



TOWN OF TWO HILLS

Regular Council Meeting
of
February 27, 2018

ADOPTION OF AGENDA

ADOPTION OF MINUTES

Regular Council Meeting of February 13, 2018

DELEGATIONS

ATCO Electric – Change to LED lights

ATCO Electric made a presentation at the January 23, 2018 Regular Council meeting regarding costs to change from HPS to LED lights. This item was on the agenda for discussion at the last Regular Council meeting however ATCO representative David Evans wanted to meet with Council to provide them with more information regarding the changeover to LED.

Item on agenda for discussion – see Business Arising from the Minutes 7a.

OPEN FORUM

Welcome. Town Council is providing an opportunity for the general public to individually address Council on any topic relevant to municipal government for a period not to exceed 2 minutes per person to a maximum of 20 minutes combined. Information presented to Council may or not be acted on and will not be debated unless there is a majority vote to do so. The Open Forum is not a means of expressing insults, accusations or making any personal attacks on any member of Council or Staff. Any person who starts insulting or making accusations or attacks on any member of Council, Council as a Whole, or any Staff member will be kindly asked to remove themselves from Council Chambers. Once again, welcome.

ADMINISTRATIVE REPORTS

PUBLIC WORKS FOREMAN REPORT

Roads

- Remove snow from arena and hall parking lots.
- Grade roads to remove snow removed from side walks.
- Haul snow windrow off streets and avenues.
- Repair and replace damage sign “Stop and Truck Route”.
- Sand roads as required.

Water/Wastewater

- Repair water line break at 46 Ave and 53 St.
- Complete daily weekly water reports.
- Inspect and service stand by generators.
- Vac out PRV vault.
- Inspect and service lift station pumps and drive shafts.

Other

- Sweep, shovel and salt town sidewalks.
- Replace battery and repair beacon on unit 93 Ford 350.
- Replace oil lines on loader “leaking”.
- Replace front grader tire.
- Replace fuel pump and fuel filter on Ford sweeper.
- Water break crew – an idea has been considered to run a “water break crew” (or even sewer) in order to assist other municipalities with their water breaks. Public Works has been assisting the Village of Myrnam (2 water breaks) and the County of Two Hills (sewer issues in Hairy Hill) and an idea was to possibly generate revenue and collaborate with other municipalities within a determined radius around Two Hills. Due to assisting the Village of Myrnam there has been no time to draft up concept with.

ADMINISTRATIVE REPORTS

CHIEF ADMINISTRATIVE OFFICER REPORT

Strategic/Sustainability Planning – Administration is still seeking recommendations and sample request for proposals or quotations from other municipalities for a consultant. CAO intends to investigate consultants and prepare a draft RFQ.

Arena Roof – Due to the weather Vantage will start again on February 8 or 12th. They will have two crews so stripping, z-barring, and sheeting will happen at the same time. Administration received an updated schedule from SAC on February 9, 2018; there is more bookings that will prevent Vantage from starting on the 12th. Due to the bookings, Vantage will not be able to work on the 12th, 13th, ½ of the 14th, ½ of the 26th, 27th and 28th, and March 1st and 2nd and since the bonspiel has been moved to March, they will not be able to work the two weeks of March 11 – 24th.

Centennial Hall Exhaust System – will be complete March 8, 2018.

Sessions – attended Brownlee legal session on January 15, 2018 and Reynold Mirth Richards & Farmer legal sessions on January 16, 2018.

CAO – Education – CAO is taking the second half of her Planning Law course on May 1 & 2 in Edmonton.

AUMA Spring 2018 Municipal Leaders' Caucus – CAO is attending on March 14/15, 2018.

ADMINISTRATIVE REPORTS

CHIEF ADMINISTRATIVE OFFICER REPORT continued:

Outstanding Items:

Policy for Large Events at Geleta Park (in development)

Personnel Policy – regarding sick days, critical illness and definition of Immediate Family (next Bylaw/Policy meeting)

Potential Residential Lots; currently a park on 47 St. north of 53 Ave (Tabled until road construction in area begins and have public input)

Annexation (Discussions will be made throughout the year at RAPID meetings)

BUSINESS ARISING FROM THE MINUTES

ATCO Electric – Change to LED lights:

ATCO Electric made a presentation at the last Regular Council meeting regarding costs to change from HPS to LED lights.

7.2% increase to fixed charges

Reduced energy consumption that will be reflected in the variable wires costs (including transmission riders) and retailer energy portions of the bill

Based on current retail rate of \$5.354/kWh the cost savings should be a little less than \$210/year.

The contract has no exact end date. The Multiplier will be reviewed annually to determine what/if the rate will be for the year ahead and we estimate it will only need to be applied for 3-5 years. The funds collected under the multiplier rate are designated to cover the cost of materials and labour to complete the LED conversion. The idea behind the rate is that the more Municipalities who request before end of life switch to LED and take advantage of the multiplier rate, the sooner it is expected the cost of construction will be recouped. Once costs are recouped the rate will cease.

The contract/proposal is open ended. It is requesting the Town to agree to take on the multiplier rate until it is determined by the AUC it is no longer required.

As a regulated utility, yearly we present our financials to the AUC. Part of the presentation will now include how much was collected from the multiplier rate against how much it cost us in material and labor to completely convert all street lights to LED. In simple terms, once it is shown we have recouped our upfront construction and material costs, the multiplier will cease to exist.

One of the questions that has come to the forefront is how other Utility Companies have been able to complete the switch to LED without additional costs to the Municipalities. The Utility Companies who have already converted to LED had submitted application and received approval by the AUC to increase their Distribution rates in order to recoup their costs. In essence, the multiplier is still being charged, it is just not as obvious. ATCO has chosen a different approach. We would like to offer Municipalities the option to take on the multiplier rate if they so choose or continue as they are.

The Town currently has (all owned by ATCO) 168 - 100W lights, 44 - 150W lights, and 6 - 250W lights.

CORRESPONDENCE

AUMA - AUMA Advocacy on Cannabis Excise Tax. AUMA is advocating for municipalities to receive their fair share of cannabis excise tax to offset the municipal costs associated with legalization. AUMA has formally requested the provincial government take the following actions:

Provide 70 per cent of the cannabis excise taxes it receives from the federal government to Alberta municipalities to offset their costs associated with cannabis legalization.

Establish a \$30 million fund in Budget 2018/19 to help Alberta municipalities offset the costs of transitioning to the new legislative and regulatory framework.

Conduct a review of the provincial-municipal cannabis tax sharing agreement in three years' time to ensure municipalities have the resources they need to fulfill their new roles and responsibilities.

A copy of AUMA's correspondence to the Honorable Kathleen Ganley, Minister of Justice and Solicitor General on this matter is attached for your information. For more information on AUMA's cannabis-related advocacy, as well as links to municipal resources, visit <https://auma.ca/advocacy-services/programs-initiatives/cannabis-marijuana-legalization>.

St. Paul Education Regional Division No.1 – Board meeting highlights of February 14, 2018.

NEW BYLAWS & POLICIES

Bylaw 2018-971 Borrowing for Grader

During the Capital Budget meeting of January 29, 2018 it was the consensus of Council for Public Works to proceed with the purchase of a grader for \$165,000 and for Administration to seek financing options.

ATB:

4 years @ 3.20% = \$11,020.32 in interest; monthly payment of \$3,667.09

5 years @ 3.25% = \$14,008.20 in interest; monthly payment of \$2,983.47

Note: borrowing bylaw required; advertising not required; quicker process than ACFA; no need to utilize operating overdraft (which incur interest) while waiting for ACFA funds.

ACFA (debenture):

5 years @ 2.418% = \$11,169.40 in interest; annual payments of \$35,233 (\$2,936 monthly)

The next loan issue dates are March 15, 2018 and June 15, 2018 with application deadlines of February 15, 2018 and May 15, 2018 respectively.

Council moved that an ACFA debenture Bylaw to be drafted for February 27 meeting.

NEW BYLAWS & POLICIES

Bylaw 2018-972 Amend Schedule A of Water Sewer Bylaw Schedule 2011-898

During the Operational Budget meeting of February 13, 2018 it was the consensus of Council for Administration to prepare a bylaw to change the water rates from \$3.00 per m3 to \$3.30 per m3.

Note: When the water rate was increased to \$3.30 in the budget the sewer rates were calculated at 1/3 of water rates so the budget was automatically calculating sewer at \$1.10 (difference of \$14,000 in revenue). Therefore, if the sewer rates remain at \$1.00 per m3 then the expected revenue would remain at approximately \$120,000 changing the proposed 2.9% (\$36,627.10) increase in municipal taxes required to 3.93% (\$50,627.10).

Water or Sewer Rate Increase Chart								
		m3 per month						
	\$	5	10	15	20	25	Total	Increase in revenue
Increase of	0.10	\$0.50	\$1.00	\$1.50	\$2.00	\$2.50	115,056.54	\$12,000.00
Increase of	0.15	\$0.75	\$1.50	\$2.25	\$3.00	\$3.75	121,056.54	\$18,000.00
Increase of	0.20	\$1.00	\$2.00	\$3.00	\$4.00	\$5.00	127,056.54	\$24,000.00
Increase of	0.25	\$1.25	\$2.50	\$3.75	\$5.00	\$6.25	133,056.54	\$30,000.00

NEW BUSINESS

RFQ Results - HVAC Services

January 9, 2018 Regular Council meeting – “CAO is requesting cost for a ‘proactive service plan’ aka ‘preventative maintenance plan’ for the heating, ventilation, and air conditioning units for all town facilities as the previous contract expired in 2016 and the Town acquired a new facility.” Motion of Council for CAO “to get at least 3 quotes for preventative maintenance on heating, ventilation, and air conditioning equipment at all town owned facilities.”

RFQ was prepared and issued on February 6, 2018; submission deadline of February 22, 2108 at 2:00 p.m.

Seven companies were invited to bid; 1 company declined; 1 company did not acknowledge; 1 company acknowledged but did not submit; 4 companies submitted bids.

NEW BUSINESS

Community Grants and Donations – Farm Safety Centre

Provided to Council:

Policy 2018-01 Community Grants and Donation.

Community Grant Application from Farm Safety Centre for \$300.00

Donation Request Letter and backgrounder.

NEW BUSINESS

Community Grants and Donations – Two Hills 4-H District

Provided to Council:

Community Grant Application from Two Hills 4-H District for \$250.00

Donation Request Letter

NEW BUSINESS

Centennial Hall – New Lighting in Kitchen Proposal

Gateway is offering a proposal to replace the lighting in the kitchen as part of the scope to replace the exhaust system.

The current lights are old and not energy efficient. The proposal scope is to replace the fixtures to new energy efficient T8. Proposed scope could be completed prior to March 8, 2018 (updated end date – see CAO report).

Revised Contract Amount	\$132,117.00
Change Order - Drywall	\$7,423.50
Change Order - Unforeseen electrical	\$1,774.50
Change Order - Unforeseen mechanical and electrical	\$2,373.00
	\$143,688.00
Change Order - Proposed - Kitchen Lighting	\$3,108.00
	\$146,796.00

NEXT MEETING

Regular Council Meeting on March 13, 2018 in Council Chambers

IN CAMERA

There are no items initially scheduled for In Camera during preparation of the Council package.

ADJOURNMENT

Thank you for attending the
Regular Council Meeting.