matter with me directly, please feel free to contact me by email at [president@auma.ca](mailto:president@auma.ca) or on my cell phone at (403) 363-9224.

Sincerely,

**Barry Morishita** | President  
Mayor, City of Brooks

---

C: 403.363.9224 | [president@auma.ca](mailto:president@auma.ca)

Alberta Municipal Place | 300 8616-51 Ave Edmonton, AB T6E 6E6

Toll Free: 310-AUMA | [www.auma.ca](http://www.auma.ca)



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[REDACTED], 2020

FIRST LAST  
RIDING

Via email: EMAIL ADDRESS

Dear MLA [REDACTED],

**Re: Impacts of Assessment Model Changes on Municipalities**

MUNICIPALITY is extremely concerned with and opposed to the proposed changes to the assessment model for regulated properties (i.e. wells and pipelines) that were recently announced. The changes are intended to enhance oil and gas industry competitiveness but will have serious impacts on the residents and businesses of our community.

As your riding includes MUNICIPALITY, we would like to ensure that you are aware of the impacts these changes would have on the ability of many municipalities to provide services and maintain infrastructure, as well as the tax burden such changes may place on other types of property owners. Further, these changes would impact not only individual municipalities but entire regions due to the risks to the sustainability of Intermunicipal Collaboration Frameworks (i.e. cost-sharing agreements) and viability of small communities.

In addition, the assessment model changes would shift a greater proportion of provincial education property taxes onto urban property owners, as a result of the decrease in the assessment base in many rural municipalities. Urban municipalities under 5,000 population will also be responsible for a greater portion of costs under the new police costing model due to the program's link to assessment.

As MLA for RIDING, we rely on you to serve as a provincial government champion for our municipality, our municipal neighbours, and area residents and businesses. Right now, we need your support in urging your government colleagues (particularly the ministers of Municipal Affairs and Energy and the Associate Minister of Natural Gas and Electricity) to reconsider these assessment model changes and work with municipalities to develop a better solution.

MUNICIPALITY, and many others across Alberta, are proud supporters and partners of the oil and gas industry and deserve to be part of a mutually beneficial solution to industry competitiveness, rather than be forced to absorb crippling changes to the assessment model. Please see the attached summary prepared by the Alberta Urban Municipalities Association for further information on this issue.

Sincerely,

[REDACTED], Mayor  
Municipality

cc: Barry Morishita, President, Alberta Urban Municipalities Association



# Assessment Model Review

Webinar and Discussion | August 21, 2020



## Assessment Model Review – Presentation Outline

1. Background and Regulated Assessment Model Overview
2. Review Process and Proposed Changes
3. Analysis of Impacts
4. Shortcomings of Proposed Changes
5. Potential Alternative Solutions
6. Next Steps for AUMA and Members



- This presentation is laid out in sections in order to build up your knowledge of the Assessment Model for Regulated Properties, such as Wells and Pipelines
- explain the changes to the model as being contemplated by the Provincial Government
- identify the impacts of those changes
- the problems with those proposed changes
- Identify alternative solutions
- And lastly, what the next steps are for AUMA and its Members



## Background and Purpose of the Assessment Model Review

- The Government of Alberta states that the goal of the review is to modernize the assessment model for oil and gas properties to enhance industry competitiveness while ensuring municipal viability.
- To-date the review has focused on the following properties:
  - Oil and gas wells and pipelines
  - Machinery and equipment (M&E) associated with well sites and facilities



- As many of you know, the Government of Alberta has been undertaking a review of the assessment model for regulated properties.
- At this time, this review only encompasses oil and gas wells, pipelines, and machinery and equipment that is associated with oil and gas wells and facilities.
- In January of this year, Municipal Affairs and the Associate Ministry of Natural Gas and Electricity initiated a confidential stakeholder engagement process as part of the review.
- During this time, all parties involved in the engagement process, including AUMA, were embargoed from sharing detailed information regarding the review.
- In late July, the parties were informed that the confidential portion of the process was complete, so we are now able to inform you about what the review has entailed to date.
- Earlier this week, we sent emails to all members providing initial details on how the Assessment Model Review could impact your municipality.
- RMA and its members have been very active in addressing the government and MLAs over the past couple of weeks and we expect they will continue their efforts in the coming weeks.
- AUMA has worked closely with RMA during the stakeholder process and is aligned with them on numerous concerns about what the province is proposing; however, we must discuss and solidify the views of AUMA members to ensure that the urban perspective is also heard by the province.
- It is common process for the province to review assessment policy on a regular basis, the current proposals on the table and the scope of engagement on this file are unique.
- The Government of Alberta has stated that the goal of the review is to modernize the assessment model for oil and gas properties to enhance industry competitiveness, while ensuring municipal viability.
- As mentioned, to-date the review has only focused on oil and gas wells, pipelines, and machinery and equipment (M&E) associated with well sites and facilities.
- The following pages provide background on regulated assessment and on the Assessment Model Review.

## Overview of Regulated Assessment

- Some property in Alberta is assessed using regulated rates (versus a market-based system) because the property:
  - Seldom sells in the open market;
  - Crosses one or more municipal boundaries; or
  - Is of a unique nature.
- Regulated property includes farmland, machinery and equipment, and designated industrial property
  - Designated industrial property includes oil and gas wells, pipelines, railways, telecommunications, electric power systems, major industrial plants, and other similar property



- The following, explains how regulated assessment is different from market-based assessment.
- Most residential and commercial properties in Alberta are assessed using a market-based standard, where there is sufficient information available to determine how much that property would sell for on the open market between a willing buyer and seller.
- In contrast, there are other types of property in Alberta that are assessed using regulated rates because the property seldom sells in the open market, or it crosses a municipal boundary, or it has unique features that the province wants to deal with through a regulated assessment model.
- Properties that are assessed using a regulated model include farmland, machinery and equipment, and designated industrial property.
- Designated industrial property includes oil and gas wells, pipelines, railways, telecommunications systems, and electric power systems.
- Major industrial plants such as refineries and lumber mills are also considered designated industrial property.
- While most of these properties could be assessed at full market value by estimating future income to be generated from the property, the province at one point in time felt these properties should be assessed using a regulated approach so that they could achieve certain tax policy goals through adjustments to assessment.

## How is Designated Industrial Property and Machinery and Equipment (M&E) currently assessed?

A. Take the cost to construct the property less any excluded costs.

B. Apply an assessment year modifier to bring the construction costs to current day value.

C. Less depreciation of the property per the provincial government's depreciation schedule policy.

D. Less any additional depreciation to reflect a specific loss in property value.



- The process to assess Designated Industrial Property and M&E is quite complex, but here is a quick break down.
- You start by taking the cost to construct the property and then remove any costs that are excluded under the province's assessment rules.
- Then you apply an assessment year modifier to bring the construction cost to current day value.
- This is similar to a price index and the rates are set each year by the Minister of Municipal Affairs.
- The next step is to calculate the depreciation of the property, which is prescribed in the Minister's Guidelines.
- Lastly, the assessor may deduct additional depreciation to reflect a specific loss in property value.
- Let's now move jump into the details of this current assessment model review.

## Stakeholders involved in the 2020 review

### **Municipal**

- Alberta Urban Municipalities Association
- Rural Municipalities Association

### **Industry**

- Canadian Association of Petroleum Producers
- Canadian Energy Pipeline Association
- Canadian Property Taxpayers Association
- Explorers and Producers Association of Canada



- A Technical Review of the assessment models was previously completed in 2018 and 2019 which focused on the Minister's Guidelines for M&E and wells and pipeline.
- Industry associations were part of that review.
- Certain municipal assessors were also part of the review, but they were told that they could not discuss the review with their municipality or the Alberta Assessors' Association.
- That technical review took about a year and a half, but the recommendations put forth by the committee were never implemented.
- AUMA was aware of the technical review but was not invited to participate in that work.
- Then in January of this year, both AUMA and RMA were invited to participate in a stakeholder engagement process on the assessment model.
- Four industry associations were also represented in the process.
- Again, this work was embargoed, so instead of being able to consult members, AUMA and RMA consulted experts in tax policy and data analysis to support our involvement in the review.

## What is being proposed?

- Four scenarios propose a mix of changes to the assessment of oil and gas wells, pipelines, and associated M&E including:
  - > Change in use of the Construction Cost Report Guide
  - > Increased depreciation rates
  - > Adjustment factor applied to deep horizontal wells, SAGD wells, and/or pipes greater than 10 inches
  - > Change in land assessment value based on the property's state of depreciation
- Depending on the scenario, total loss of municipal tax revenues in the first year could be \$117 million to \$301 million.
- Currently under review by cabinet.



- During this review process, the province developed four scenarios.
- The 4 scenarios developed, were labeled as Scenario A, B, C and D.
- Each scenario proposed various technical changes to the assessment model with the underlying goal of reducing the amount of property tax that the oil and gas industry pays for its property.
- The scenarios propose a mix of changes including:
  1. Changing what types of costs are assessed,
  2. Changing the depreciation rates to reduce the value of assessment,
  3. Introducing adjustment factors for specific types of property such as deep horizontal wells, pipes that are over 10 inches in diameter, and steam assisted gravity drainage wells, or more commonly known as SAGD [SAG-D] wells; and
  4. Changing the land assessment value based on the property's age and where it stands on the depreciation schedule.
- Overall, if any of these scenarios were to be implemented, the total estimated loss in municipal tax revenue in just the first year would be between \$117 million and \$301 million.
- The majority of the loss in assessment is in rural municipalities, but there are impacts on urban municipalities too, which I'll talk about in a couple of minutes.
- We must be clear that AUMA was not involved in designing these scenarios.
- While AUMA and RMA would have liked to come to the table with solutions, and in fact we did bring other solutions forward, we found that our role was limited to questioning the intent and reasonableness of the proposed changes and seeking justification on why the principles of assessment were being violated to achieve specific taxation policy goals.

# Proposals for Assessment of Wells

	Current	Scenario A	Scenario B	Scenario C	Scenario D
Base Costs	Per CCRG	CCRG costs are removed	CCRG costs are removed	CCRG costs are removed	CCRG costs are removed
Depreciation	67% of asset value	Begin at 90% of asset value and reduce to 10% after 16 years	Begin at 75% of asset value and reduce to 10% after 16 years	Begin at 75% of asset value and reduce to 10% after 16 years	Begin at 75% of asset value and reduce to 10% after 16 years
Additional Depreciation	Production	None	None	None	0.10 for zero production
Land Assessment	Rates ranging from 1,766 to 12,792	No change	Reduced to zero when maximum depreciation is reached	Reduced to zero when maximum depreciation is reached	Reduce single pad wells by 70% and multi-pad wells by 88%
Adjustment Factor	None	Factor of 0.65 applied to deep horizontal wells	Factor of 0.65 applied to deep horizontal wells and 0.80 applied to SAGD wells	Factor of 0.65 applied to SAGD wells	Factor of 0.65 applied to SAGD wells

Source: RFA's Assessment Model Review – Outcomes Summary Report, August 2020



- The next three slides provide a high-level overview of some of the proposed changes under each scenario.
- This table shows the proposed changes for the assessment of **Wells**.
- Focusing on Scenario D as it proposes the most significant impact to municipal finances.
- The most notable item is the proposal to change the depreciation schedule.
- Currently, when a new well is built, its value is automatically depreciated to 67% of its construction cost and then it remains at that level for the life of the asset.
- This measure was implemented in the late 80's or early 90's to adjust to an assessment shift and has remained there ever since.
- Scenario D proposes to change the depreciation schedule so that a new well will be assessed at 75% of its asset value at the beginning and then drops by 8 per cent in the first year, and then 4 per cent per year thereafter until year 16 when it reaches the maximum depreciation of 10 per cent of its value.
- Scenario D also proposes to reduce the current land assessment values for single pad wells by 70 per cent and reduce multi-pad wells by 88 per cent.
- The last point to mention is Scenario D proposes to add an adjustment factor that reduces the assessment of a SAGD well by an additional 35 per cent.

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# Proposals for Assessment of Pipelines

	Current	Scenario A	Scenario B	Scenario C	Scenario D
Base Costs	Per CCRG	CCRG costs are removed	CCRG costs are removed	CCRG costs are removed	CCRG costs are removed
Depreciation	67% of asset value	Pipes <10" begin at 90% of asset value and reduce to 10% after 16 years and pipes >10" max after 26 years	Pipes <10" begin at 90% of asset value and reduce to 10% after 16 years and pipes >10" max after 26 years	Pipes <10" begin at 75% of asset value and reduce to 10% after 16 years and pipes >10" max after 26 years	Pipes <10" begin at 75% of asset value and reduce to 10% after 16 years and pipes >10" max after 26 years
Multi line adjustment	Not applicable	0.80 factor applied to pipes >10"	0.80 factor applied to pipes >10"	0.80 factor applied to pipes >10"	0.70 factor applied to pipes >10"
Additional Depreciation	Production	0.95 for CFB Suffield	0.95 for CFB Suffield	0.95 for CFB Suffield	0.95 for CFB Suffield
Land Assessment	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Adjustment Factor	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Age	Not applicable	Updated to reflect new information	Updated to reflect new information	Updated to reflect new information	Updated to reflect new information

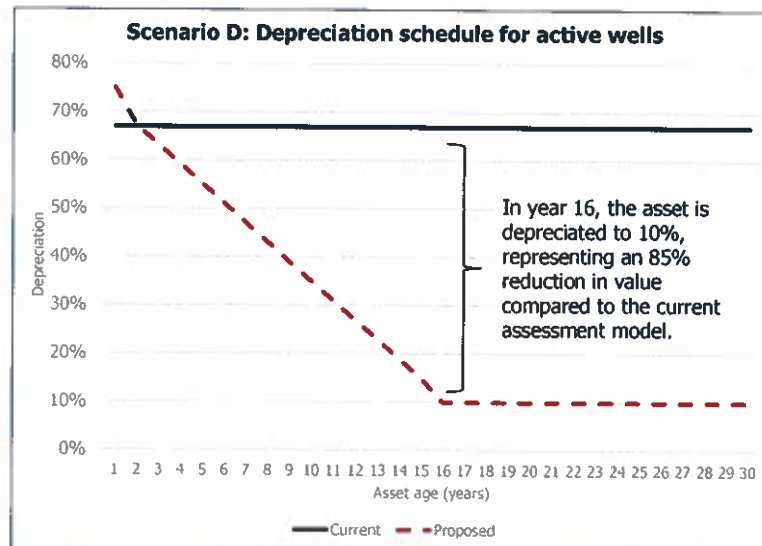
Source: RHA's Assessment Model Review – Outcomes Summary Report, August 2020



- This table outlines the proposed changes to the assessment of **Pipelines**.
- Again, Scenario D proposes to change the depreciation schedule to reduce assessment values and proposes different depreciation rates depending on the diameter of the pipe.
- Certain costs associated with the Construction Cost Reporting Guide, or CCRG, would be removed and an adjustment factor would be applied to pipes over 10 inches in diameter.

### Example

Scenario D proposes to reduce the assessed value of a well by 85% after 16 years.



Source: RMA's Summary of Changes to Depreciation Report, August 2020



- For context, this graph shows how depreciation would change under Scenario D, which is the scenario that has the greatest impact on assessment values.
- Currently, an active well will be assessed at 67 per cent of its construction cost every year, no matter its age as long as the well is producing.
- As mentioned, Scenario D proposes to increase the starting rate of depreciation to 75 per cent of the asset value, but then drop by 8 per cent in year one, and then 4 per cent each year thereafter.
- Once the well has been active for 16 years, then it will reach its maximum depreciation and only be assessed at 10 per cent of its value.
- Overall, this results in an 85 per cent reduction in a well's assessed value after 16 years of operation.
- The Canadian Association of Petroleum Producers, or CAPP, reports that the average oil or natural gas well will operate for 20 to 30 years.

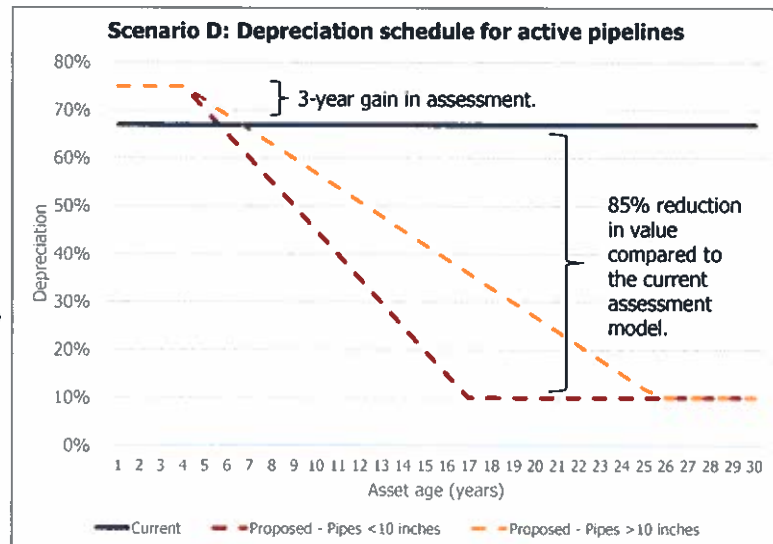
[REFERENCE: <https://www.capp.ca/explore/life-cycle-of-a-well/#:~:text=The%20average%20life%20span%20of%20an%20oil%20or%20natural,is%2020%20to%2030%20years.>]

- This means that industry would only pay 10 per cent of a property's value for many years of its remaining operating life.



## Example

Scenario D proposes different depreciation schedules based on size of pipeline, but the overall impact is an 85% reduction in assessed value of pipelines when fully depreciated.



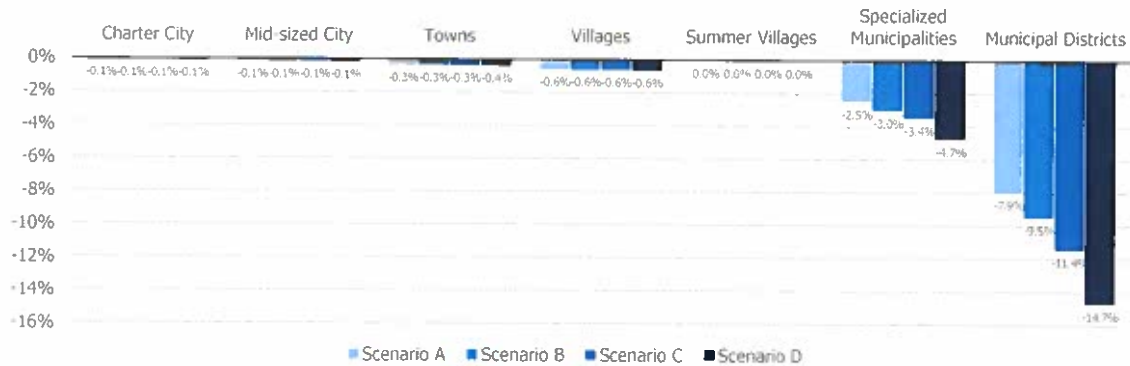
Source: RMA's Summary of Changes to Depreciation Report, August 2020

- This graph shows the proposed change in depreciation schedules for pipelines.
- Similar to wells, pipelines are currently depreciated at a flat rate of 67 per cent of asset value per year.
- Scenario D proposes to increase the starting rate to 75 per cent for the first four years and then drop each year thereafter depending on whether the pipe is smaller or larger than 10 inches in diameter.
- The outcome still results in an 85 per cent reduction in value compared to today's model.
- What is interesting to note is that industry is proposing to depreciate a pipeline to 10 per cent of asset value after only 16 or 26 years, but a 2016 story by Enbridge states that pipelines actually have an indefinite lifespan if they are property operated, monitored and maintained.

[REFERENCE: <https://www.enbridge.com/stories/2016/september/line-5-segment-well-built-well-maintained-pipeline>]

- As such, a pipeline could continue to operate for many years but only pay a fraction of the property tax that any other type of property would pay based on its value.

# Average Change in Total Assessment in Year 1



- After year 1, the steeper depreciation rates will lead to further declines in assessment in future years.

Note: Figures are based on 2018 equalized assessment.

- When looking at the big picture, here is how assessment would change in the first year if one of the scenarios is implemented.
- The light blue bars represent Scenario A with the darkest blue representing Scenario D.
- The reduction in assessment values for most cities, towns, villages and summer villages would be minimal because the vast majority of wells and pipelines are located within rural municipalities.
- The graph shows that the average municipal district would see a loss of between 8 to 15 per cent in assessment, depending on the scenario.
- A reminder that this only represents the changes in year 1.
- Unfortunately, the province has not provided any forecasts of the long-term impacts, but it is understood that there would be further reductions associated with the depreciation rates.

## Projected Impact on Municipal Districts/Counties

	Scenario A	Scenario B	Scenario C	Scenario D
Average change in total revenue	-7%	-8%	-10%	-13%
Highest gain in total revenue	13%	11%	n/a	n/a
Highest loss in total revenue	-31%	-32%	-32%	-34%
% of municipal districts that lose more than 5% of total revenue	56%	66%	77%	84%

- The loss in revenue will force rural municipalities to:
  - Increase residential taxes and/or non-residential taxes;
  - Reduce service levels and staff;
  - Reduce costs in other areas, or a combination of all approaches.
- Risk to viability for some municipal districts.

Note: Based on figures provided by AB Municipal Affairs and RMA and own calculations using 2018 equalized assessment and 2019 property tax rates.



- Over the past two weeks, many municipal districts put out news releases talking about the how much revenue they could lose if the proposals went forward.
- Each municipal district is impacted differently depending on the amount of wells and pipelines within their boundaries, and it also depends on the type of wells and size of pipelines because the proposals suggest different treatment for SAGD wells vs. deep horizontal wells.
- Under Scenario A and B, five municipal districts would actually see an increase in assessment, resulting in an increase in revenue.
- However, the vast majority of municipal districts would experience a decline in assessment values and property tax revenue.
- In some cases, a few municipal districts would lose over 30 per cent of their revenue.
- In general terms, the average municipal district would experience a revenue loss of approximately 7 to 13 per cent, depending on the scenario.
- These are big numbers that would force municipal districts to consider major changes such as:
  - Significant increases to residential or non-residential tax rates,
  - Reduce staff and service levels, or a combination of both.
- For context, industry is advocating for Scenario D, and if implemented, RMA has communicated that the average municipal district would need to increase their residential mill rate by over 200 per cent or their non-residential mill rate by over 35 per cent to recoup the lost revenue.
- RMA has even suggested that some municipal districts might not be viable if Scenario C or D were to be implemented.
- AUMA supports RMA and its members, with the position that amending the Assessment Model is an improper method to support the Oil and Gas industry, it is to be remembered that while a 200 per cent increase in residential tax rates would be excessive in the short term, urban municipalities have long noted the significant difference in residential rates between urban and rural municipalities.
- In 2018, the average municipal district's residential mill rate was half the amount of the average rate for a town or village.
- When you consider that rural residents can access all the same recreation and social programs that are offered in urban municipalities, and if a fair cost-sharing agreement is in place, then rural residential tax rates should likely be more equitable with urban tax rates.

## Average Change in Total Revenue for Urban Municipalities

	Scenario A	Scenario B	Scenario C	Scenario D
Charter Cities	-0.05%	-0.06%	-0.06%	-0.06%
Mid-Sized Cities	-0.07%	-0.07%	-0.07%	-0.08%
Towns	-0.17%	-0.17%	-0.18%	-0.18%
Villages	-0.23%	-0.24%	-0.25%	-0.26%
Summer Villages	-0.03%	-0.03%	-0.03%	-0.03%
Specialized Municipalities	-1.97%	-2.47%	-2.87%	-4.06%

### Notable losses in total revenue

Town of Sundre	-0.84%	-0.96%	-0.96%	-0.99%
Town of Swan Hills	-1.24%	-0.93%	-1.28%	-1.39%
Village of Chauvin	-2.63%	-2.62%	-2.64%	-2.67%

Note: Based on figures provided by AB Municipal Affairs and RMA and own calculations using 2018 equalized assessment and 2019 property tax rates.



- As for urban municipalities, the direct impact on revenue looks quite different.
- In most cases, cities, towns, villages and summer villages will see revenue losses of 0.1 per cent to 0.3 percent.
- The losses are more severe for municipalities such as Sundre, Swan Hills, and Chauvin where losses could range between 0.8 to 2.7 per cent.
- In Chauvin's case, to recoup their revenue, they would be looking at a 19 per cent increase to their residential mill rate or over 50 per cent for their non-residential mill rate.
- Calgary could lose up to \$2.3 million in tax revenue and Edmonton would lose over \$3 million.
- Other notables are the Town of Drayton Valley would lose up to \$245,000 and the Town of Sundre would lose up to \$95,000.

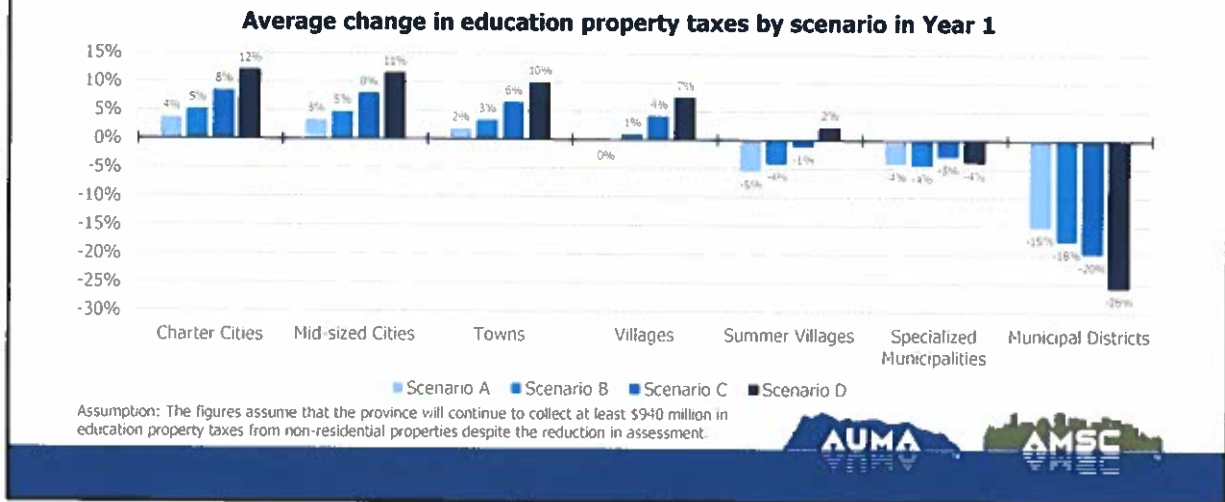
## Projected Impact on Urban Municipalities

- A proportion of provincial education property taxes will shift onto urban property owners.
- Urban municipalities under 5,000 population will be responsible for a greater portion of costs under the new police costing model due to the program's link to assessment.
- Risk to the sustainability of cost-sharing agreements and viability of small communities.



- The far bigger issues for urban municipalities are the indirect outcomes for programs that are linked to assessment.
- Since education property taxes are based on assessment, the reduction in assessment in rural municipalities could mean that urban municipalities become responsible for a greater portion of provincial education property taxes (detailed on next page).
- The new police costing model is also linked to assessment values so the reduction in rural assessment would result in a slight cost increase in police costs for towns and villages that are under 5,000 population.
- Lastly, AUMA is aware that many rural municipalities are approaching their neighbouring town or village and warning that if the province implements any of these scenarios, then any current cost sharing agreements with urban neighbours could be at risk.
- This is problematic as ICF agreements are not about revenue sharing, these are cost-sharing agreements.
- If there is a cost to deliver a service and it is being used by both urban and rural residents, then there should be no reason why a cost-sharing agreement becomes invalid.
- We encourage members to be diligent in using the existing legislative tools to ensure that you create or maintain a fair cost-sharing agreement for the benefit of your residents and businesses.

# Education property tax will shift from rural to urban municipalities



- Currently, the province collects approximately \$2.6 Billion in total education property taxes, and of that amount \$940 million is from non-residential properties.
- If the province were to proceed with amending the Assessment model as indicated, then rural assessment values will drop.
- What isn't clear is whether the province is willing to take a corresponding reduction in education property taxes.
- If the province still wants to collect at least \$940 million in education property taxes from non-residential properties, then property owners in urban municipalities will be forced to pick up the tab.
- Under Scenario D, municipal districts would collect approximately \$70 million less in education property taxes, and this tax burden would then shift to urban municipalities.
- \$50 million would shift onto Calgary and Edmonton non-residential taxpayers and the remaining \$20 million would be spread over all other municipalities.
- The graph shows us what the outcome would be for the average municipality.
- For example, under Scenario D, the average municipal district would see their education property taxes reduce by 26 per cent in that year.
- However, the average town would see their education property taxes increase by 10 per cent and the average village would increase by 7 per cent.
- This is very concerning and would present significant political challenges for municipal elected officials to explain why property taxes are increasing to that degree.

# Policing costs will shift from rural to urban municipalities

Average change in Year 2 policing costs if the Assessment Model Review scenarios are implemented



Note: Calculated based on 2018 equalized assessments and does not account for changes in policing costs associated with the phase-in from year 1 to year 2.



- Another indirect outcome of the assessment review model is that a reduction in rural assessment values would force towns and villages under 5,000 population to pay more under the new police costing model.
- This is because the base amount under the police costing model is calculated based on 50 per cent population and 50 per cent assessment.
- For example, under Scenario D, the average municipal district would pay 3.9 per cent less in policing costs in 2021 but the average village would pay 3.7 per cent more.
- For most villages, this only amounts to a few hundred dollars, but you should still be aware of this potential outcome.

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## Shortcomings of the Proposed Models (1 of 2)

1. Mainly benefits large oil and gas companies.
2. No guarantee that the tax savings will be reinvested in Alberta through new jobs or capital investment.
3. Tax reductions are permanent even if commodity prices change.
4. Adds to the lack of transparency of how the oil and gas industry is supported through government policy.



- Beyond the financial impacts that have been noted, there are additional shortcomings of the proposed assessment model changes:
  1. The Assessment changes mainly benefit large oil and gas companies and smaller operators will see no change in assessment or in some cases an increase in their assessment.
  2. There is no guarantee that any, or all of the tax savings will be reinvested in Alberta through the creation of new jobs or capital investment.
  3. Much of Alberta's oil and gas property is owned by international companies and so any tax reduction in Alberta could end up being invested in other parts of the world or help support annual shareholder returns.
  4. Another shortcoming is that the tax reductions would be permanent even if commodity prices return to more profitable levels.
  5. The proposals also add to the lack of transparency that already exists around how the oil and gas industry is supported through government policy.



## Shortcomings of the Proposed Models (2 of 2)

5. Uses assessment methodology to meet tax policy goals, which violates the principles of property assessment.
6. Shifts a greater share of provincial education property tax onto urban municipalities.
7. Shifts a greater share of the new police costing model onto towns and villages under 5,000 population.
8. Province has not shared a forecast of the long-term impacts.



5. Further, this review focuses on using assessment methodology to meet tax policy goals.
  - This violates the principles of property assessment which is to assess property based on its true value.
6. As noted, our analysis shows that these assessment model changes will likely shift a greater share of education property tax onto urban municipalities.
7. Towns and villages that are part of the new police costing model would also be faced with a cost increase due to the model's linkage to equalized assessment.
  - AUMA has raised this concern with Alberta Justice and Solicitor General.
8. Lastly, the province has not provided any information about the potential long-term impacts of changing the assessment model. The assessment and tax revenue changes reflected in this presentation are only for year 1 – one can only imagine the further reductions in subsequent years.
  - The province's approach is short-sighted and looks to implement a permanent solution to a problem with an unknown future.

# Limited Benefit for Small Oil and Gas Companies

## Scenario D

Companies with Property Valued at	% of Oil & Gas Companies with Property in AB	% of Total Assessment Base	Average Tax Savings	% of Total Savings	% of Companies with Tax Increases
Over \$500 million	3.6%	62.1%	(\$7,184,488)	71.7%	-
\$100-\$500 million	8.4%	26.6%	(\$868,011)	20.2%	6%
\$20-\$100 million	13.1%	8.8%	(\$176,215)	6.4%	8%
\$1-20 million	30.3%	2.3%	(\$18,828)	1.6%	16%
Under \$1 million	44.7%	0.2%	(\$819)	0.1%	29%

- Small companies are more likely to have offices in small urban municipalities – they would not benefit from the proposal and in some cases would actually experience an increase in their property taxes.

Source: RMA's Assessment Model Review – Outcomes Summary Report, August 2020



- As mentioned, the proposed changes mainly only benefit the largest oil and gas companies.
- This table shows what companies benefit under scenario D.
- The biggest players that have over \$500 million in assessable property represents 27 companies that operate in Alberta.
- Those 27 companies have 62 per cent of the oil and gas assessment base but would receive 72 per cent of the tax savings under this scenario.
- If you combine the bottom two rows, then you are talking about 75 per cent of the oil and gas companies operating in Alberta.
- They make up 2.5 percent of the assessment base but would only receive 1.7 per cent of the tax savings.
- Furthermore, when looking at the right column, you see that up to 1 in 3 of those companies would actually see the value of their property increase under Scenario D.
- This is not the kind of outcome we want for small oil and gas players who likely need the most support to remain competitive in this environment. These are also the oil and gas companies that work and live in our communities.

# Potential Solutions

## Short-term

1. Abandon changes to the assessment model in favour of incentive-based tax reductions for companies investing in Alberta.
2. Programs and incentives from Alberta Energy.
3. Province should share in any assessment loss by reducing education property taxes.

## Long-term

1. Review the entire Provincial and Municipal Tax regime to strike the correct competitive and government resource requirements



- Up to this point, we have identified a broad spectrum of concerns that AUMA has with the Assessment Model Review process and the proposals being pushed by industry and the province.
- That said, AUMA recognizes that current oil and gas prices are creating an extremely challenging environment for industry and that tax supports may be needed.
- However, changing the assessment model is not the appropriate method to support industry.
- To maintain a transparent system, property should be assessed based on its true value, and then if there is a desire to provide tax incentives, those should be addressed through taxation tools, not the assessment system.
- Adjusting the assessment model on a permanent basis offers no ability to measure whether the changes are meeting the policy goals.
- There are other approaches that can be taken to address the effects of the currently low price of oil and provide companies of all sizes with financial supports, while also promoting investment in Alberta.
- In the short-term (say the next 1 to 3 years), there could be incentive-based tax reductions for companies investing in Alberta's communities.
- For example, assess the property at its true value, but offer a reduced tax rate for a temporary period based on requirements that the savings are reinvested in Alberta.
- The experts from Alberta Energy should have a role in putting programs in place that support the oil and gas industry.
- Also, if the province is committed to changing the assessment model, then AUMA would expect the province to share in the loss by reducing the amount of education property taxes collected from non-residential properties.
- If it is desired to put a program in place to provide incentives to the oil and gas industry, we would assert that those incentives be:
  - contingent on proof of investment in Alberta;
  - available to companies of all sizes (equitable to both large and small companies); and
  - be time limited.
- If a reduction in property taxes is considered essential, then the approach should be readily identifiable as a tax policy incentive, not buried in the assessment methodology.

- At the end of the day, the province needs to consider how a change to oil and gas assessment is going to impact municipalities.
- For rural municipalities, the current proposals would have a direct hit to their top line revenue.
- For most urban municipalities, the impact is more indirect with increases to education property taxes, policing costs, and possibly a restructuring of cost-sharing agreements.

## Next Steps

- AUMA's Board and Administration will be meeting with:
  - RMA
  - Canadian Association of Petroleum Producers (CAPP)
  - Explorers and Producers Association of Canada (EPAC)
  - Alberta Assessors' Association (AAA)
  - Alberta Chamber of Commerce
  - Minister of Energy
  - Associate Minister of Natural Gas and Electricity
- Prepare and distribute materials for members
  - Template letter(s) to MLAs
  - Information / summary for MLAs and media
- Member action
  - Draft and send letters
  - Meet with MLAs
  - Make statements to media



- As mentioned throughout this document, AUMA stands beside and supports the same position as RMA, specifically that;
  - Amendments to the Regulated Assessment model, in a non-holistic way is absolutely the wrong way to tackle the Oil and Gas competitive industry issue
  - And the 2<sup>nd</sup> review objective, to ensure Municipal Viability is maintained – is miserably not achieved
- AUMA believes that the Associations and urban rural neighboring communities must collaborate and work together to communicate to its residences and businesses, the dramatic and drastic effects these potential Assessment model changes will have to their communities.
- **BUT** – AUMA is clearing stating that some of the suggestions that cost-sharing agreements are at risk, is disingenuous when it is well known that ICFs are legally mandated and that there are urban services that rural residents and businesses use on a daily basis.
- It must be reiterated to and stressed - that ICFs are about cost-sharing, not revenue-sharing so despite any changes in revenue sources, there are options available to ensure those agreements continue as planned without any impact on urban municipalities.
- Beyond those concerns, our primary goal is to identify alternative solutions.
- AUMA will be meeting with representatives from CAPP and EPAC to discuss solutions that benefit industry and minimize detrimental impacts to municipalities.
- We would like to meet with the Alberta Assessors' Association as well to learn more about their positions on the proposed model changes, and what they have communicated to the province.
- We are also arranging meetings with the Minister of Energy and the Associate Minister of Natural Gas and Electricity to propose alternative approaches to supporting the oil and gas industry that would not threaten municipal viability and intermunicipal cooperation.
- We would like you to make your voice heard too.
- Contact your MLAs and the relevant Ministers and share your views. You may even want to reach out to the media and make a statement.
- AUMA staff will be providing members with template letters and a concise summary document on the Assessment Model Review to provide to MLAs and the media.
- While some members may have already contacted their MLAs, we hope that with these tools more of you will reach out to MLAs, Ministers and the media and communicate your views on how the proposed

assessment model changes will impact your municipality, your neighbours, or all municipalities.

# Thank you

- Further input or questions can be emailed to [advocacy@auma.ca](mailto:advocacy@auma.ca).



# Assessment Model Review – Wells & Pipelines

## Background

The Ministry of Municipal Affairs and the Associate Ministry of Natural Gas and Electricity have been jointly leading a confidential stakeholder engagement process on assessment model changes for wells and pipelines since January 2020.

Stakeholders involved, in addition to AUMA, include:

- Rural Municipalities Association
- Canadian Association of Petroleum Producers
- Canadian Energy Pipeline Association
- Explorers and Producers Association of Canada
- Canadian Property Taxpayers Association

The process was embargoed until late July, at which time AUMA and RMA, and their members, started speaking out about their concerns with the proposed changes.

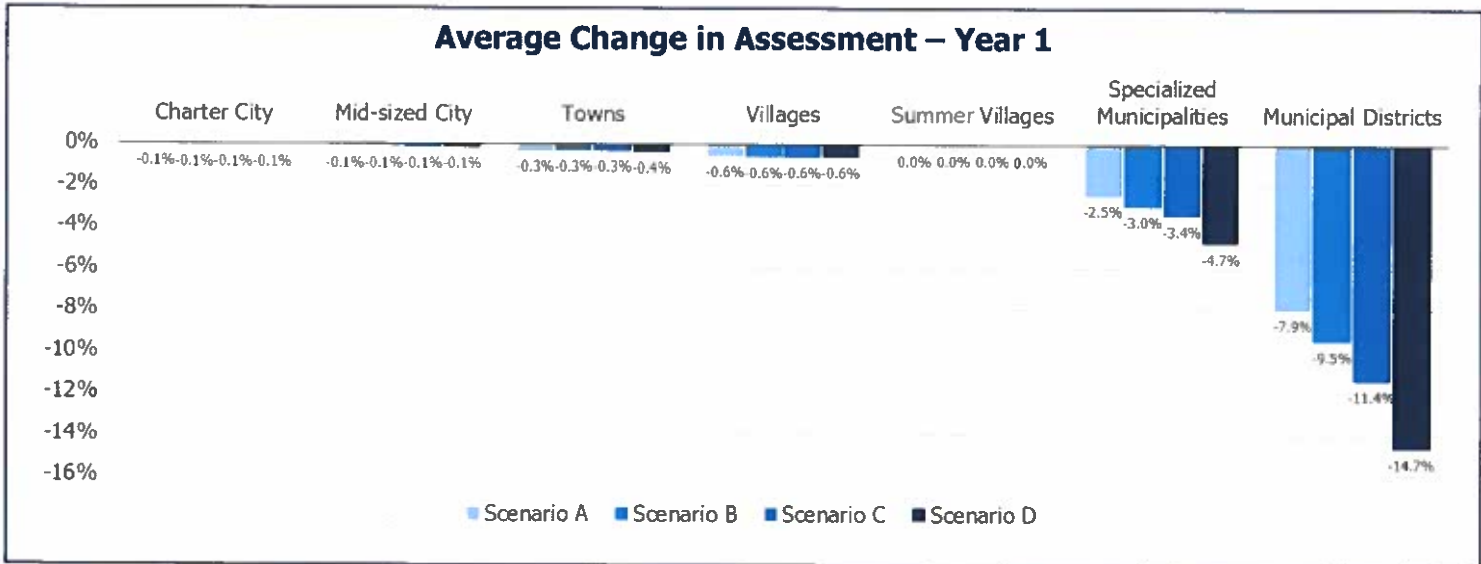
The provincial government has stated that the goal of the review is to modernize the assessment model for oil and gas properties to enhance industry competitiveness, while ensuring municipal viability.

Four scenarios (labeled A, B, C and D) propose a mix of changes to the assessment of oil and gas wells, pipelines, and associated M&E including:

- Increased depreciation rates
  - Scenario D, which has the greatest negative impacts for municipalities, proposes:
    - to reduce the assessed value of a well by 85 % after 16 years; and
    - an overall 85% reduction in assessed value of pipelines when fully depreciated.
- Introducing adjustment factors applied to deep horizontal wells, SAGD wells, and/or pipes greater than 10 inches.
- Changing what types of construction costs are assessed.
- Changing the land assessment value based on the property's state of depreciation.

## Impacts to Municipalities

Depending on the scenario, total loss of municipal tax revenues in the first year will \$117 million to \$301 million. After year 1, the steeper depreciation rates will lead to further declines in assessment in future years. The greatest losses in tax revenues will be in rural municipalities. Many municipalities will be forced to increase residential and/or non-residential taxes; and/or reduce service levels and staff. Some may also have to review their viability and consider amalgamation.

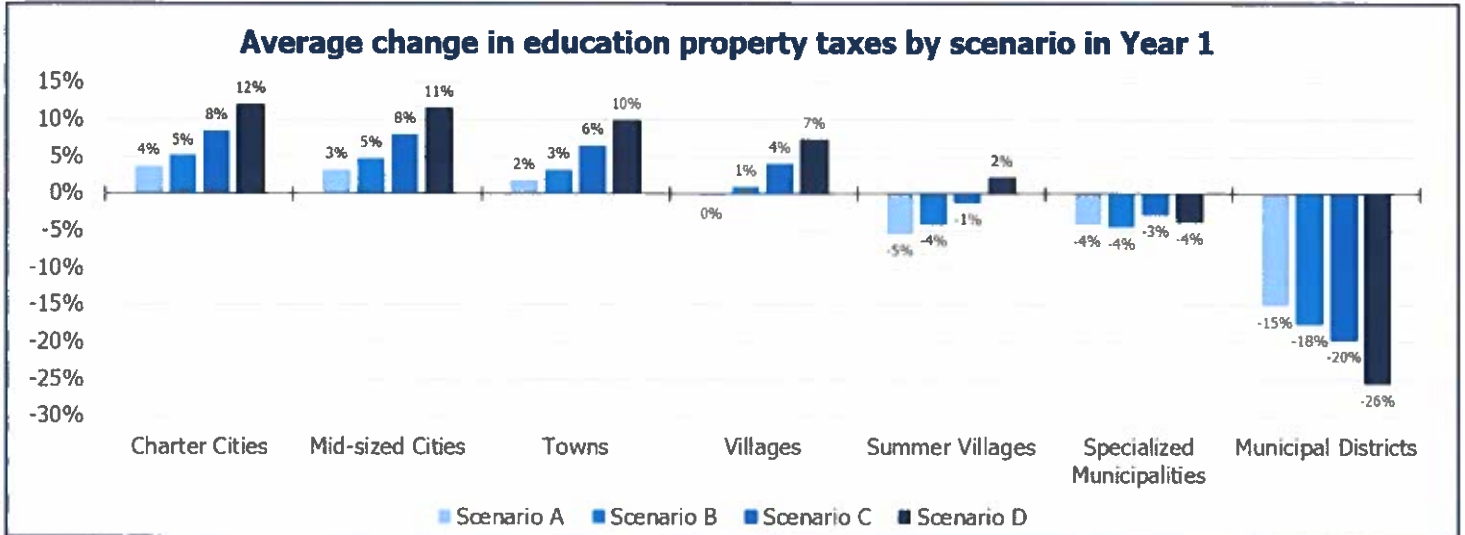


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# Assessment Model Review – Wells & Pipelines

If the province were to implement Scenario D, municipal districts would collect approximately \$70 million less in education property taxes in year 1, and this tax burden would then shift to residences and businesses in urban municipalities.



## Shortcomings of the Proposed Models

- Mainly benefits large oil and gas companies.
- No guarantee that the tax savings will be reinvested in Alberta through new jobs or capital investment.
- Tax reductions are permanent even if commodity prices change.
- Uses assessment methodology to meet tax policy goals, which violates the principles of property assessment.
- Puts the sustainability of cost-sharing agreements and viability of small communities at risk.
- Shifts a greater share of provincial education property tax onto other residences and businesses.
- Shifts a greater share of the new police costing model onto towns and villages with under 5,000 population.
- Province has not shared a forecast of the long-term impacts.

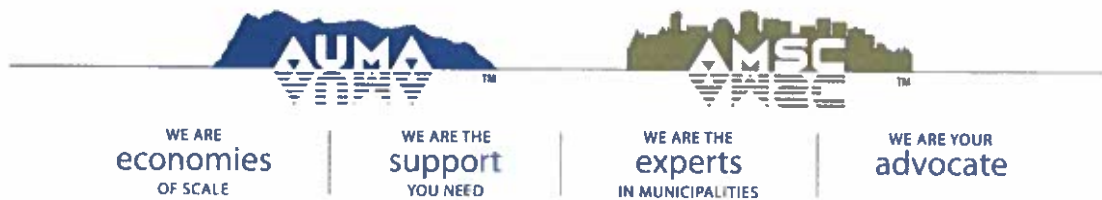
## Potential Solutions

- Abandon changes to the assessment model in favour of incentive-based tax reductions for companies investing in Alberta.
- Alberta Energy develop programs and incentives for oil and gas companies.
- Province shares in any tax reductions by reducing education property taxes.

## Who we are

The Alberta Urban Municipalities Association represents urban municipalities including cities, towns, villages, summer villages and specialized municipalities and more than 85% of Albertans. It is a dynamic and evolving association, advocating the interests of members to the provincial and federal orders of government and other stakeholders.





## Key messages: Assessment Model Review

### Deficiencies of the Review Process

- We were disappointed that the Assessment Model Review process provided little opportunity for input and consisted mainly of presentations from the ministries involved.
- Our alternative solutions were ruled out early in the process, making the review a one-way process in which AUMA, RMA, and the Assessment subject matter experts had a limited voice.

### Flaws in the proposed assessment model

- Regardless of which scenario the government implements, urban municipalities will be subject to a 10% - 12% increase in the provincial education tax requisition, with residents and businesses paying 4% to 5% more each year on their overall property tax bill.
- Because the new Police Funding Model allocates funding according to assessment values, urban municipalities under 5,000 will pay a larger amount towards policing costs.
- This is a permanent change that benefits a small group of well-capitalized oil and gas companies, and results in smaller Alberta-based companies paying more than they do now, effectively subsidizing large, international corporations.
- Additionally, those corporations are not being incentivized to reinvest their tax savings to boost the Alberta economy and create much-needed jobs.
- If implemented, each assessment model scenario will have far-reaching impacts on municipal tax revenue, especially for rural municipalities, where oil wells and pipelines represent a significant portion of the local assessment.

### Potential solutions

- AUMA strongly recommends abandoning changes to the assessment model in favour of temporary incentive-based tax reductions for companies investing in Alberta.
- AUMA would like the subject matter experts of the Ministry of Energy to be involved in developing an incentive-based tax solution.
- The province needs to be a partner in this solution by reducing their portion of the Education Tax Requisition by an equivalent amount.