



Agenda

Call to Order

National Anthem

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2.0	Adoption of Agenda	
3.0	Corrections or Amendments:	
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February 1, 2017

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	• CAO Report	Dwight Dibben

9.0 Council Reports

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11.0 Adjournment

**Town of Drayton Valley
Regular Council Meeting**



**Wednesday, January 11, 2017
9:00 am Council Chambers**

Meeting Minutes

THOSE PRESENT:

Mayor McLean
Deputy Mayor Bossert
Councillor Nadeau
Councillor Long
Councillor Wheeler Councillor
Fredrickson
Pam Livingston, Acting CAO
Annette Driessen, Director of
Community Services
Ron Fraser, Director of Engineering and
Development
Kevin McMillan, Assistant Director of
Corporate Services
Tom Thomson, Director of Emergency
Services
Sonya Wigglesworth, Assistant Director
of Engineering

Michelle Nickel, Human Resource
Coordinator
Chandra Dyck, Legislative Services
Coordinator
Rita Bijau, Executive Assistant
Tyler Russell, Communications and
Marketing Coordinator
Eric Burton, Economic Development Officer
Member of Parliament, Jim Eglinski,
Yellowhead Riding
Justine Kimoden, Drayton Valley Western
Review
Laine Mitchell, CIBW Radio
Members of the Public

ABSENT:

Dwight Dibben, Chief Administrative Officer

CALL TO ORDER

Mayor McLean called the meeting to order at 9:02 a.m.

1.0 Additions to the Agenda

There were no additions to the Agenda.

2.0 Adoption of Agenda

RESOLUTION #001/17

Councillor Long moved to adopt the January 11, 2017, Regular Meeting of Council Agenda, as amended with the deletion of Item 6.2 and Item 9.7.

CARRIED

3.0 Corrections or Amendments:

3.1. December 14, 2016, Regular Meeting of Council Minutes

There were no corrections or amendments to the December 14, 2017, Regular Meeting of Council Minutes.

4.0 Adoption of:

4.1. December 14, 2016, Regular Meeting of Council Minutes

RESOLUTION #002/17

Councillor Bossert moved to adopt the December 14, 2016, Regular Meeting of Council Minutes, as presented.

CARRIED

**Regular Meeting of Council
Minutes of January 11, 2017**

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5.0 Delegations

5.1. Sewage Backup Concerns – Steve Harrington

Mr. Harrington briefed Council on the residential concerns, including health related issues and the frequency of sewer backups in the area, and requested either a Council or Administrative lead contact for the group to liaise with. Further, an evening meeting between the residents affected, Council, and Administration is requested. Mayor McLean advised that the Engineering Department and the municipal insurance company is working on a solution to the concerns, however it would take time. Mr. Harrington, as the point of contact for the residents, was asked to provide his contact information to Mrs. Bijau so that she might coordinate a meeting between himself and the Administrative Lead, and an evening meeting may be arranged when feasible.

Mayor McLean introduced Mr. Jim Eglinski, Member of Parliament, Yellowhead, to the attendees, advising that Mr. Eglinski is attending as part of his outreach initiatives which he does for all communities in Yellowhead.

5.2. S/Sgt. Callihoo – November RCMP Stats

S/Sgt. Callihoo provided a detailed review of the RCMP activities and statistics during the month of December 2016 as well as comparisons between 2016 to previous years.

6.0 Decision Items

Acting CAO, Pam Livingston advised Council that Dean Shular resigned from his position as Councillor on December 20, 2016.

6.1. Town Council Vacancy – Potential By-election

RESOLUTION #003/17

Councillor Bossert moved that Council call a By-election to fill the vacancy created by Councillor Shular's resignation, to be held on Monday, February 27, 2017.

CARRIED

6.2. Water and Sewer Rate Setting Approach

This item was removed from the Agenda.

6.3. Appointment of Deputy Mayor

RESOLUTION #004/17

Councillor Long moved that Council appoint Councillor Brandy Fredrickson as Deputy Mayor for the Town of Drayton Valley for the period of January 11, 2017, to September 11, 2017.

CARRIED

6.4. Appointment to Regional Hemp Cooperative Committee

RESOLUTION #004/17

Councillor Nadeau moved that Council appoint Councillor Graham Long as representative for the Town of Drayton Valley to the Regional Hemp Cooperative Committee and appoint Councillor Brandy Fredrickson as the alternate representative for the Town of Drayton Valley to the Regional Hemp Cooperative Committee.

CARRIED

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6.5. Community Foundation Grant

RESOLUTION #005/17

Councillor Wheeler moved that Council authorize Administration to partner with the Drayton Valley Community Foundation in the application for a matching dollar grant in the amount of \$15,000 from Community Foundations Canada. The purpose of the grant application being for the planning and hosting of a music festival in the summer of 2017 as part of the celebrations for Canada's 150th anniversary, with the understanding that the project would occur only if the application is successful in receiving full funding from Community Foundations Canada.

CARRIED

6.6. Family Day 2017 Event Insurance Endorsement

RESOLUTION #006/17

Councillor Bossert moved that Council endorse the "Family Day 2017" event as an insured event.

CARRIED

6.7. Early Childhood Development Centre and Family Day Home Agency Policy Approval

RESOLUTION #007/17

Councillor Fredrickson moved that Council approve the Policies and Procedures listed below for the Early Childhood Development Centre and Family Day Home Agency.

- Early Childhood Development Centre:
 - Communicable Disease and Health Policy CS-03-08
 - Emergency or Serious Illness Policy CS-03-07
 - Incident Reporting Policy CS-09-08
 - Medication/Herbal Remedy Administration Form
 - Nutrition and Health Policy CS-15-10
- Family Day Home Agency:
 - Emergency Evacuation/Lock Down Policy CS-01-17
 - Emergency Fire Drill Policy CS-02-17
 - Nutrition and Health Policy CS-03-17
 - Provider Approval Process Policy CS-04-17
 - Provider Support Funding Policy CS-05-17
 - Technology Use Policy CS-06-17

CARRIED

Mayor McLean called a break at 9:56 a.m.

Mayor McLean reconvened to meeting at 10:27 a.m.

6.1. Continued

Appointment of Returning Officer

RESOLUTION #008/17

Councillor Nadeau moved to appoint Dwight Dibben, CAO, or his designate, as Returning Officer for the February 27, 2017, By-election for the Town of Drayton Valley.

CARRIED

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7.0 Department Reports

7.1. Engineering and Development

Mr. Fraser advised Council on activities within the Engineering and Development Department, including announcing the new curbside collection contractor, Can Pak Environmental Inc.

Councillor Bossert exited the meeting at 10:34 a.m.

Councillor Wheeler requested information on the Area Structure Plans currently being prepared and the anticipated timelines for them to come to Council. Mr. Fraser explained the process of finalizing the documents.

Councillor Bossert returned to the meeting at 10:39 a.m.

Councillor Fredrickson inquired into Can Pak Environmental Inc.'s strategy to increase the amount of recycling within the community. Mr. Fraser advised of the strategies the contractor will employ, which will be discussed throughout the year.

7.2. Community Services & FCSS

Ms. Driessen advised Council of the following:

- Aquatic Committee reviewed the progress of the Net Zero Study;
- there has been an increase in utilization of the Total Works Fitness Centre;
- an application for a Prime Minister Award of Excellence in Childcare for a staff member at the Early Childhood Development Centre is being submitted; and
- the Outdoor Rink is being utilized by community members and the school system.

7.3. Economic Development

Mr. Burton provided Council information on strategies to put together a cluster of industries supporting hemp production in the community.

7.4. Emergency Services

Fire Chief Thomson presented the November 2016 statistics and advised that the December 2016 and year end stats will be presented at the next Regular Meeting of Council.

7.5. Administration

- Communications and Marketing

Mr. Russell informed Council of changes to the website, including the addition of data regarding the changes to curbside collection and changes to the Town Page in the Western Review.

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8.0 Council Reports

8.1. Councillor Wheeler

- Village of Breton Christmas Parade
- Healthy Communities Coalition Meeting
- Traffic Safety Committee Meeting
- Aquatic Committee Meeting

8.2. Councillor Bossert

- January 5th - Women in Leadership Program Information Session
- January 9th – 60th Anniversary Ad-Hoc Committee Meeting

8.3. Councillor Fredrickson

- January 5th - Women in Leadership Program Information Session
- January 9th – 60th Anniversary Ad-Hoc Committee Meeting
- Aquatic Committee Meeting
- January 10th – Clean Energy Technology Centre Committee Meeting

8.4. Councillor Nadeau

- January 5th - Women in Leadership Program Information Session
- January 9th – 60th Anniversary Ad-Hoc Committee Meeting
- January 10th – Clean Energy Technology Centre Committee Meeting

8.5. Councillor Long

- January 5th - Women in Leadership Program Information Session
- Clean Energy Technology Centre Committee Meeting

8.6. Mayor McLean

- December 29th – 55+ Recreation Centre raffle draw
- January 5th - Women in Leadership Program Information Session
- January 10th – Clean Energy Technology Centre Committee Meeting

9.0 Information Items

9.1. Economic Development Committee Meeting Notes, November 10, 2016

9.2. Childcare Operational Board Minutes, October 19, 2016

9.3. FCSS Minutes, August 4, 2016

9.4. Councillor Nadeau's Creative City Summit Conference Report

9.5. Brazeau Seniors Foundation Board Minutes – November 2016

9.6. December 2016 STAR Catholic Board Highlights

9.7. ~~CORVUS Business Advisors – Town of Drayton Valley Water and Sewer Utility Rates Review~~

Removed from agenda as per Resolution #001/17

9.8. Communities in Bloom November Meeting Minutes

9.9. Mayor McLean's AUMA Conference Report

9.10. Drayton Valley Brazeau County Fire Services – November 2016 Stats

9.11. Drayton Valley RCMP Municipal Stats – December 2016

**Regular Meeting of Council
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RESOLUTION #009/17

Councillor Wheeler moved that Council accept the Items 9.1-9.6 and Items 9.8-9.11 as information.

CARRIED

10.0 Adjournment

RESOLUTION #010/17

Councillor Long moved that Council adjourn the January 11, 2017, Regular Meeting of Council at 11:14 a.m.

CARRIED

MAYOR

ACTING CHIEF ADMINISTRATIVE OFFICER



Meeting Minutes

THOSE PRESENT:

Mayor McLean
Councillor Nadeau
Councillor Wheeler
Councillor Long
Councillor Bossert
Councillor Fredrickson
Pam Livingston, Acting CAO
Ron Fraser, Director of Engineering and Planning

Kevin McMillan, Assistant Director of Corporate Services
Chandra Dyck, Legislative Services Coordinator
Rita Bijeau, Executive Assistant
Tyler Russell, Communications & Marketing Coordinator

ABSENT:

Dwight Dibben, CAO

1.0 CALL TO ORDER

Mayor McLean called the meeting to order at 4:05 p.m.

2.0 Signing of Waiver

Members of Council signed the Waiver to hold the Special Meeting of Council.

3.0 Adoption of Agenda

RESOLUTION #011/17

Councillor Long moved to adopt the Agenda for the January 11, 2017, Special Meeting of Council, as presented.

CARRIED

4.0 Decision Items

4.1 Awarding of Safe and Healthy Community Fund 2015 Allocation

RESOLUTION #012/17

Councillor Nadeau move that Council award the Aim for Success Second Annual "I Am Empowered" Women's Conference funding in the amount of \$6,000.00 to help offset the cost of hosting the Conference from the 2015 Safe and Healthy Community Fund currently held in reserve and that Council award Pembina Crisis Connection Society funding in the amount of \$2,250.00 to help offset the cost of hosting a racism prevention workshop from the 2015 Safe and Healthy Community Fund currently held in reserve.

CARRIED

5.0 Adjournment

RESOLUTION #013/17

Councillor Long moved that Council adjourn the January 11, 2017, Special Meeting of Council at 4:11 p.m.

CARRIED

MAYOR

ACTING CHIEF ADMINISTRATIVE
OFFICE

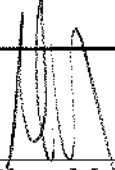
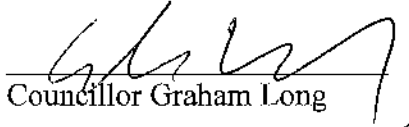
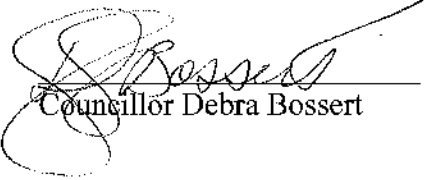
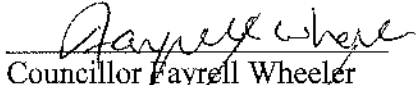
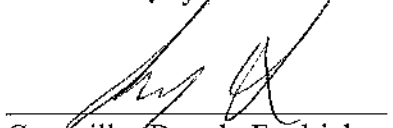
WAIVER OF NOTICE FOR SPECIAL MEETING OF DRAYTON VALLEY TOWN COUNCIL

As per Section 194 of the M.G.A., Revised Statutes of Alberta 2000, Chapter M-26, the Drayton Valley Town Council hereby waives notice of a Special Meeting to be held on January 11, 2017, at 4:00 p.m. at the Civic Centre, 5120-52 Street, Boardroom Two for the following purpose:

Council:

- a. Awarding the Safe and Healthy Community Fund 2015 Allocation

The following consent to the "Waiver of Notice" for the above purpose, signed this 11th day of January, 2017.


Mayor Glenn McLean
Councillor Nicole Nadeau
Councillor Graham Long
Councillor Debra Bossert
Councillor Fayrell Wheeler
Councillor Brandy Fredrickson

Town of Drayton Valley

Proclamation

60th ANNIVERSARY

February 1st, 2017

- WHEREAS** Drayton Valley was incorporated as a Town on February 1st, 1957;
- AND WHEREAS** our human history, including our Indigenous predecessors, early settlers, and present-day residents, combined with the beauty and majesty of our natural surroundings, make Drayton Valley a truly unique community within Alberta;
- AND WHEREAS** the discovery of the Pembina Oilfield sparked a protracted period of growth and development in our community over the course of the ensuing decades ;
- AND WHEREAS** consistent with the pioneering spirit that drove the initial development of Drayton Valley, our community continues to benefit from the extraordinary contributions of our citizens towards countless local programs, initiatives, projects and organizations that continue to build our resilience as a community;
- AND WHEREAS** the Town of Drayton Valley is celebrating its 60th anniversary with numerous events planned for 2017, together with the introduction of the 60th Anniversary Grant which provides assistance to locally based organizations to promote and celebrate our 60th Anniversary throughout the year;
- NOW THEREFORE** I, Mayor Glenn McLean, on behalf of Town Council hereby proclaim the 60th Anniversary of the Town of Drayton Valley and officially recognize its community leaders and citizens, past and present, for their remarkable accomplishments and contributions to the life of our community.

DATED at the Town of Drayton Valley,
in the Province of Alberta,
this 1st day of February, 2017.

Mayor Glenn McLean





Message from the Lieutenant Governor of Alberta

As Her Majesty the Queen's representative in Alberta, it is my honour to join in celebrating The Town of Dratyon Valley's 60th Anniversary of incorporation.

It is a privilege to celebrate Dratyon Valley's exceptional spirit, which I am confident will prevail for many years to come. Alberta is fortunate to benefit from such a remarkable, enterprising community. Over the past sixty years the people of Drayton Valley have worked hard to create success, whether it relates to infrastructure, business, friendship, family or philanthropy by instilling the values of citizenship and leadership. You can all be proud of the numerous accomplishments and successes achieved and I am sure there are many more to come.

I would like to offer my appreciation and gratitude to all those, past and present, for all that they have done to contribute this wonderful town. I wish you the very best for a successful and flourishing future.

A handwritten signature in blue ink that reads "Lois Mitchell".

Her Honour, the Honourable Lois E. Mitchell, CM, AOE, LLD
Lieutenant Governor of Alberta



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Jim Eglinski

Member of Parliament – Yellowhead
www.jimeglinski.ca

**Congratulatory Message on the
Town of Drayton Valley's
Special 60th Anniversary Proclamation
Feb. 1, 2017
MP Jim Eglinski - Yellowhead**

Today, we celebrate the Town of Drayton Valley's 60 years of hard work, success, and accomplishments.

From forestry and agriculture, through the revolutionary discovery of oil and gas in the region, Drayton Valley has long provided its residents with fulfilling lives.

Apart from being a leader in oil and gas development, the town is a trailblazer in sustainability and environment responsibility. I am proud of the work Drayton Valley is doing in the BioMile, leading in innovation and research development.

The past 60 years have proven the resourcefulness and resiliency of some of Alberta's finest residents. As your Member of Parliament, it is my honour and privilege to congratulate the Town of Drayton Valley on this exciting anniversary. May the next 60 years be generous and twice as bountiful!



ALBERTA
MUNICIPAL AFFAIRS

*Office of the Minister
MLA, Lesser Slave Lake*

AR 88467

January 16, 2017

His Worship Glenn McLean
Mayor
Town of Drayton Valley
5120 52 St., Box 6837
Drayton Valley AB T7A 1A1

Dear Mayor McLean,

Congratulations on Drayton Valley's 60th anniversary. Alberta is a collection of vibrant communities, each making a special contribution to our great province. Drayton Valley is no exception.

Officially established as the Town of Drayton Valley on February 1, 1957, the town is one of the many communities that have shaped this great province. It emerged as a stronghold for lumberjacks, then farmers, and grew with the discovery of one of the largest oil fields in North America. More than half a century later, it still has the same charm and charisma that attracted the first pioneers and explorers.

For the people that call Drayton Valley home, and for all Albertans, we are proud of our strong heritage and our unshakeable belief that we can do anything we set our minds to. We know the fate of successful communities and successful municipalities are intertwined. The success of a community, area, or region is dependent on the relationship between municipalities. We need to harness our collective strengths to ensure Drayton Valley and all of Alberta continues to prosper next year, and for the next 10, 60, and 100 years to come.

I'm excited about the future of this province and the future of communities like the Town of Drayton Valley. Let's continue to build this great province together by working across municipal boundaries and investing in families, jobs, and communities. Working together, we can look forward to many more years of prosperity, diversity, and innovation.

I am very proud of all that the Town of Drayton Valley has achieved. Congratulations and best wishes.

Sincerely,

A handwritten signature in cursive script, reading "Danielle Larivee".

Hon. Danielle Larivee
Minister of Municipal Affairs



LEGISLATIVE ASSEMBLY
ALBERTA

Office of Mark Smith
Shadow Minister of Seniors, Housing and Mental Health
MLA for Drayton Valley – Devon

Drayton Valley is 60 years old. 60 years of community - 60 years of growth – 60 years of evolution – 60 years of life. My family have lived in Drayton Valley for 30 years. We have seen Drayton Valley grow from a small town that while it may have lacked some of the big city amenities it made up for that lack of amenities with a strong sense of community. Over these past 60 years the town has grown, matured, and while today we have most of the “Big City “ amenities we have maintained our small town sense of community and the corresponding relationships that make for an un-paralleled quality of life. It is that sense of community that has helped us overcome the difficulties of life over the past 60 years and helped us to cooperate and plan for the future.

And what a future we have. A sound base of agriculture, timber, oil and gas and an entrepreneurial spirit that is matched with a high level of experience and education ensure that Drayton Valley is poised for a great future. So let us move into the future with confidence, being grateful for the sound foundation of those who have helped to build this amazing community. Let us continue to “pull together” so in another 60 years future generations will be able to benefit from our wise choices, vision and hard work.

A handwritten signature in blue ink, appearing to read 'Mark Smith'.

Mark Smith, MLA
Shadow Minister of Seniors, Housing and Mental Health

		SECTION	7
ITEM: 7.1	Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B		
Department:	Community Services		
Presented by:	Councillor Nadeau		
Support Staff:	Dwight Dibben, CAO		

BACKGROUND:

Council has expressed its desire to ensure governance processes are set out clearly, precisely and in accordance with the *Municipal Government Act* (MGA). Governance is the major role of Council and is therefore relevant to the services of the municipality. The Provincial Government passed the *Modernized Municipal Government Act* on December 6, 2016. As a result of the legislative change, Administration reviewed the Council Code of Conduct Bylaw 2013/17/B and is proposing an Amending Bylaw to allow for the inclusion of training for elected officials.

The proposed Amending Bylaw is attached for Council's review and consideration. Council may provide all three readings today or separate the readings between multiple Council Meetings.

OPTIONS:

1. That Council provide all three readings in one sitting.

Motion 1

That Council give First Reading to Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B.

Motion 2

That Council give Second Reading to Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B.

Motion 3

That Council consider giving Third and Final Reading to Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B.

Motion 4

That Council give Third and Final Reading to Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B.

2. That Council separate the readings between multiple meetings of Council.

Motion 1

That Council give First Reading to Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B.

Motion 2

That Council give Second Reading to Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B.

3. That Council table Bylaw 2017/01/B – Amendment of Town of Drayton Valley Council Code of Conduct Bylaw 2013/17/B to allow _____.

MOTION:

That Council _____.

BYLAW NO. 2017/O/B

**Name of Bylaw: Amendment to Town of Drayton Valley Council Code of Conduct
Bylaw 2013/17/B**

WHEREAS Council has adopted a Governance Model;

AND WHEREAS the Council of the Town of Drayton Valley wishes to bring its Code of Conduct in line with section 201.1 of the *Modernized Municipal Government Act*, R.S.A. 2016;

NOW THEREFORE, pursuant to section 145 of the *Municipal Government Act*, R.S.A. 2000 the Council of the Town of Drayton Valley, duly assembled, hereby enacts the following changes to Bylaw 2013/17/B:

TITLE

1. This Bylaw may be cited as the “Amendment of the Council Code of Conduct Bylaw” of the Town of Drayton Valley.

PURPOSE

2. The purpose of this Bylaw is to amend the Town of Drayton Valley Council Code of Conduct to comply with training requirements for elected officials as established under the *Modernized Municipal Government Act*.

INTERPRETATION

3. A new section 2. b. iii. shall be added as follows:

iii. Training Obligations of Elected Officials

Following a general election or a by-election, each elected member of Council shall, within ninety (90) days of taking the Oath of Office, attend orientation training sessions, including but not limited to:

- a) role of municipalities in Alberta;
- b) municipal organizations and functions;
- c) key municipal Plans, Policies and projects;
- d) roles and responsibilities of Council and Councillors;
- e) roles and responsibilities of the Chief Administrative Officer and staff;
- f) budgeting and financial administration;
- g) public participation; and
- h) any other topic prescribed by the regulations.

SEVERABILITY

4. If any provision of this Bylaw is held be invalid by a court of competent jurisdiction, that decision will not affect the validity of the remaining provisions of the Bylaw.

AND THAT this Bylaw shall come into force and have effect from and after the date of third reading thereof.

Read a first time this _____ day of February, 2017, A. D.

Read a second time this _____ day of February, 2017, A. D.

Read a third and final time this _____ day of February, 2017, A. D.

MAYOR

CHIEF ADMINISTRATIVE OFFICER

AGENDA ITEM: 7.2	Amended Committee Structure
Department:	Council
Presented by:	Councillor Long
Support Staff:	Dwight Dibben, CAO

BACKGROUND:

Council recently discussed the current vacancies on the Brazeau Seniors Foundation, Clean Energy Technology Centre Committee, and Homeless and Poverty Reduction Committee with Dean Shular's resignation. Councillors Wheeler, Fredrickson, and Long, respectively, volunteered to fill these vacancies. The matter is presented for Council decision.

It should be noted that a resolution was passed at the May 17, 2000, Regular Meeting of Council, authorizing that the Mayor may designate any member of Council to attend any Committee meeting and vote on behalf of the Town. This resolution was passed to ensure that all Committee meetings have a member of the Drayton Valley Town Council present and capable of voting on behalf of the Town. Rare instances do arise where both the appointed representative and the alternate are unable to attend a meeting.

The amended Committee Structure is attached for Council's review with the changes highlighted. Once approved, amended Committee appointments will be forwarded to the applicable organizations/groups as well as advertised in the newspaper.

OPTIONS:

1. That Council approve the amended Committee Structure, as attached.
2. That Council approve the amended Committee Structure with the following changes

3. That Council table the amended Committee Structure until a future meeting.

MOTION:

That Council _____.

Town of Drayton Valley Approved Committee Structure 2016-2017

Mayor Glenn McLean
Deputy Mayor Eight Month Rotation for Each Councillor

External Committee	Council Member	Alternate	Meeting Frequency	Members
Aquatic Facility Fund Development Strategy Committee	Councillor Fredrickson Councillor Wheeler	Councillor Nadeau	Monthly as required	2 Town Council Reps, 2 County Council Reps, Town & County Admin.
Brazeau Senior's Foundation	Councillor Fredrickson	Councillor Wheeler	Monthly (daytime)	External & 1 Town Council Rep
Community Adult Education Council (Norquest College)	Administration		TBA	External w/ 1 Town Council Rep
Drayton Valley Community Foundation Board	Councillor Wheeler	Councillor Bossert	Approx. 5 times per year (daytime)	External w/ 1 Town Council Rep
Drayton Valley Municipal Library (DVML) Board / Yellowhead Regional Library Board	Councillor Long	Councillor Wheeler	2 nd Tuesday of every month (evening)	1 Town Council Rep & 1 County Council Rep, Members at Large, Town Admin.
Eagle Points Blue Rapids Parks Council	Councillor Fredrickson	Councillor Long	Monthly (Evenings)	External w/ 1 Town Council Rep
Eleanor Pickup Arts Centre Society	Councillor Nadeau	Councillor Fredrickson	Monthly (with the exception of July & Aug), special meetings of sub-committees	External w/ 1 Town Council Rep
FCSS Advisory Board	Councillor Bossert	Councillor Long	Quarterly and/or as Required (daytime)	1 Town Council Rep, FCSS Staff, Members at Large
Healthy Community Coalition	Councillor Wheeler	Councillor Fredrickson		
Homelessness and Poverty Reduction Strategy Committee	Councillor Bossert	Councillor Long		1 Town Council Rep,
Legacy Committee	Councillor Nadeau Councillor Long	Councillor Wheeler		Sunset in 2017
North Saskatchewan Watershed Alliance/Headwaters	Councillor Wheeler	--- Admin	approximately 9 times per year	1 Town Council Rep, 1 Town Admin
Pembina Physician Recruitment & Retention Committee	Councillor Bossert	Councillor Long	4th Monday of every month at 7pm	1 Town Council Rep, 1 County Council Rep
Drayton Valley Tourism and Hospitality Authority	Councillor Fredrickson Councillor Long	Councillor Bossert		

Updated October 20, 2015

Page 2 of 2

Internal Committee	Council Member	Alternate	Meeting Frequency	Members
Clean Energy & Technology Centre (CETC) Committee	Councillor Long Councillor Nadeau	Councillor Fredrickson		2 Town Council Reps, Town Admin
Economic Development Committee	Councillor Long Councillor Nadeau	Councillor Fredrickson		2 Town Council Reps, Town Manager, Economic Development Staff
Sustainability Committee	Councillor Wheeler Councillor Bossert	Councillor Nadeau		2 Town Council Reps, Town Admin
Waste Management Committee	Councillor Fredrickson Councillor Bossert	Councillor Wheeler		2 Town Council Reps, Town Admin

Mayor's Committee's	Dates
Northern Alberta Mayors and Reeves Mayor's Advisory Committee West Central Mayors/Reeves Central Alberta Mayors/Reeves	Meet 4 – 5 times a year (Evenings)

**** The Mayor serves as an Ex-Officio member of all committees****

		SECTION	7
AGENDA ITEM: 7.3	Request for Temporary Road Closures for 2017 Triathlon		
Department:	Bylaw		
Presented by:	Councillor Wheeler		
Support Staff:	Pam Balke Municipal Bylaw Enforcement		

BACKGROUND:

The Drayton Valley Triathlon Committee has presented a letter to Mayor MacLean and Council regarding the 6th Annual Drayton Valley Triathlon which is scheduled for Saturday, May 13th, 2017. The Committee is seeking the Town's support for this annual event.

Specifically, the Committee is asking Council to allow the temporary closure of streets immediately surrounding Rotary Park and the roads utilized for the bike and run routes. The closure would occur from 7:00 a.m. to approximately 3:00 p.m. on Saturday, May 13th, 2017.

The temporary closures would affect the following roads (as per the attached map):

- Rotary Park area:
 - 51 Avenue between 49 Street and 48 Street
 - 52 Avenue between 49 Street and 48 Street
 - 48 Street between 51 Avenue and 52 Avenue
- Run/Bike Route:
 - 48 Street between 52 Avenue and 55 Avenue
 - 55 Avenue to Meier Avenue and 43 Street
 - 43 Street between 55 Avenue and 50 Avenue
 - 50 Avenue between 43 Street and Range Road 73
 - Beckett Road between 50 Avenue and 49 Avenue

The temporary road closures will help to ensure the safety of triathlon participants, volunteers, and spectators.

OPTIONS:

1. That Council approve the temporary road closure and barricading of the following roads for the 6th Annual Drayton Valley Triathlon scheduled for Saturday, May 13th, 2017:
 - Rotary Park area:
 - 51 Avenue between 49 Street and 48 Street
 - 52 Avenue between 49 Street and 48 Street
 - 48 Street between 51 Avenue and 52 Avenue
 - Run/Bike Route:
 - 48 Street between 52 Avenue and 55 Avenue
 - 55 Avenue to Meier Avenue and 43 Street
 - 43 Street between 55 Avenue and 50 Avenue
 - 50 Avenue between 43 Street and Range Road 73
 - Beckett Road between 50 Avenue and 49 Avenue
2. That Council deny the temporary road closure and barricading of roads for the 6th Annual Drayton Valley Triathlon scheduled for Saturday, May 13th, 2017.

3. That Council table the temporary road closure and barricading of roads for the 6th Annual Drayton Valley Triathlon scheduled for Saturday, May 13th, 2017 and direct Administration or the Drayton Valley Triathlon Committee to _____.

MOTION:

That Council _____.

Beckett Road between 50 Ave. and 49 Ave.

Beckett Road between 50 Ave. and 49 Ave.



TRIATHLON ORGANIZING COMMITTEE

Box 6837

Drayton Valley, AB T7A 1A1

Phone: (780) 514-2234

Email: fitnessmanager@draytonvalley.ca

February 1st, 2017

Town of Drayton Valley
Mayor Glenn McLean
Box 6837
T7A 1A1

Dear Mayor McLean and Council,

This letter is to advise the Town of Drayton Valley Council that planning is underway for the 6th Annual Drayton Valley Triathlon. The 2017 event will be held on Saturday, May 13th. Set up begins the night of May 12th, and final cleanup will be completed by 6:00 p.m. May 13th. As with our previous triathlons, this event will be utilizing the Park Valley Pool, Rotary Park and roads surrounding this area, as well as roads in Brazeau County.

Roads utilized for the route will need to be closed to ensure the safety of all our athletes, as well as the general motoring public and spectators. A copy of the road closure map, with road closure times, is attached for your reference. We ask the Public Works department to supply and drop off barricades along the route at intersections and back alleys to enhance the safe and temporary road closures requested .

There will be an expected increase of athlete training on the roadways leading up to the Triathlon; the athletes have expressed their appreciation for consideration of increased frequency of sweeping along the triathlon route. This sweeping ensures the safety of the athletes prior to the race but especially on race day.

We sincerely appreciate all the support that the Town of Drayton Valley has given to this event to make it a successful and yearly anticipated event.

Sincerely,

A handwritten signature in cursive script that reads "Leah Bathgate".

Leah Bathgate
Administration Director, Drayton Valley Triathlon
Fitness Manager, Town of Drayton Valley

AGENDA ITEM: 7.4	Community Event Grant – First Quarter Allocation
Department:	Community Services Department
Presented by:	Councillor Bossert
Support Staff:	Annette Driessen, Director of Community Services

BACKGROUND:

The Town of Drayton Valley recognizes that there are non-profit organizations that host community events to raise funds or that require donations for worthwhile projects, programs, or services. In an effort to support these organizations and their endeavours, the Town may provide support grants to assist with the hosting of community events and initiatives. Funding applications are to be reviewed on a quarterly basis. The first quarter deadline was January 5, 2017 and \$5,000.00 is available for distribution.

These events reflect the objectives of the Social Development Plan and the Community Sustainability Plan:

Application 1 - The "I AM EMPOWERED" Conference provides opportunities for healthy lifestyle through education and physical activities" (CSP).

Application 2 - The 3rd Annual Pro Rodeo "continues planning with community organizations and business to provide the appropriate rural cultural programs and facilities for the community" (SDP).

Application 3 - The 6th Annual Black & White Ladies Diamond Gala is an event that "encourages and support local groups and organizations, businesses and governments to work collaboratively" (SDP).

Application 4 - The National Archery in Schools Program Provincials "allows Drayton Valley to participate in wide-scale initiatives (provincials, national) which benefit the community" (SDP).

OPTIONS FOR APPLICATION 1:

1. That Council decline the funding request from Aim for Success for its I am Empowered Conference due to being ineligible under the guidelines of the grant.

OPTIONS FOR APPLICATION 2:

1. That Council award the Drayton Valley Pro Rodeo Society's 3rd Annual Pro Rodeo \$_____ to help fund the Omniplex rental fees and event Insurance.
2. That Council decline the funding request from the Drayton Valley Pro Rodeo Society.

OPTIONS FOR APPLICATION 3:

1. That Council award the Rotary Club of Drayton Valley's 6th Annual Black & White Ladies Diamond Gala \$_____ to help cover the expenses of the event.

2. That Council decline the funding request from the Rotary Club for the 6th Annual Black & White Ladies Diamond Gala.

OPTIONS FOR APPLICATION 4:

1. That Council award the Safari Club International's 2017 National Archery in the Schools Program (NASP) Provincials \$ _____ to help fund the venue rental, venue set-up/decorating and event programs.
2. That Council decline the funding request from Safari Club International for the Schools Program (NASP) Provincials.

MOTION:

Application 1:

That Council _____.

Application 2:

That Council _____.

Application 3:

That Council _____.

Application 4:

That Council _____.



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT CHECKLIST

OFFICE USE ONLY

CRITERIA		
Policy Requirements:		Notes:
✓	application (complete, signed and accompanied by supporting documents) received by deadline	
✓	benefit the community as a whole or a specific major group within the community	Estimating 160 attendee's
✓	not duplicate past or present local services (unless a need can be demonstrated)	No
	provide equal access to the service without discrimination	
✓	not already be receiving direct or indirect support from the Town for the stated service	FCSS awarded \$2,500 and Safe & Healthy Community Allocation awarded \$6,000
✓	address an identified need in the community or contribute to the common good of the community	Combating beauty-related anxiety
✓	recognize the Town's contribution to the event or service sponsored	Conference Guides
✓	other revenue sources have been sought or obtained	
	is the applicant using the grant funds to leverage other grants or funds	

Additional Information		Notes:
	if this is an annual event/activity, has the Town sponsored it before?	Yes, 2016 I AM MOTHER, DAUGHTER CONFERENCE was awarded \$750.00
✓	does the organization work to achieve some of the community goals set out in statutory plans (Social Development Plan, Municipal Sustainability Plan, etc.)?	Yes, "Provide opportunities for healthy lifestyle through education and physical activities"(CSP)

Comments:

March 11, 2017 - Aim for Success - I AM EMPOWERED CONFERENCE

Requesting \$5,000

Under the parameters of the grant educational institutions are not considered for funding. Through the FCSS grant process **\$2,500** was awarded to this project.

Recommendation to Council:

Sponsorship Approved: Yes ☐ No ☐

If yes, indicate amount: \$ _____

Authorized Signature: _____ Date: _____



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT APPLICATION FORM

Date: November 10th 2016 Event Date: March 11th 2017

Organization Name: Aim for Success - Wild rose school division

Mailing Address: 4912 43 street, Rocky mountain house, AB, T4T 1P4

Contact Name: Christopher Lees Title: Project Coordinator

Email: christopher.lees@wrsd.ca Telephone: 587 277 0147

ORGANIZATION MANDATE

Description of the organization's mandate:

Aim for Success promotes the positive development of mental health and wellness in children, youth and families by working directly with students in schools and the community through programs, initiatives and mentorship services. Aim for Success works to empower students and provide skills which reduce anxiety, improve mental health and increase student mentoring. Aim for Success provides front line universal programming that supports over 1,400 students each year. Aim for Success also partners to provide community enhancement events & summer camps that build strong and resilient communities

STATED SERVICE

Details of the stated service or initiative (including date(s), time(s), location(s) and activities):

The "I am Empowered womens conference 2017 will provide opportunities for women of all ages to explore social and emotional issues together and form stronger, closer and more supportive bonds. Through workshops, guest speakers, activities and projects, women ages 10 and up will have the opportunity to explore perceptions around self-esteem, body image, self-confidence throughout the day will empowered with tools to help them develop emotionally strong and healthy. The conference is focused on re-shaping women's perception of themselves and in turn helping them to discover real beauty.

Number of individuals and/or organizations (please specify) that will benefit from the stated service:

Last year the conference attracted 138 local and regional, mothers, daughters and women. This year we are expecting over 160 attendees from Drayton valley, Brazeau county and from across other areas of the province

Manner in which those individuals and/or organizations will benefit:

Beauty related anxiety is a significant issue, of Canadian girls, research shows 9 of out 10 say they feel pressure from the media to be thin, while 50% of girls in grade 6 report to be on a diet. In grade 6, only 36% report to be self-confident and by grade 10 that number drops to only 14%. When girls hold themselves back because of the way they think they look, society misses out. This conference will help to support young women to grow to be vibrant, engaged and resilient members of the community

SPONSORSHIP REQUEST

Reason for request from the Town:

The conference supports local youth, mothers and caregivers and of the 138 women who attended last year around 90% were from the local community. Those women left the conference with new skills and confidence that positively affected our community. The event improved youth and family engagement and also showcased local town services & business. The conference is being hosted at the new CET center and we would like to ask for support from the town to help ensure this event can occur and will continue to inspire more local women

Nature of the request and/or amount requested:

Aim for Success is requested \$5,000 of funding or a similar amount to help us fund the key note speaker, the catering and cost for the facility rental

Please attach:

a budget or business plan (showing anticipated revenue sources and expenditures) for the specific service/function requiring sponsorship

a list of other organizations that have been or will be approached for sponsorship

How will sponsoring organizations be recognized?

Please see attached sponsorship booklet, the conference budget and the list of business approached

BY AFFIXING HIS/HER SIGNATURE BELOW, THE APPLICANT CONFIRMS THAT THE FOLLOWING STATEMENTS ARE TRUE, TO THE BEST OF HIS/HER KNOWLEDGE.

1. The information provided is accurate.
2. The signature below is that of the registered director, board member or authorized designate of the organization requesting sponsorship.
3. I understand and agree that this application for municipal sponsorship, or any information related there to, is not confidential information and may be released by the Town of Drayton Valley.

Applicant's Signature:  Date: Nov 10th 2016.

MAIL TO:

Town of Drayton Valley
Community Event Grant
Box 6837
Drayton Valley, AB T7A 1A1

DELIVER TO:

Town of Drayton Valley
Community Event Grant
5102 - 52 Street
Drayton Valley, AB

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY (FOIP) STATEMENT

The personal information on the Community Event Grant Application is being collected under authority of Section 33(c) of the *Freedom of Information and Protection of Privacy (FOIP) Act* and will be used to administer Grant Funding. The Town of Drayton Valley will use the aggregate data for program planning and evaluation. All personal information will be protected in accordance with the privacy provision of the *FOIP Act*. If you have any questions about the Grant or questions about the collection, use or disclosure of our personal information, please contact the Town of Drayton Valley at (780) 514-2200.



MHCB - Mental Health Capacity Building Project
Wild Rose School Division
Eldorado Elementary School
4762, 50 Street
Drayton Valley, AB
T7A 1P1
Thursday November 10, 2016

To whom it may concern,

RE In relation to the Aim for Success Community event grant

During the 2016 "I am Empowered Conference" the following business provided financial support

- Best western plus
- Intercom messaging
- Serenity funeral home
- Women in business network
- Darkai Valve specialists
- Pembina
- Petro Canada
- Zinger rentals
- Servus Credit union
- Valley fleet Automotive
- Anonymous donor

For the 2017 "I am Empowered Conference" the above business are being contacted along with:

- Anytime fitness
- BMO
- Sunlife Financial
- Dodge
- Home Hardware
- Weyerhaeuser
- Julies bed and bath
- Go west wireless
- Carol Lapointe
- Century 21
- Rocky rapids store
- Reed Law firm
- TD
- The cooperators
- Scotia Bank
- Ford
- Brandette
- Telus
- Shaw
- Duncan & Craig
- Remax
- Independent



- Carson/Roberts and seely

Yours Sincerely,

Christopher Lees

Project Coordinator

Aim for Success.ca

MHCB - Mental Health Capacity Building Project

Wild Rose School Division

4417 47 Ave

Drayton Valley, AB

T7A 1P2

(587) 277 - 0147

christopher.lees@wrsd.ca

www.aimforsuccess.ca



EXCITING NEWS!

Tickets for the 2nd annual I Am Empowered conference go on sale TODAY! (what a great Christmas gift that would be!)

Tickets are only \$30 and include a light breakfast, tasty lunch, and very inspiring workshops and keynote speaker!

Tickets will sell FAST, so go get yours TODAY! You can pick tickets up at the following locations: Petro-Canada South, Value Drug Mart, and Serenity Funeral Services.

Hope to see you all there!

Teresa Dunlop

From: Chris Lees <notification+zrdzz1vdop11@facebookmail.com>
Sent: Saturday, December 10, 2016 8:51 AM
To: Aim for Success
Subject: [Aim for Success] From our key Note speaker:



Chris Lees posted in Aim for Success.

**Chris Lees**

December 10 at 8:50am

From our key Note speaker:

I am super excited to be back in Drayton Valley it has been too long. I'm going to address why females have a hard time getting along & how you can change that. If you know a young girl who is often judged harshly by other females she will not want to miss this, ladies in the workplace this will apply to you too. And a mothers self-image, after having children you need a boost. Let's pass on confidence to the next generation instead of our insecurities! I promise you, you will not leave disappointed as I will share super practical truths for women and young girls. Thanks for hosting this event to empower women Chris.



From our key Note speaker:

I am super excited to be back in Drayton Valley it has been too long.
I...

 Like Comment Share[View on Facebook](#)[Edit Email Settings](#)

Reply to this email to comment on this post.



Join us and be inspired by the second annual "I AM" Empowered Women's Conference on March 11 in Drayton Valley at the CETC. This one day conference will engage and empower women of all ages through a variety of workshops and inspirational messages - building confident, powerful, and passionate women. The conference's underlying goals focus on self-esteem, body image and enhancing relationships. For more information please visit our website;

www.aimforsuccess.ca

We can make this happen WITH YOUR SUPPORT!

Diamond \$2500

- Company logo and sponsorship level on the front of the conference day program
- Company logo also on:
 - tote bag (each registrant receives, approximately 160)
 - website and registration page
 - conference posters
- Company recognition on conference day PowerPoint

We will be happy to discuss any possibilities with you - the above packages are just our traditional suggestions.

Platinum Partner \$750

- Company logo and sponsorship level on conference day program
- Company logo also on
 - website and registration page
 - conference posters

Gold \$500

- Company logo on website and registration page
- Company logo and sponsorship level on conference day program

Silver \$250

- Company logo and sponsorship level on conference day program

About Aim for Success



Aim for Success provides services and supports to 7 schools across the community of Drayton Valley. Utilizing web and social media and front line professional development, the Aim for Success team works to empower educators directly and provide children/youth with programming and tools that support positive social, emotional and mental wellness.

Aim for Success provides evidence based front line universal programming that supports over 1,400 students within our community each year. Along with this, Aim for Success also provides support within the areas of bullying reduction, mentoring and summer camps. Aim for Success also partners to provide regular local community events and educational opportunities to help reduce the stigma of mental health and bring families together to connect and build a stronger community.



Nov. 25, 2016
is the Deadline for
Donations

If you would like to become a sponsor or speak to someone regarding this possibility, please contact Christopher Lees at 587-277-0147.

Please fill in the following form.

☐ Send by mail:

Eldorado Elementary
4762 50 Street
Drayton Valley, Alberta T7A 1P1
Make cheques to: Wild Rose School Division
(Memo to Aim for Success)

☐ Scan/email

or just call and we will arrange to pick up your cheque

email: christopher.lees@wrsd.ca

Select a Sponsorship

☐ Diamond - \$2500

☐ Gold - \$500

☐ Platinum - \$750

☐ Silver - \$250

Your Information

Company Name _____

Contact Person _____

Title _____

Address _____

Telephone _____

E-mail _____

Social Media Handles _____

☐ Check if you wish to remain anonymous

Signature _____

Please make cheques payable to;

Wild Rose School Division

(Memo to Aim for Success)

Official registered charitable donation receipts will be issued in the name appearing on cheques received

Thank you for your donation!



About Our Special Guest Speaker Alison Springer

Alison believes in empowering young women by redefining Beauty, teaching how to use and apply Wisdom, building confidence to produce Powerful change, to be unwavering in values and Principles

Her mission is to build a generation of confident young women who will make positive choices that will change and shape their world and the world around them.



Aim ~~FOR~~ Success.ca
Presents

I Am
EMPOWERED
CONFERENCE

March 11, 2017
*In Celebration of
International Women's Day*

***Your Invitation
To Sponsor
This Special
Event***

Conference Overview

Beauty-related anxiety is a big problem and is recognized as an important issue by women all around the world. Australian girls say that body image is one of their top three worries in life. One in three 6-year-olds in Japan experiences low body confidence. 81% of 10-year-old girls in the U.S. are afraid of being fat and more than 110,000 girls in Brazil underwent cosmetic surgery in 2009.

When girls hold themselves back because of the way they think they look, society misses out. Our own global research shows that six out of ten girls are so concerned with the way they look, they avoid participating in a range of activities. Studies in Finland, China and the U.S. show that girl's relationship with the way they look has an impact on their academic performance: girls who think they are overweight, irrespective of their actual weight, have lower grades. And the negative impact of low body confidence continues later on in life, with 17% of women claiming they won't go to a job interview and 8% missing work on days when they feel bad about the way they look.

We believe beauty should be a source of confidence, not anxiety. We want to see a world free of appearance-related anxiety so that girls can grow up to be confident, strong and active members of society. So in celebration of International Women's Day 2017, Aim for Success, along with local partners, is delivering the second annual "I Am Empowered" Women's Conference.

The conference will provide opportunities for women of all ages to explore social and emotional issues together and form stronger, closer and more supportive bonds. Through workshops, guest speakers, activities and projects, women aged 10 and up will have opportunity to explore perceptions around self-esteem, body image, self-confidence and throughout the day will be empowered with tools to help them develop emotionally strong and healthy.

This conference is focusing on reshaping girls and women's perception of themselves and in turn helping them to discover what real beauty is. Together, we will build a stronger, more resilient and self-confident community.



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT CHECKLIST

OFFICE USE ONLY

CRITERIA		
Policy Requirements:		Notes:
✓	application (complete, signed and accompanied by supporting documents) received by deadline	
✓	benefit the community as a whole or a specific major group within the community	Drayton Valley Thunder, CT4DV & Drayton Valley Food Bank
✓	not duplicate past or present local services (unless a need can be demonstrated)	No duplication
✓	provide equal access to the service without discrimination	Expecting 4,000 spectators
✓	not already be receiving direct or indirect support from the Town for the stated service	Requesting fees to cover Omniplex charges (clean up dirt, hospitality room, insurance &
✓	address an identified need in the community or contribute to the common good of the community	Yes
✓	recognize the Town's contribution to the event or service sponsored	Poster, Program, Website, Banner, Chute sign, radio & newspaper
✓	other revenue sources have been sought or obtained	Yes
✓	is the applicant using the grant funds to leverage other grants or funds	No

Additional Information		Notes:
✓	if this is an annual event/activity, has the Town sponsored it before?	Yes, \$1,000 awarded in 2016
✓	does the organization work to achieve some of the community goals set out in statutory plans (Social Development Plan, Municipal Sustainability Plan, etc.)?	"Continue planning with community organizations and businesses to provide the appropriate cultural facilities for the community" (SDP)

Comments:

May 5, 6 & 7, 2017 - Drayton Valley Pro Rodeo Society - 3rd Annual Pro Rodeo
Requesting \$5,957.00

Recommendation to Council:

--

Sponsorship Approved:

Yes ☐

No ☐

If yes, indicate amount: \$ _____

Authorized Signature: _____ Date: _____



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT APPLICATION FORM

Date: Dec 31, 2016 Event Date: May 4-7th, 2017

Organization Name: Drayton Valley Pro Rodeo Society

Mailing Address: Box 5112 Drayton Valley, AB T7A 1R3

Contact Name: Carmen Pietsch Title: Treasure/Secretary

Email: tpietsch@xplornet.ca Telephone: 780-682-2273

ORGANIZATION MANDATE

Description of the organization's mandate:

The Drayton Valley Pro Rodeo Society is a non-profit organization, dedicated to bringing the very best in rodeo to Drayton Valley and the surrounding areas. We are bringing the best cowboys and stock in North America to our community for everyone's western entertainment.

STATED SERVICE

Details of the stated service or initiative (including date(s), time(s), location(s) and activities):

Slack(extra entries) May 4th, 2017 10am-3pm
 Perf #1 May 5th, 2017 7-10pm
 Perf #2 May 6th, 2017 7-10pm
 Perf #3 May 7th, 2017 2pm-5pm

Number of individuals and/or organizations (please specify) that will benefit from the stated service:

We estimate that about 400 contestants, 4000 spectators, 4 4H groups at least 4 community groups (we are in contact with more), Local food bank, 20 local rodeo personnel and the businesses in the town of Drayton Valley will benefit from us putting on our rodeo. We are supporting many local businesses by buying our supplies at them. We are also going to have a family admission rate so the whole family can come out and enjoy the fun for very little money.

Manner in which those individuals and/or organizations will benefit:

They will benefit by us having a rodeo- Contestants will have a rodeo to participate at to help them make it to the Canadian and National finals. Spectators will have reasonably priced entertainment. CT4DV can raise more money for the CT scanner. Drayton Valley Thunder can fundraise at their dance and beergardens. DV food bank will receive food and money for the people that need it. The town can show case Drayton Valley and continue to have their Chili cook off and trade show supported by another complimentary event. The businesses in town will benefit by having more people in town to spend money.

SPONSORSHIP REQUEST

Reason for request from the Town:

We are looking at all levels of sponsorship and trying to pay for the rodeo which has a budget of over \$90 000, so anywhere we can get funds at this difficult time would be greatly appreciated.

Nature of the request and/or amount requested:

We would like money to cover the rent of the Omniplex and our insurance.
Insurance is \$2000
Meeting Rent- \$357.00
Rodeo Time Rent- \$3600.00
The total we are applying for is \$5957 but we would appreciate any money you can give us.

Please attach:

a budget or business plan (showing anticipated revenue sources and expenditures) for the specific service/function requiring sponsorship

a list of other organizations that have been or will be approached for sponsorship

How will sponsoring organizations be recognized?

Depending on level of sponsorship the organizations will be recognized with • Flag in Grand Entry (Supplied by sponsor) • On poster if paid by March 1st and on radio/newspaper ads if paid by April 1st
• ad on Website and Company Logo on our website home page
• Full page ad in program
• Banner on announcer stand (Supplied by sponsor) or • 1 Chute sign on the chutes
• VIP Passes to rodeo weekend and sponsor night

BY AFFIXING HIS/HER SIGNATURE BELOW, THE APPLICANT CONFIRMS THAT THE FOLLOWING STATEMENTS ARE TRUE, TO THE BEST OF HIS/HER KNOWLEDGE.

1. The information provided is accurate.
2. The signature below is that of the registered director, board member or authorized designate of the organization requesting sponsorship.
3. I understand and agree that this application for municipal sponsorship, or any information related there to, is not confidential information and may be released by the Town of Drayton Valley.

Applicant's Signature: Carmen Pietsch Date: Dec 31, 2016

MAIL TO:

Town of Drayton Valley
Community Event Grant
Box 6837
Drayton Valley, AB T7A 1A1

DELIVER TO:

Town of Drayton Valley
Community Event Grant
5102 - 52 Street
Drayton Valley, AB

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY (FOIP) STATEMENT

The personal information on the Community Event Grant Application is being collected under authority of Section 33(c) of the *Freedom of Information and Protection of Privacy (FOIP) Act* and will be used to administer Grant Funding. The Town of Drayton Valley will use the aggregate data for program planning and evaluation. All personal information will be protected in accordance with the privacy provision of the *FOIP Act*. If you have any questions about the Grant or questions about the collection, use or disclosure of our personal information, please contact the Town of Drayton Valley at (780) 514-2200.

2017 Drayton Valley Pro Rodeo Budget and Actual Costs

Page 45 of 133

<u>Description</u>	<u>Budgeted Cost</u>	<u>Actual Costs</u>	<u>Sponsor</u>	<u>Quotes</u>
Advertising	\$3,000.00			
Ambulance x4	\$3,000.00			
Announcer	\$3,000.00			
Banking	\$250.00			
Bull Fighters 2X 3days	\$2,400.00			
Camp Stalls for Help	\$500.00			
Chute Boss	\$300.00			
Clean up & Haul Away	\$1,000.00			
Committee shirts	\$500.00			
Convention CPRA	\$500.00			
Cowboy Therapy	\$150.00		Paid for supplies	
CPRA Sanctioning Fee	\$2,500.00			
CPRA Secretary	\$1,260.00			
DV Thunder Fund Raiser	\$400.00			
Feed For Stock	\$500.00			
Hired Clean up & Parking	\$600.00			
Hired Help	\$300.00		stripping chute kids	
Hospitality Room	\$1,500.00			
Insurance -Director	\$500.00			
Insurance- Rodeo	\$1,100.00			
Insurance- Warma	\$375.00			
Judges 2x4 days	\$2,300.00			
Lunch for Help				
Meetings-Rent	\$357.00			
Office	\$500.00			
Pick up Men 2x 3days	\$2,400.00			
Prize Money	\$21,700.00			
Programs x4	\$750.00			
Rent Rodeo	\$4,000.00			
Rented Steel	\$7,000.00			
Rooms	\$2,500.00			
Security-night	\$1,000.00			
Speaker	\$100.00			
Sponsor Letters	\$400.00		Mail out & printing and ink cart.	
Stock	\$10,000.00			
Sub contractor	\$7,000.00			
Supplies for rodeo	\$1,000			
Thank you letters	\$500.00			
Tickets & Wristbands	\$300.00			
Timed event stock	\$5,000.00			
Timers 2x4days	\$1,200.00			
Website	\$ 150.00			
Grand Total	\$91,792.00	\$ -		

<u>Revenue</u>				
Sponsorship Collected	\$2,000.00			
Sponsorship Committed	\$10,000.00	Sponsors that have said yes		
Admission from Spectators	\$25,000.00	about 500 people a day but hoping for more		
Grants and other sponsors	\$55,000.00			
	\$92,000.00			



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT CHECKLIST

OFFICE USE ONLY

CRITERIA		
Policy Requirements:		Notes:
✓	application (complete, signed and accompanied by supporting documents) received by deadline	
✓	benefit the community as a whole or a specific major group within the community	Listed 14 groups and programs supported by their work.
✓	not duplicate past or present local services (unless a need can be demonstrated)	
✓	provide equal access to the service without discrimination	
✓	not already be receiving direct or indirect support from the Town for the stated service	
✓	address an identified need in the community or contribute to the common good of the community	
✓	recognize the Town's contribution to the event or service sponsored	Thank you card, Power Point, Newspaper Ad
✓	other revenue sources have been sought or obtained	
✓	is the applicant using the grant funds to leverage other grants or funds	

Additional Information		Notes:
✓	if this is an annual event/activity, has the Town sponsored it before?	Yes, \$500 awarded in 2016
✓	does the organization work to achieve some of the community goals set out in statutory plans (Social Development Plan, Municipal Sustainability Plan, etc.)?	"Encourage and support local groups and organizations, businesses and governments to work collaboratively" (SDP)

Comments:

March 4, 2017 - Rotary Club of Drayton Valley - 6th Annual Black & White Ladies Diamond Gala
Requesting \$5,000

Recommendation to Council:

--

Sponsorship Approved:

Yes ☐

No ☐

If yes, indicate amount: \$ _____

Authorized Signature: _____ Date: _____

780-542-5753



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT APPLICATION FORM

Date: Jan 3, 2017 Event Date: March 4, 2017

Organization Name: Rotary Club of Drayton Valley

Mailing Address: PO Box 5126 Drayton Valley, AB T7A 1R8

Contact Name: Donna Palmer Title: Diamond Gala Fundraising Chair

Email: palmerd19@gmail.com Telephone: 780-621-8959

ORGANIZATION MANDATE

Description of the organization's mandate:

The mission of Rotary International is to provide service to others, promote integrity, advance world understanding, goodwill and peace through fellowship of business, professional and community leaders. The Rotary Club of Drayton Valley is motivated to encourage, promote, support and build ongoing and new initiatives to instill positive lasting change in our community.

STATED SERVICE

Details of the stated service or initiative (including date(s), time(s), location(s) and activities):

6th Annual Black & White Ladies Diamond Gala
Saturday, March 4, 2017
MacKenzie Conference Centre
5:30 p.m.

Adding to the evening festivities will be a Silent Auction, Live Auction, Raffles, Fine Dining, Entertainment, and Other Enticements including a beautiful Diamond Ring Giveaway!

Number of individuals and/or organizations (please specify) that will benefit from the stated service:

The community of Drayton Valley including Rotary House, Rotary Community BBQ's, Rotary Trails, Rotary Park, Eagle Park Campground, High School Vocational Scholarships, Hot Lunch at Elementary Schools, Youth Exchange, Interact, Rotary Youth Leadership Award, Rotary Youth Program of Enrichment, Canadian Tire Jumpstart, Community Paul Harris Fellowship Awards, Brighter Futures / Family Resources Society and ongoing and new legacy projects! Rotary strives to meet the needs of the community!

Manner in which those individuals and/or organizations will benefit:

Rotary's involvement within the community enriches the lives of everyone who lives, works, plays, goes to school, and visits Drayton Valley.

SPONSORSHIP REQUEST

Reason for request from the Town:

Rotary was gratefully a recipient of funds from the Community Events Grant in 2016 and put the money raised at last years Diamond Gala to work in the community immediately presenting a cheque to the Family Resources Society at the event! Rotary historically has made a large impact in our community and will continue that legacy for years to come.

Nature of the request and/or amount requested:

The Gala Committee is looking for sponsors specifically for our Diamond and Gold Tables. Please refer to the "Gala Overview" for a description. We are requesting \$5,000.

Please attach:

a budget or business plan (showing anticipated revenue sources and expenditures) for the specific service/function requiring sponsorship

a list of other organizations that have been or will be approached for sponsorship

How will sponsoring organizations be recognized?

Sponsors are recognized in an eye catching Power Point Presentation that runs on all three screens in the MacKenzie centre during the entire night of the event. On the back of the event program that is available at every seat, we ask our guests to take a moment to acknowledge the names of those sponsors and ask that they find the opportunity to recognize them and to support their businesses in the future. Following the event an ad is placed in the Western Review. Every year we hand deliver Thank You cards to all our supporters! We can't stress enough how much we appreciate our Sponsors!!

BY AFFIXING HIS/HER SIGNATURE BELOW, THE APPLICANT CONFIRMS THAT THE FOLLOWING STATEMENTS ARE TRUE, TO THE BEST OF HIS/HER KNOWLEDGE.

1. The information provided is accurate.
2. The signature below is that of the registered director, board member or authorized designate of the organization requesting sponsorship.
3. I understand and agree that this application for municipal sponsorship, or any information related there to, is not confidential information and may be released by the Town of Drayton Valley.

Applicant's Signature:



Date: January 3, 2017

MAIL TO:

Town of Drayton Valley
Community Event Grant
Box 6837
Drayton Valley, AB T7A 1A1

DELIVER TO:

Town of Drayton Valley
Community Event Grant
5102 - 52 Street
Drayton Valley, AB

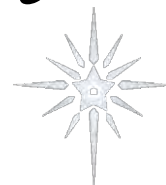
FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY (FOIP) STATEMENT

The personal information on the Community Event Grant Application is being collected under authority of Section 33(c) of the *Freedom of Information and Protection of Privacy (FOIP) Act* and will be used to administer Grant Funding. The Town of Drayton Valley will use the aggregate data for program planning and evaluation. All personal information will be protected in accordance with the privacy provision of the *FOIP Act*. If you have any questions about the Grant or questions about the collection, use or disclosure of our personal information, please contact the Town of Drayton Valley at (780) 514-2200.



The Rotary Club of Drayton Valley

Requests the pleasure of your company at our



6th Annual Black & White Ladies Diamond Gala

Saturday, March 4th, 2017
MacKenzie Conference Centre
5120 52nd Street

Champagne Welcome 5:30 p.m. (Dinner and Revelry to Follow)

The purchase of your ticket entitles you to a chance to win our Beautiful Diamond Ring giveaway! You must be present to win! Adding to the evening's festivities will be a Silent Auction, Live Auction, Raffles, Fine Dining, Entertainment, and other Enticements! We look forward to celebrating our 6th Annual Charity Event with you! A Night of Lights!

*This is a **Ladies Only** event that you don't want to miss! Tickets are \$125.00 per person seated at tables of Eight (8). Tickets are on sale Monday, November 07, 2016. **Register Early as space is limited!** Diamond Table Raffle Tickets are also available as well as TABS for the evening. Call Mardi for tickets and details at TD Canada Trust (780)621-2660.*

Please make your cheque payable to **The Rotary Club of Drayton Valley**

Drop off or mail your cheque to Mardi Dancey at TD Canada Trust [5505 - 50 Street #1, T7A 1W2]

Open 9:00 am – 5:00 pm Mon to Wed, 9:00 am – 7:00 pm Thurs, 9:00 am – 6:00 pm Friday

A Reservation in the Name of: _____

Will Require Seating for (Please Circle):

1

2

3

4

5

6

7

8

Contact Number _____



By purchasing tickets, donating cash or raffle items, or by sponsoring the Diamond and Gold Tables, you are contributing to the success of the Rotary Clubs event and in turn helping us to achieve our community project goals! If you are unable to attend but would like to **make a donation please contact Donna Palmer** at (780)621-6959. For further information please contact **Judy Ferrey** at (780)542-1499 or judy.ferrey@gmail.com





Re: **6th Annual Black & White Ladies Diamond Gala**

Good day Generous Supporter! An invitation letter to **Rotary's Black & White Ladies Diamond Gala** has been included with this overview. We are hopeful that you will consider supporting our fundraiser helping us to accomplish our goal of creating positive lasting change in our community and around the world. The following is a short summary of what the Gala is all about and who are the benefactors.

On **Saturday, March 4th, 2017**, The Rotary Club of Drayton Valley is hosting our **6th Annual Black & White Ladies Diamond Gala**. We have enjoyed enormous response from the community selling out within the first week of ticket sales five years consecutively. Total Tables for purchase are 36 Tables of Eight and tickets are on sale now! The Gala is a formal affair for **Ladies only** and for many of those gals, has become **The Event of the Year!**

Diamond Table Raffle Tickets and **TABS** are being **presold** for the event although both will be on sale at the start of the evening as guests arrive. The Diamond Table is **adorned with gifts** and niceties and includes **top notch service** provided for by our handsome ensemble of footmen! This is a wildly coveted raffle! The gentlemen ensure at all times that all the Diamond Table ladies needs and requirements are met! One winning ticket ensures the lucky gals entire table moves to the greatly desired Diamond Table! In the past we had kept our guests in suspense mingling in our Reception area before they were invited to find their seats in the main event room. This year we are inviting the ladies to proceed directly to the event room following a **Champagne and Chocolate Dipped Strawberries Welcome**. Our event room will be **beautifully decorated** in this year's surprise Theme! The atmosphere is breathtaking with tables set and **hors d'oeuvres served**. The Diamond Table raffle draw commences immediately with much excitement. No worries, if they miss the opportunity to win the Diamond Table, the Ladies have a chance to win the equally inviting **"Gold" Table** for next year's Gala in 2018 by Live Auction! The room is adorned with a few special **raffle tables** where guests have the chance to win **incredible gifts!!!** Every year is better than the last! The **bar is open** followed by a **"Fine Dining"** buffet experience and then **served desserts**. A carefully planned schedule of **draws and live auction** items commence throughout the early evening as well as a **Silent Auction** with items to entice lady shoppers. We are so excited to have booked **top notch entertainment** for our ladies this year as they traditionally love to trip the lights and shake, shimmy and rock and roll! If all that isn't enough, the night is capped off with a **"Diamond Ring Giveaway"**, with an impressive value! **Every guest is eligible to win** simply by being there!

As the Gala is now Rotary's only major fundraiser for the year we rely on support from our neighbors, friends, the community and our local businesses especially during these ongoing economic challenges. **Please keep in mind that our services are called for now more than ever because of increased need.** Our benefactors are as follows:

Community Programs and Projects

- Rotary House (Multiple Service Organizations)
- Rotary Community BBQ's (5)
- Rotary Trails
- Rotary Park
- Eagle Park Campground
- High School Vocational Scholarships
- Hot Lunch Program at local Elementary Schools

Youth Programs

- Youth Exchange Program
- Interact Club Support
- RYLA (Rotary Youth Leadership Award)
- RYPEN (Rotary Youth Program of Enrichment)
- Canadian Tire Jumpstart

Past, Ongoing and New Legacy Projects

- Literacy
- EPAC Grand Piano
- DVHCC Helipad Contribution
- Rotary Children's Library
- Brighter Futures / Family Resources Society
- Community Paul Harris Fellowship Awards

International Projects

- Educating Children in Awaso, Ghana
- Funding a Brick Making Machine in Ogooma, Uganda
- Computers for schools in Belize
- Supplying Shelter Boxes to aid in Disaster Relief
- Polio Plus Support (Eradicating Polio Worldwide)

Our sponsors are recognized in a **Power Point Presentation** which runs throughout the evening of the Gala and an **ad is placed in the local paper** preceding the Gala.

Thank you so much for your consideration. We will look forward to your response. In the mean time, if you have any questions at all, please contact our chair, Judy Ferrey at 780-542-1499 or judy.ferrey@gmail.com. In regards to donations and fundraising please call Donna Palmer at (780)621-6959 or palmerd19@gmail.com. Thanks again!
Donna Palmer - Fundraising Coordinator

ROTARY CLUB OF DRAYTON VALLEY - BLACK & WHITE DIAMOND GALA

March 5, 2016Current YearMarch 5, 2016Next Year

<u>Item</u>	<u>2016 Actual</u>	<u>2017 Budget</u>
REVENUE:		
Ticket Sales: (36 tables @ \$125/seat) 304 (-7)	35,125.00	35,000.00
Bar Revenue:	8,788.00	8,800.00
Donations:	2,450.00	2,450.00
Photo Revenue:	1,031.00	1,000.00
	47,394.00	47,250.00
Sponsorship		
Diamond Table (TD Canada Trust)	1,000.00	1,000.00
Gold Table (Brazeau County / Bailey's Welding)	1,000.00	1,000.00
Other Sponsorship	-	-
Champagne Welcome (Serenity Funeral Service)	750.00	1,000.00
	2,750.00	3,000.00
Raffles:		
Diamond Table (250 Tickets @ \$20)	3,600.00	5,000.00
Shopping Spree (100 Tickets @ \$20)	2,135.00	2,000.00
Wine Lovers (100 Tickets @ \$20)	2,100.00	2,000.00
Dine Around Town (100 Tickets @ \$20)	2,200.00	2,000.00
Cash Raffle (100 Tickets @ \$40)	4,040.00	4,000.00
Roses with \$200 (100 Tickets @ \$20)	2,000.00	2,000.00
	16,075.00	17,000.00
Auctions:		
Silent Auction	9,290.00	10,000.00
Backyard BBQ	3,700.00	2,500.00
Lanterns / Watches (3)	3,325.00	4,500.00
Gold Table Auction (2017)	2,600.00	2,000.00
Other (Dinner for 4 @ O.C.T.)	800.00	-
	19,715.00	19,000.00
TOTAL REVENUE:	85,934.00	86,250.00

<u>Item</u>	<u>2016 Actual</u>	<u>2017 Budget</u>
EXPENSES:		
Entertainment:		
Band	3,045.00	3,500.00
MC (Jim Carter volunteered, gave ticket for wife)	125.00	125.00
	3,170.00	3,625.00
Food & Bar:		
Food	14,920.00	15,000.00
Liquor License	200.00	200.00
Bar Supplies (alcohol, mix, etc)	3,969.61	3,350.00
Taxi Service / Drive Home Service (Masons)	500.00	500.00
	19,589.61	19,050.00
Decorations :		
General Decorating (Flower Farm)	6,641.51	4,900.00
Decorations - Misc (Masks, Microphones, Etc.)	209.18	600.00
Welcome Champagne (Part of Liquor Bill)		650.00
	6,850.69	6,150.00
Advertising:		
Printing Costs / Office	427.84	500.00
Bank Machine Fees / Misc	747.42	450.00
Radio/Newspaper/Posters (Thankyou Ad)	351.75	350.00
	1,527.01	1,300.00
Facility:		
Hall Rental, Bar Rental (Approx)	3,300.00	3,300.00
Miscellaneous Extras		
	3,300.00	3,300.00
Misc:		
Donation to Canadian Tire Jumpstart Program	1,050.00	1,000.00
Gift for Auctioneer		75.00
Rugby Team (6 volunteers)	600.00	600.00
	1,650.00	1,675.00
Raffles:		
Diamond Table (Decorations & Gifts)	1,133.68	1,150.00
Shopping Spree	273.27	275.00
Wine Lovers	208.36	210.00
Dine Around Town	213.86	215.00
Money, Money, Money (\$1,500 Cash)	1,508.00	1,500.00
Roses with Earrings / Ring (appraisals)	694.06	700.00
	4,031.23	4,050.00
Auctions / Prizes		
Jewellery (Diamond Ring giveaway & appraisal)	978.95	1,000.00
Raffle Licenses	78.75	80.00
Silent Auction Decorations	17.62	50.00
Additional Silent Auction Items Purchased	219.40	450.00
Additional Live Auction Items Purchased	625.70	625.00
Gold Table (Decorations & Gifts)	669.04	670.00
	2,589.46	2,875.00
	42,708.00	42,025.00
NET PROFIT	43,226.00	44,225.00



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT CHECKLIST

OFFICE USE ONLY

CRITERIA		
Policy Requirements:		Notes:
✓	application (complete, signed and accompanied by supporting documents) received by deadline	
✓	benefit the community as a whole or a specific major group within the community	1,200 archers Grade 4 - 12 from across Alberta
✓	not duplicate past or present local services (unless a need can be demonstrated)	Co-hosted by Brazeau Bowbenders Archery Club
✓	provide equal access to the service without discrimination	
✓	not already be receiving direct or indirect support from the Town for the stated service	
✓	address an identified need in the community or contribute to the common good of the community	Yes
✓	recognize the Town's contribution to the event or service sponsored	On event poster and program
✓	other revenue sources have been sought or obtained	Alberta Hunter Education Instructor Meals
✓	is the applicant using the grant funds to leverage other grants or funds	No

Additional Information		Notes:
✓	if this is an annual event/activity, has the Town sponsored it before?	Yes, \$1,500 awarded in 2016.
✓	does the organization work to achieve some of the community goals set out in statutory plans (Social Development Plan, Municipal Sustainability Plan, etc.)?	Have Drayton Valley participate in wide scale initiatives (provincial, national) which benefits the community (SDP)

Comments:

April 26 - 29, 2017 - Safari Club International (Drayton Valley Chapter) - 2017 National Archery in Schools Program Provincials
Requesting \$1,500.00

Recommendation to Council:

--

Sponsorship Approved:

Yes ☐

No ☐

If yes, indicate amount: \$ _____

Authorized Signature: _____ Date: _____



TOWN OF DRAYTON VALLEY

COMMUNITY EVENT GRANT APPLICATION FORM

Date: December 27, 2016 Event Date: April 26-29, 2017

Organization Name: Safari Club International

Mailing Address: Box 6534, Drayton Valley T7A 1R9

Contact Name: JeanAnne Teliske Title: NASP Coordinator

Email: jprysliak@gmail.com Telephone: 780-898-9445

ORGANIZATION MANDATE

Description of the organization's mandate:

In addition to promoting good fellowship among those who love the outdoors, the sport of hunting and fishing and sharing experiences and information, SCI Drayton Valley's purpose is to engage and participate in projects that educate the public, and particularly youth, about the constructive role of hunting. We also fund and support programs in our community that engage youth and provide them with positive and meaningful experiences that promote self-esteem and leadership.

STATED SERVICE

Details of the stated service or initiative (including date(s), time(s), location(s) and activities):

2017 National Archery in the Schools Program (NASP) Provincials
 Location: Wellhouse Warehouse, Drayton Valley
 April 26-29, 9am-7pm
 Activities include archery competition as well as interactive fishing and archery games, face painting and food services.

Number of individuals and/or organizations (please specify) that will benefit from the stated service:

Approximately 1,200 students in Grades 4-12 from across Alberta (of which appropriately 350 will be from local and area schools) will be participating in the competition. SCI Drayton Valley, the Brazeau Bowbenders, and the Alberta Hunter Education Instructor's Association will all be providing volunteers to make the event a success.

Manner in which those individuals and/or organizations will benefit:

Participants will get the chance to showcase their skills to friends and compete for individual and team awards. NASP is an exclusive sport that people of all abilities can participate in. SCI Drayton Valley and the Brazeau Bowbenders will have the opportunity to continue to support a very worthwhile event in our community.

SPONSORSHIP REQUEST

Reason for request from the Town:

SCI Drayton Valley and the Brazeau Bowbenders have already committed over \$100,000 towards the NASP program in our community and surrounding area. As a large number of local students will be competing in the tournament, we are requesting that the Town supports this unique event that bring people from all across Alberta to our community.

Nature of the request and/or amount requested:

Funding will be used towards venue rental, event programs, and venue set-up/decorating.
The amount requested is \$1,500

Please attach:

a budget or business plan (showing anticipated revenue sources and expenditures) for the specific service/function requiring sponsorship

a list of other organizations that have been or will be approached for sponsorship

How will sponsoring organizations be recognized?

Sponsorship will be recognized in our event program, on the event poster (if notified before it is printed) as well as on signage at the event. We also invite any Town employees or Council to volunteer or come by and see the event in action.

BY AFFIXING HIS/HER SIGNATURE BELOW, THE APPLICANT CONFIRMS THAT THE FOLLOWING STATEMENTS ARE TRUE, TO THE BEST OF HIS/HER KNOWLEDGE.

1. The information provided is accurate.
2. The signature below is that of the registered director, board member or authorized designate of the organization requesting sponsorship.
3. I understand and agree that this application for municipal sponsorship, or any information related there to, is not confidential information and may be released by the Town of Drayton Valley.

Applicant's Signature: JeanAnne Teliske Date: December 29, 2016

MAIL TO:

Town of Drayton Valley
Community Event Grant
Box 6837
Drayton Valley, AB T7A 1A1

DELIVER TO:

Town of Drayton Valley
Community Event Grant
5102 - 52 Street
Drayton Valley, AB

FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY (FOIP) STATEMENT

The personal information on the Community Event Grant Application is being collected under authority of Section 33(c) of the *Freedom of Information and Protection of Privacy (FOIP) Act* and will be used to administer Grant Funding. The Town of Drayton Valley will use the aggregate data for program planning and evaluation. All personal information will be protected in accordance with the privacy provision of the *FOIP Act*. If you have any questions about the Grant or questions about the collection, use or disclosure of our personal information, please contact the Town of Drayton Valley at (780) 514-2200.

2017 NASP Provincials Budget

Event Poster & Program: \$1,400

Volunteer Meals: \$1,000

Wellhouse Rental: \$1,500

Wellhouse Decorating and Set-up (Flower Farm or Dazzle by Dawn): \$2,000

Washroom Rentals: \$1,000

Total: \$6,900

Confirmed funding by Alberta Hunter Education Instructor's Assoc.: \$1,000 for volunteer meals

Other organizations that will be approached for sponsorship: Brazeau County

AGENDA ITEM: 7.5	Ballot Question
Department:	Administration
Presented by:	Councillor Fredrickson
Support Staff:	Dwight Dibben, CAO

BACKGROUND ON IMPLEMENTATION:

In June 2014, in response to the numerous safety concerns received from members of the community over the course of several years regarding traffic and speed enforcement, Town Council tasked Administration with negotiating the implementation of automated traffic enforcement ("ATE").

Since the inception of the ATE program in May 2015, the ATE contractor is required to obtain approval from the RCMP in establishing the speed allowances and enforcement locations in Town. Through our Administration, we have also addressed matters such as the time spent in specific enforcement locations, and certain methods of enforcement.

STATISTICAL BACKGROUND AND INFORMATION:

Since its implementation in May 2015, which was preceded by several months of public communications and education, the Town has seen the following data generated:

- a. On average, ticketed drivers exceeded the posted 30 km/h limit in school and playground zones by **46.33%**;
- b. On average, ticketed drivers exceeded the posted 50 km/h limit in high traffic areas by **36.33%**; and
- c. On average, ticketed drivers exceeded the posted 70 km/h limit in specifically zoned areas by **27%**.

Our most current year over year statistical comparison of ATE shows the number of violation tickets issued in the third quarter of 2015 (2041 tickets) and the third quarter of 2016 (1044); this represents a year over year reduction of speed infractions of 48.85%.

Statistical data reflects the reduction of violation tickets issued since the implementation of ATE, though the average speeds above the posted limit range from 44% to 49% in excess in 30 km/h zones. All sites are selected pursuant to the guidelines set out by the Province of Alberta. Photo radar sites are selected based on one or more of the following criteria:

- High speed corridors;
- High collision locations;
- School and playground zones;
- Construction zones; and/or
- Citizen concerns; and,
- RCMP have signed off on designated sites in Drayton Valley.

With the addition of stop sign/red light enforcement in February 2016 (again preceded by public communication and education), Council sought to increase safety and responsiveness to community concerns. The highest volume of tickets issued occurred during the second quarter of the 2016 year, with some 564 violation tickets issued; this saw a marked decline in the following quarter with 264 violation tickets issued, a reduction of stop sign/red light infractions of 53.19% fewer tickets issued.

FINANCIAL BACKGROUND:

As of August 2016, violation tickets have resulted in net revenue of approximately \$230,857.00 in fines, 50% of which is available for funding of “safe and healthy community” initiatives. Pursuant to the Policy which established the distribution of funds, including the 50% allocation to community initiatives, the balance of the funds are distributed with 40% to Life-cycle Capital Replacement Plan and 10% forming the basis of the participatory budget.

OPTIONS:

With the resignation of Dean Shular and the calling of a by-election for the vacant Council position, there is an opportunity to canvas the opinions of the citizens of Drayton Valley in the matter of ATE and its continued use in the Town. Should Council choose to have a Vote on a Question (also referred to as a Plebiscite), pursuant to section 236 of the *Municipal Government Act*, a resolution to do so shall be passed. Council may make a resolution regarding the wording of the Question which it to be voted upon.

1. That Council approve conducting a Vote on a Question on the matter of automated traffic enforcement in conjunction with the by-election for Councillor on February 27, 2017.
2. That Council does not favour a Vote on the matter of automated traffic enforcement.

MOTION:

That Council _____ .

AUTOMATED TRAFFIC ENFORCEMENT

AVERAGE SPEEDS – REPORTED QUARTERLY

Date	Speed Zone	Average Ticketed Speed	Percentage above posted limit
Q2 2015 (Apr) May-Jun	30 kph	43.8	46%
	50 kph	68.8	38%
	70 kph	89.2	27%
Q3 2015 Jul-Sep	30 kph	44.1	47%
	50 kph	69	38%
	70 kph	87.2	25%
Q4 2015 Oct-Dec	30 kph	44.7	49%
	50 kph	67.4	35%
	70 kph	90.5	29%
Q1 2016 Jan-Mar	30 kph	43.3	44%
	50 kph	67.1	34%
	70 kph	89.2	27%
Q2 2016 Apr-Jun	30 kph	43.2	44%
	50 kph	69	38%
	70 kph	88.6	27%
Q3 2016 Jul-Sep	30 kph	44.4	48%
	50 kph	67.7	35%
	70 kph	88.8	27%
Q4 2016 Oct-Dec	30 kph		
	50 kph		
	70 kph		

AUTOMATED TRAFFIC ENFORCEMENT **VIOLATION TICKETS ISSUED – REPORTED** **QUARTERLY**

Automated Traffic Enforcement began with a speed enforcement program in May 2015.

Red light and stop sign violation enforcement began in February 2016.

2015 by Quarter	Speeding Violation Tickets Issued	Red Light/ Stop Sign Violation Tickets Issued	Total
2 nd Quarter May – June 2015	2363	-	2363
3 rd Quarter July – September 2015	2041	-	2041
4 th Quarter October – December 2015	1475	-	1475
2016 by Quarter	Speeding Violation Tickets Issued	Red Light/ Stop Sign Violation Tickets Issued	Total
1 st Quarter January – March 2016	1558	266 * February & March 2016	1824
2 nd Quarter April – June 2016	2105	564	2669
3 rd Quarter July – September 2016	1044	264	1308

AGENDA ITEM:	Park Valley Pool Policy updates
Department:	Community Services
Presented by:	Councillor
Support Staff:	Annette Driessen, Director of Community Services

BACKGROUND:

As a normal course of practice, the Manager of the Park Valley Pool, in consultation with the Director of Community Services, has reviewed existing Policies and ensured that those Policies meet industry requirements.

The Swimming Instructor Standard Policy has been amended as a result of Red Cross changing its training requirements. The Assistant Water Safety Instructor (AWSI) is no longer a course requirement for Red Cross Swimming Instructors; accordingly, the Policy now states Water Safety Instructor only. The new Policy elaborates on the Red Cross Water Safety Instructor course to provide more information to Council.


The former Admission Standard Policy will now be referred to as the Admission Standard and Swimming Competency Policy. Alberta Health legislates that the Admission Standard Policy must include measures to evaluate a patron's swimming competency. The Lifesaving Society provides recommendations for child to adult ratios, which are now reflected in the attached Policy and noted in signage at the facility.

OPTIONS:

1. That Council approve Swimming Instructor Standards Policy RC-03-14 and Admission Standard and Swimming Competency Policy RC-01-15, as presented.
2. That Council table the approval of the Policies, as presented, with direction to Administration to _____.

MOTION:

That Council _____.

Subject:	Admission Standard and Swimming Competency Policy	Policy No.:	RC-01-15	
Department:	Recreation & Culture (Park Valley Pool)			
Approval Date:	July 15, 2015	Review Date:	February 1, 2017	
Associated Policies:				

Admission Standard and Swimming Competency Policy

Purpose

The purpose of this Policy is to establish an admission standard based on age, swimming competency and adult oversight for minors or when there is a question of swimmer competency.

General Policy

Pre-school children must be accompanied by, and stay within arm's reach of, a responsible person in the same body of water.

Deep water access requires a swim test set out by the Lifesaving Society swim to survive. Regardless of swimming ability a pre-school child must stay within arm's reach of a responsible person.

The recommended ratio is four (4) pre-school children to one (1) responsible person.

If all pre-school children are wearing a personal floatation device or lifejacket, the ratio is eight (8) pre-school children to one (1) responsible person.


Definitions

pre-school age child(ren) means anyone under the age of six (6) years; and

responsible person means an individual of sixteen (16) years of age or older.

Mayor

Approval Date

Subject:	Swimming Instructor Standards Policy	Policy No.:	RC-03-14	
Department:	Recreation & Culture (Park Valley Pool)			
Approval Date:	January 29, 2014	Review Date:	February 1, 2017	
Associated Policies:				

Swimming Instructor Standards Policy

Purpose

To establish a swim lesson standard that is recognized and respected internationally.

General Policy

The Town recognizes Red Cross as its governing body for swimming instructors in its aquatic facility. Red Cross is recognized internationally and has developed the Water Safety Instructor course. The Water Safety Instructor (WSI) Course prepares candidates to instruct the Red Cross swim programs. Candidates focus on strategies to introduce and develop fitness activities, skills in water safety, and swimming skills in the Red Cross Swim Preschool, Red Cross Swim Kids, and Red Cross Swim for Adults. This is the standard for swimming instructors employed within Park Valley Pool.

Mayor

Approval Date

AGENDA ITEM: 7.7	Water & Sewer Rate Setting Approach
Department:	Administration
Presented by:	Councillor Long
Support Staff:	Dwight Dibben, CAO Kevin McMillan, SFO

BACKGROUND:

In passing Budget 2016 Council directed Town Administration to undertake a service and program review with the objectives of reviewing public expenditures, finding efficiencies and ensuring the longer-term sustainability of Town finances including operations and infrastructure.

In finalizing Budget 2016 this past Winter and Spring Council also met with numerous stakeholders including representatives and delegations from the local business community who recommended the adoption of business and business-like practices for the Town of Drayton Valley and its operations. This advice has also been considered when recommending a forward-looking approach on our water and sewer operations.

Review efforts this year were to consider the Town's future rate setting approach in terms of industry standard methodologies, including a Utility (Full Cost) Approach and a Cash Needs Approach, and the resultant structural changes recommended to ensure equity, financial sustainability and environmental stewardship. In doing this the Town retained CORVUS Business Advisors to review our current structure and pricing approach and to provide advice on meeting these principles.

COMMENTS

The Town's current water and sewer rate structure, including our current commodity and fixed charges do not attribute initial and long-term replacement costs proportionate to the infrastructure in place or its usage. The result is that water and sewer operations are currently being subsidized by all municipal taxpayers through property taxes. Our current approach also has a structural inequity within our existing customer base where small line customers, mainly residential, are subsidizing customers serviced by large lines.

The resultant cross-subsidizations from the general tax base and within our customer base are further exaggerated when observing that a number of large service institutional customers pay no property tax to the Town of Drayton Valley. Simply put, the vast majority of customers are paying, in part, to make up the significant revenue shortfall arising from the rate treatment given a small number of large service and institutional customers.

In undertaking this analysis two main aspects have influenced Administration's consideration of a recommended future approach: 1) our existing rate structure will not be sufficient to meet operational and infrastructure needs in the future and 2) the cross-subsidization existing in our current model is neither sustainable or appropriate to continue. The current rate setting approach is resulting in an approximate deficit of \$1.8

million per year and the Town is currently not accumulating reserves for future asset rehabilitation and reconstruction. With the Town having \$30.3 million of water and sewer infrastructure in place and these assets being at 34% of their useful life on average (66% remaining), changes will allow the Town to meet current cash requirements as well as plan and fund asset replacement needs as they occur in the future.

Understanding that changes will result in financial impacts to our customer base, notably large service customers, an implementation period has been considered. Administration has reviewed and recommends a phasing in of a new rate approach to achieve necessary revenue requirements within 10 (ten) years of implementation. A rebate program on fixed charges, as contemplated in the CORVUS Report, has also been reviewed and is recommended for large service Town customers over this period of implementation.

Accordingly Administration recommends the approval of Option 1, the adoption of a full-cost utility approach to water and sewer rate setting and operations, with changes to commence in 2017.

OPTIONS:

- 1.** That Council approve a full-cost utility rate setting approach for water and sewer operations, phased in over a 10 (ten) year period including a Capacity Charge rebate program within Town boundaries for large service customers greater than _____ mm and commencing at a _____% rebate level on the Capacity Charge in the first year.
- 2.** That Council decline to approve a new rate setting approach to water & sewer operations.
- 3.** That Council tables the recommendation for further consideration at a later date.

MOTION:

That Council _____.

Regular Meeting of Council

February 1, 2017

10.0 Information Items

Pages 71-133

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10.2	Drayton Valley Brazeau County Fire Services – 2016 Year End Stats	74-75
10.3	Traffic Advisory Committee Notes – November 2016	76-77
10.4	Economic Development Committee Notes – December 2016	78-80
10.5	Waste Management Committee Notes – November 2016	81-82
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10.8	CORVUS Business Advisors – Town of Drayton Valley Water and Sewer Utility Rates Review	87-133



DRAYTON VALLEY/BRAZEAU COUNTY FIRE SERVICES

Office of the Fire Chief

P.O. Box 6837
5120-52 Street
Drayton Valley, Alberta
T7A-1A1

Main: (780) 514-2216
Fax: (780) 514-2244

December 2016 Stats

Town of Drayton Valley/ Brazeau County

Fire Calls- 1

Rubbish and Grass Fires- 0

Motor Vehicle Collisions- 5

Rescue Calls- 0

Alarm Calls- 4

Assist another Agency- 3

Misc Calls- 2

Total- 15

Town of Drayton Valley

Fire Calls- 0

Rubbish and Grass Fires- 0

Motor Vehicle Collisions- 2

Rescue Calls- 0

Alarm Calls-3

Assist another Agency- 0

Misc Calls- 2

Total- 7



DRAYTON VALLEY/BRAZEAU COUNTY FIRE SERVICES

Office of the Fire Chief

P.O. Box 6837
5120-52 Street
Drayton Valley, Alberta
T7A-1A1

Main: (780) 514-2216
Fax: (780) 514-2244

Brazeau County

Fire Calls- 1

Rubbish and Grass Fire- 0

Motor Vehicle Collisions- 3

Rescue Calls- 0

Alarm Calls- 1

Assist another Agency- 3

Misc Calls-0

Total- 8



DRAYTON VALLEY/BRAZEAU COUNTY FIRE SERVICES

Office of the Fire Chief

P.O. Box 6837
5120-52 Street
Drayton Valley, Alberta
T7A-1A1

Main: (780) 514-2216
Fax: (780) 514-2244

Year End 2016 Stats

Town of Drayton Valley/ Brazeau County

Fire Calls- 22

Rubbish and Grass Fires- 33

Motor Vehicle Collisions- 53

Rescue Calls- 6

Alarm Calls- 107

Assist another Agency- 40

Misc Calls- 37

Total- 298

Town of Drayton Valley

Fire Calls- 5

Rubbish and Grass Fires- 5

Motor Vehicle Collisions- 15

Rescue Calls- 2

Alarm Calls- 77

Assist another Agency- 21

Misc Calls- 23

Total- 148

Tom Thomson
Fire Chief
firechief@draytonvalley.ca

Murray Galavan
Deputy Fire Chief
dfc@draytonvalley.ca

Kamil Lasek
Deputy Fire Chief
fire.tso@draytonvalley.ca

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Robert Reid
Fire Marshall
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DRAYTON VALLEY/BRAZEAU COUNTY FIRE SERVICES

Office of the Fire Chief

P.O. Box 6837
5120-52 Street
Drayton Valley, Alberta
T7A-1A1

Main: (780) 514-2216
Fax: (780) 514-2244

Brazeau County

Fire Calls- 17

Rubbish and Grass Fire- 28

Motor Vehicle Collisions- 38

Rescue Calls- 4

Alarm Calls- 30

Assist another Agency- 19

Misc Calls-14

Total- 150



Traffic Advisory Committee Meeting

Nov 22nd, 2016

Town of Drayton Valley Conference Room #1

Meeting Notes

Present Sheldon Fuson, Erin Felker, Cinthia Gilroy, Malcolm Callihoo, Ron Fraser, Pam Balke

Absent Tom Thompson

1.0 Call to Order

Chair Sheldon Fuson called the meeting to order at 6:35 pm

2.0 Additions or Deletions to Agenda

No additions were made to the Agenda.

3.0 Adoption of Agenda

Agenda was approved as presented.

4.0 Review of the Notes

Oct 25th, 2016, Notes were amended : 5.4 Malcolm advised that the local detachment has been involved in the local program but a meeting with Global Traffic Group will need to occur to be ensure compliance.

Notes were accepted as amended.

5.0 Discussion Items

5.1 CAO – Dwight was unable to attend

5.2 Final Review with Engineer and budget items – Ron discussed that McElhanney report is not an in depth Engineer report but a quick assessment of our traffic control devices. Any suggestions for changes/amendments are being done on a continual basis. Ron briefly discussed some of the points of the report. The committee's role was also discussed with regard to the report. The committee will review the report in small increments at each meeting and give any input/feedback to Ron as to the changes suggested. Budget for changes was discussed – the Town does not have itemized budget itmes for any small projects like signage, larger projects such as road building, large paving jobs have Capital project money usually targeted for each project.

*Traffic Advisory Committee Meeting**Nov. 22nd, 2016*

Committee to review Stop signs and crosswalks section of report to discuss for next meeting Jan. 24th, 2017 and forward any comments/recommendations to Ron. While talking about traffic control devices discussed what St. Albert has done with their school zones in an attempt to make them clear to drivers. The road markings were done over summer, will be interesting to see how they survive the winter. Pointed out a study that was discussed at a CRISP meeting that was published in the BMJJournals about injury prevention specifically the section dealing with children pedestrians. Just for information.

- 5.3 Email/Delegation requests** – only request to date has been Dieter Gossman wanting to attend meetings- Committee is not comfortable with any public attendance, other than an approved delegation – but has suggested that Dieter put any ideas/concerns into writing and submit it to the Committee

6.0 Other Business

- 6.1** CAO to attend to Jan. 24th, 2017 meeting

7.0 Items for Next Meeting

- 7.1** CAO
7.2 Stop signs and Crosswalks review - recommendations

8.0 Next Meeting Date

24th day, January, 2017 at 6:30 pm.

9.0 Adjournment

Chair adjourned the meeting at 8:06 pm



Economic Development Committee Meeting
Thursday, December 15, 2016, 12:00 p.m. – 3:00 p.m.
Town of Drayton Valley Conference Room #2

Meeting Notes

Present: Councillor Graham Long, Councillor Nicole Nadeau, Mayor Glenn McLean (Ex Officio), Eric Burton, Sabine Larcher

Absent: Dwight Dibben, Pam Livingston

1.0 Call to Order

Councillor Long called the meeting to order at 12:06 p.m.

2.0 Additions or Deletions to Agenda

There were no additions or deletions to the agenda.

3.0 Adoption of Agenda

Councillor Nadeau moved to approve the Agenda as presented.
Carried

Mayor McLean entered the meeting at 12:07 p.m.

4.0 Approval of Committee Meeting Notes

4.1 November 10, 2016, Committee Meeting Notes

The Notes of the November 10, 2016, Committee Meeting Notes were approved as amended.

5.0 Discussion Items

5.1 Hemp Manufacturing Cluster Project

Mr. Burton explained that the Hemp Manufacturing Cluster Project was identified as the highest impact project for the CARES grant and explained the project in further detail. It would support local and regional business endeavours and training for potential investors.

Mayor McLean advised that Mr. Madlung from BCG made a similar proposal to the Province for regional hemp development and that MLA Mark Smith invited municipal leaders to CETC to have a discussion on hemp manufacturing in the region on December 16.

Mr. Burton advised that he has been in contact with Brazeau County and Parkland County to create regional interest.

*Economic Development Committee Meeting**December 15, 2016*

Councillor Long called a break at 1:27 p.m.

Councillor Long reconvened the meeting at 1:38 p.m.

Mr. Burton explained that the results of the CARES grant application will be received on January 30, 2017. In case that the application is not successful, Mr. Burton would be able to execute the plan for this project without the grant.

This item will be discussed at the next Committee meeting. Councillor Nadeau asked Mr. Burton to attend the CETC Committee Meeting on January 10, 2017.

5.2 Procurement

Councillor Nadeau explained that this idea came from an educational initiative in Edmonton that builds capacity for local entrepreneurs. Mr. Burton advised that the CETC will be hosting a workshop on Procurement and that he will discuss the Town's Procurement Policy with Mr. Fraser and start educating local entrepreneurs.

Mr. Burton explained that he plans to review municipal policies and procedures in 2018. Mayor McLean advised that the individual departments will have an understanding of policies and procedures in place.

This topic will be included on the agenda for the next Committee meeting. Councillor Nadeau asked Mr. Burton to make a presentation at the Chamber of Commerce after comprehensive information has been compiled.

6.0 Other Business

6.1 Bio-Industrial Roundtable Debrief

Mr. Burton and the Committee reviewed the November 17, 2016, Bio-Industrial Roundtable.

Mayor McLean commented that recommendations 1 and 2 in the Bio-Industrial Roundtable Report need to be from the perspective that the Town has a strategy outlined and invite others, where appropriate, to have complimentary relationships. Mr. Burton explained that the strategy is driven by Town and connects entrepreneurs in moving forward with focus on bio-char and hemp.

6.2 Tourism Roundtable Debrief

The Committee and Mr. Burton provided feedback on the recent roundtable on December 1, 2016, and plans for the next installment.

Councillor Nadeau advised that Travel Alberta is supporting visitor-friendly assessments as well as offering industry-specific courses. Accordingly, Mr. Burton will contact Travel Alberta to facilitate training in Drayton Valley. Councillor Nadeau will bring this idea to the agenda of the CETC Committee on January 10, 2017.

Moreover, Mr. Burton was asked to develop a basic in-house tourism strategy and have this ready before the camping season in 2017 starts. The Committee agreed

*Economic Development Committee Meeting**December 15, 2016*

to continue with recommendations 1 and 3 as outlined in the Tourism Roundtable Report.

6.3 REDA Options for Exploration – G&P Debrief

Mr. Burton will present the REDA Options for Exploration to a Governance & Priorities Meeting in January, 2017.

6.4 Year in Review – Presentation

Mr. Burton made a presentation of the Year in Review of the Economic Development Department. The Business License project was delayed and is to be implemented in 2017. The Entrepreneur Toolkit will be developed in collaboration with the Chamber of Commerce and available in the first quarter of 2017. The targets in Mr. Burton's report will be amended to reflect those set for 2017 and available at the next meeting.

7.0 Items for Next Meeting

- Hemp Manufacturing Debrief (at February meeting)
- Procurement
- Targets 2017
- CETC Committee Presentation Debrief

8.0 Next Meeting Date

January 24, 2017, 12:00pm-3:00pm, Boardroom 2

9.0 Adjournment

Councillor Nadeau made a motion to adjourn the meeting at 2:56 p.m.
Carried



Waste Management Committee Meeting
Tuesday, November 22, 2016, 3:00 p.m.
Conference Room #1

Meeting Notes

Present: Councillor Brandy Fredrickson, Councillor Deb Bossert, Dwight Dibben, Ron Fraser, Sonya Wrigglesworth, Danette Moulé, Sabine Larcher

Absent: Mayor Glenn McLean (Ex officio)

1.0 Call to Order

Councillor Fredrickson called the meeting to order at 3:01 p.m.

2.0 Additions or Deletions to Agenda

Following item was added to the agenda:

3.1. Appointment of Chair

3.0 Adoption of Agenda

Councillor Bossert moved to adopt the agenda as amended.

Carried

3.1 Appointment of Chair

Councillor Bossert nominated Councillor Fredrickson as Chair of the Committee and moved to appoint Councillor Fredrickson as Chair of the Committee.

Carried

4.0 Approval of Committee Meeting Notes

4.1 October 27, 2016, Committee Meeting Notes

Councillor Bossert moved to adopt the October 27, 2016 ,Committee Meeting Notes as presented.

Carried

5.0 Discussion Items

5.1 Waste Collection Request for Proposals (RFP)

Mrs. Wrigglesworth provided the Committee a summary of three bids for the RFP where were reviewed by Engineering

As the bidders are still required to submit certain numbers in completion of their proposals, the presentation at the Governance & Priorities Meeting acts as an initial discussion and should focus on the service parameters in alignment with the Waste Policy considerations and the Community Sustainability Plan. The

*Waste Management Committee Meeting**November 22, 2016*

Committee provided advice on the manner in which the material should be presented to Council at the Governance & Priorities meeting.

5.2 Spring Cleanup

Mr. Dibben explained that as an outcome from previous discussions and budget considerations the cleanup service will change for 2017. The spring cleanup will not be offered but instead Aspen Waste Facility will be open to residents for a day for free tipping, with details and limitations to be determined.

Administration will bring forward more detailed options for consideration during the budget discussions. Councillor Fredrickson added that the cleanup service should be discussed at during the budget discussions for information of Council.

5.3 Bylaw Update

Administration explained that the Bylaw is not static and that as part of the bid process scalability in different aspects changes might be made. All bidders are willing to communicate with the Town in the process to ensure the Town receives the services that are wanted.

Councillor Fredrickson recommended keeping Bylaw review as standing item until after the service provider has been chosen.

5.4 Education Strategy

Councillor Fredrickson asked that a strategic plan be discussed at the next Committee meeting to identify ways to educate residents. Mr. Dibben added that part of it is to communicate changes and obligations for residents once the Bylaw is finalized.

6.0 Other Business**7.0 Information Items****8.0 Items for Next Meeting**

- Education Strategy
- Bylaw as standing item

9.0 Next Meeting Date

January 24, 2017, 1:15 pm, Conference Room 1

10.0 Adjournment

Councillor Bossert moved to adjourn the meeting at 4:02 p.m.
Carried

Board Meeting Highlights



Page 82 of 133 **January 2017**



DATES TO REMEMBER

Next Board Meeting

**Wednesday, February 15
10:30 a.m.**

STAR Central Office

4906 50 Ave., Leduc, AB

*The public is welcome at all
Board meetings.*

Board of Trustees

[Thalia Hibbs](#), Chair

Lacombe

[John Tomkinson](#), Vice Chair

Wetaskiwin

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[Karen Richert](#)

Leduc

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Leduc

[Dan Svitich](#)

Ponoka

[Henry Effen](#)

Wetaskiwin

Board Composition

The Board gave By-Law Number 7-16/17 of St. Thomas Aquinas RCSR No. 38 to amend the number of trustees of the regional division from nine to seven first and second reading.

Drayton Valley Scholarship

The Board approved a donation to the Drayton Valley Community Scholarship Trust Society in the amount of \$1,000.

3YEP Process and Timeline Approved

The Board approved the 2017 Combined Three Year Educational Plan (3YEP) / Annual Education Results Report (AERR) Planning and Reporting Timelines and Processes. STAR Catholic will hold its annual Three Year Education Planning Day, with a cross section of stakeholders, February 7, 2017 in Leduc.

Father Leduc Catholic School Update

The Board received a report on Father Leduc Catholic School, as the new facility in Leduc is open and students and staff moved in after the Christmas break. A Grand Opening celebration is planned for February 3, 2017.

École Mother d'Youville School Update

The Board received a report on the construction of École Mother d'Youville School, currently being built in Beaumont.

Chaplaincy Models

The Board reviewed several models for a Chaplaincy Initiative being developed in STAR Catholic.

Modernized Municipal Government Act

The Board provided its feedback in regards to the Government of Alberta on the Modernized Municipal Government Act.

Annual Meeting with MLAs

The Board finalized the agenda for its annual meeting with local MLAs.



Sustainability Committee Meeting
Monday, November 28, 2016, 1:30 p.m.
Town of Drayton Valley Conference Room #1

Meeting Notes

Present: Councillor Fayrell Wheeler, Councillor Deb Bossert, Mayor Glenn McLean (Ex Officio), Dwight Dibben, Pam Livingston, Ron Fraser, Danette Moulé, Sabine Larcher

Absent: Sonya Wrigglesworth

1.0 Call to Order

Councillor Wheeler called the meeting to order at 1:34 p.m.

2.0 Additions or Deletions to Agenda

Following item was added to the agenda:

5.4. Appointment of Committee Chair

3.0 Adoption of Agenda

The agenda was adopted as amended.

4.0 Approval of Committee Meeting Notes

4.1 October 21, 2016, Committee Meeting Notes

The October 21, 2016, Committee Meeting Notes Committee Meeting Notes were approved as presented.

5.0 Discussion Items

5.4. Appointment of Committee Chair

Councillor Bossert nominated Councillor Wheeler for the position as committee chair. Councillor Wheeler was appointed as chair.

5.1 Community Sustainability Plan Review

5.1.1 What will the final product of the review look like?

Councillor Wheeler explained that Council would like to receive a recommendation from the Committee in this matter.

The Committee discussed engagement of key stakeholders and town residents in an open house or roundtable. The CETC was suggested as a location to hold the roundtable.

Sustainability Committee Meeting

November 28, 2016

5.1.2 How will the internal/external review be conducted?

The Committee will determine the current status and then proceed with an external review.

5.1.3 What is the timeline?

The Committee agreed to aim for the end of January to compile and collect the existing material for a compact presentation. A condensed summary of priority strategies and goals in the CSP can then be distributed via email to the stakeholders together with the CSP and a template to provide feedback.

Mr. Fraser left the meeting at 1:51 p.m.

Mr. Dibben entered the meeting at 1:53 p.m.

Mr. Fraser returned to the meeting at 1:54 p.m.

Thereafter, a roundtable for the public will be hosted. Mr. Dibben asked to send targeted invitations to public agencies in addition to a general public invite. The Committee discussed the roundtable and if there should be time slots announced that focus on certain topics in the CSP.

5.1.4 Recommendations on stakeholder annual review

Stakeholders as well as public will be part of the review.

5.2 Youth Advisory Council

The Committee discussed the options of having youth representatives on 50% of the boards or having a Youth Advisory Council.

Mayor McLean entered the meeting at 2:33 p.m.

Ms. Moulé provided a report on her experience of working with schools and youths in form of the youth cafés in spring. Ms. Moulé pointed out that the Women in Leadership Program was well received. Mayor McLean asked to be informed of the next meeting date as he would like to join. Councillor Wheeler mentioned the positive feedbacks from schools when Councillors visited local schools.

The Committee came to the conclusion that an ad-hoc approach with quarterly meetings between youth and Council might be the best option. Councillor Wheeler asked Administration to arrange the details.

5.3 Town of Drayton Valley – Detailed Audit Report: *Energy and Water Meter Efficiency Optimization*

Ms. Moulé provided an overview of the achievements in efficiency optimization at different Town facilities that were audited for the report.

Mr. Dibben left the meeting at 2:50 p.m.

Mr. Dibben returned to the meeting at 2:52 p.m.

*Sustainability Committee Meeting**November 28, 2016*

Councillor Wheeler asked if there are any plans for an upgrade of the Civic Centre. Mr. Dibben informed that various options are being considered for when the economy improves again.

5.4 Plastic Bag Ban

Councillor Wheeler explained that the Sustainability Committee and the Waste Management Committee will discuss this item together before it is discussed with Council at a Governance & Priorities Meeting.

5.5 Circuit Meters

Councillor Wheeler asked for an update on circuit meters. Mr. Dibben explained that this will be carried over to budget 2017 and that there is no specific budget set aside for circuit meters. Additionally, the Climate Leadership Plan, once it is published at the end of January, might bring other opportunities or necessities that need to be considered.

6.0 Other Business

Councillor Wheeler asked to place the traffic meters on 43rd Avenue. She mentioned that she had heard complaints that road is narrow when cars are parked on both sides. Mayor McLean added that the road requires a way to slow down the traffic.

7.0 Information items

There were no information items discussed.

8.0 Items for Next Meeting

- Community Sustainability Plan Review

9.0 Next Meeting Date

January 23, 2017, 1:30 p.m., Boardroom 1

10.0 Adjournment

The meeting was adjourned at 3:17 p.m.



Town of Drayton Valley: Water and Sewer Utility Rates Review

Version 4.0 (FINAL)
January 31st, 2017

Prepared by:

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CORVUS Business Advisors
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This document has been prepared by CORVUS Business Advisors for the sole purpose and exclusive use of the Town of Drayton Valley.

Document Information

Revision History

Version Number	Revision Date	Summary of Changes and Author
1	July 20 th , 2016	Draft: created by CORVUS Business Advisors
2	July 29 th , 2016	Reviewed with Town staff summer 2016
3	January 6 th , 2017	Reviewed with Council fall 2016. Amended subsidy details.
4	January 31 st , 2017	FINAL

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1 Executive Summary

To ensure long term financial sustainability, Drayton Valley initiated this review of water and sewer rates with the aim of considering a Utility (full cost) approach to rate setting and to consider structural changes to rates that ensure equity, financial sustainability, and environmental stewardship.

The aim is to achieve the revenue requirements of the Utility approach within 10 years of implementation, thereby creating water and sewer utilities that are self-sustaining (i.e., no burden on taxpayers).

The table below summarizes the key aspects of the recommended water rate strategy in Year 1. The most significant change is the creation of a capacity charge based on the actual service size. Of the water utility's estimated 3,074 customers, 2,886 (94%) smaller customers (15mm and 19mm/20mm) are paying, in part, to make up for a significant revenue shortfall stemming from customers with service sizes >20mm. To rectify this cross-subsidization modern rate setting sees customers pay for the cost of their service capacity service. For Drayton Valley, this would result in elimination of a common capacity charge and adoption of capacity charges based upon the capacity of service provided to the customer. For simplicity, the capacity and billing charges would be combined into a single fixed charge.

Commodity Charge	Billing Charge	Capacity Charges			Fixed Charge
\$1.80 (incl sustainability)	\$4.75		Service Size	2016	= Billing plus capacity
		5/8"	15mm	\$ 15.25	
		3/4"	19mm	\$ 24.47	
			20mm	\$ 27.11	
		1"	25mm	\$ 42.36	
		1.25"	37mm	\$ 92.79	
		1.5"	38mm	\$ 97.87	
		2"	50mm	\$ 169.44	
		3"	75mm	\$ 381.25	
		4"	100mm	\$ 677.78	
		6"	150mm	\$ 1,525.00	

The impact of this water strategy on the “average” residential customer in Drayton Valley is an increase of \$5.76 per month as shown in the table below.

Average Residential Consumption		
Consumption Level m3	13.4	13.4
Service Type - 15mm/5/8"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 15.25
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 38.16	\$ 43.92
Change from Existing Billing	\$ -	\$ 5.76

The table below summarizes the key aspects of the recommended sewer rate strategy in Year 1. The Town's current commodity charge is a charge of \$1.40 per cubic meter. However, when the average cost of the Town's current capacity charge is considered, the actual commodity charge is approximately \$2.54 per cubic meter. Capacity costs do not change based upon the amount of sewer used by the customer. As such, modern rate setting has eliminated the capacity charge because a customer's sewer capacity is not determined by the size of water servicing entering customer's premises.

Commodity Charge	Billing Charge	Capacity Charge	Fixed Charge
\$2.05	\$0.00	\$0.00	\$0.00

The impact of this sewer strategy on the "average" residential customer in Drayton Valley is a decrease of \$6.54 per month as shown in the table below.

Average Residential Consumption		
Consumption Level m3	13.4	13.4
Service Type - 15mm/5/8"	Existing	2016
Fixed Charge	\$ 15.25	\$ -
Consumption Charge	\$ 1.40	\$ 2.05
Total Monthly Billing	\$ 34.01	\$ 27.47
Change from Existing Billing	\$ -	\$ (6.54)

The impact of the combined water and sewer rate strategy on the "average" residential customer in Drayton Valley is a decrease of \$0.78 per month.

Though the impact on the average residential customer is essentially neutral, it should be noted that the new rate structure, which meets full cost requirements and removes cross-subsidies inherent in the Town's current rate structure, represents a significant increase for water customers with larger service sizes. Accordingly, the Town may wish to consider implementing a subsidization program which would reduce water capacity charges for customers with service sizes >20mm. The potential subsidy, whose details and impacts are described in Section 5.7, starts at 50% in Year 1 and decreases by 5% each year. By the end of the 10-year transition period, all subsidies should be removed.

2 Introduction

The water and sewer services provided by the Town of Drayton Valley to its residents include: water treatment, distribution of water through transmission lines and a local distribution system, fire protection offered through the local water distribution system, collection of wastewater via the local collection system and transmission of wastewater to the wastewater treatment plant, and wastewater treatment services.

Town residents are billed for water and sewer services based upon metered water consumed by users. Water and sewer charges include both a fixed and a variable charge. Water and sewer services are billed monthly to residents via the Town's utility billing system.

To ensure long term financial sustainability, the Town initiated this review of water and sewer rates with the aim of considering a Utility (Full Cost) Approach to rate setting and to consider structural changes to rates that ensure equity, financial sustainability, and environmental stewardship.

3 Rate Setting Methodology

There are two generally accepted methods for determining revenue requirements of water and sewer systems. These methods are:

- 1) The Utility (Full Cost) Approach, and
- 2) The Cash Needs Approach.

Though each method provides for short and long-term water and sewer system program costs, the Utility (Full Cost) Approach generally results in greater water and sewer rate stability. Under the Cash Needs Approach, which loosely approximates the current rate approach for the Town of Drayton Valley, revenue requirements can fluctuate dramatically with cash demands that result from large capital expenditures. The Utility (Full Cost) Approach, however, develops revenue requirements not based upon what is being spent today but rather on the assets that are consumed in service delivery (depreciation) and through financial returns on water and sewer system assets (asset base) that will sustain the service in the future. Depreciation and return on capital represent non-cash provisions that, when placed in reserve, may be used to defray the impact of large capital expenditures or, alternatively, may be drawn upon to cover cash needs when decision makers wish to smooth the impact of rate increases over a number

of years.

This study uses the Utility (Full Cost) Approach to establish water and sewer revenue requirements.

4 Rate Model and Information Development

The development of full cost utility rates described in this study is supported by the CORVUS water and sewer rate model (Appendix A). The model projects rate requirements and rate impacts for a 10-year planning period. This section of the report outlines the key components of the water and sewer rate model and describes how information contained in the model was developed. In all cases, information used in the model was either developed by, or vetted with, Town staff.

Existing Water and Sewer Assets – The cost of water and sewer assets used in the provision of services (tangible capital assets) is included in the water and sewer rate model. Water asset costs are categorized into one or more of the following generic categories: transmission system, distribution system, reservoir, pumping and metering stations, treatment plant, equipment, other assets, and land. Sewer asset costs are categorized into one or more of the following generic categories: collection system, lagoon, treatment plant, lift stations, equipment, other assets, and land. The model contains a summary of this asset cost information summarized by asset category and by year of construction.

Future Water and Sewer Assets – Town staff developed a multi-year plan for future water and sewer infrastructure capital requirements. The first 10 years of the plan are included in the water and sewer rate model, consistent with the 10-year outlook of this study. The 10-year plan includes the cost of assets to be constructed and an associated financing plan. The model includes mechanisms for integrating capital plan impacts into future year rate setting.

Depreciation of Water and Sewer Assets – Town staff were consulted on the development of depreciation allowances for each water and sewer asset category. Depreciation is calculated in the rate model using a straight-line depreciation approach based upon the economic life assigned to each asset category. The water and sewer rate model contains information on the annual and accumulated depreciation for each asset class by year from year of construction to present. The water and sewer rate model also projects future depreciation expenses for the 10-year planning period based upon assets currently in service and those that will be added as a result of the 10-year

capital plan described above.

Existing and Future Debt Financing – The water and sewer rate model considers the impact of existing and future debt financing costs on water and sewer rates. The model provides a break down of all existing outstanding debentures used to finance water and sewer infrastructure. Debt information includes the original principal financed, the borrowing term, interest rate, principal payment, interest payment, as well as the outstanding balance associated with each debt. The model also establishes future debt impacts on asset additions identified in the 10-year capital plan. The model permits the Town to change debt terms and conditions on future financing as economic conditions change.

Operating and Maintenance Costs – The water and sewer rate model considers the operating and maintenance costs associated with the provision of water and sewer services over the 10-year planning period. Operating budget provisions were determined in concert with Town staff. The model allows for easy updating of 10-year operating cost information including annual amendment of base cost information and inflation factors used to escalate each expenditure category. In addition, the model allows for easy addition of cost “step” increases or decreases to accommodate changes in planning assumptions (e.g., the addition of new staff).

Return on Asset Base – The water and sewer rate model establishes returns on water and sewer assets that may be employed in the provision of service. Determination of returns are based upon a deemed capital structure in order to smooth rate impacts associated with rate volatility that results from large swings in capital construction activity. The model allows for rates of return for equity and debt, as well as working capital employed in the operation of the water and sewer utilities. We have applied the Alberta Utility Commission’s “generic rate of return” on equity assets (those assets financed through utility rates) and working capital, and the average cost of debt in any given year is used as the rate of return on debt assets (those assets financed through utility borrowings) in that year. No return is established on contributed assets (those assets provided by way of grant, levies, and third parties etc.).

Customer Information Profile – Customer profile information from 2012 and 2013 and customer consumption information for 2015 was analyzed and is used as the basis for the forecasting rate requirements in the water and sewer rate model. The water and sewer rate model customer profile includes the number of accounts of each customer class, the number of customers holding each size of water service, and historic consumption of each customer class stratified into various consumption thresholds. The model permits this customer profile to be adjusted for future growth during the 10-year

planning period.

Revenue Rate Impacts – The water and sewer rate model outlines what revenue should be recovered through water and sewer rates (revenue requirements) under both the Utility (Full Cost) Approach and Cash Needs Approach, and the impact of rate structure / strategy on recoveries. The model compares recovery targets and projects recovery estimates as well as impacts on “typical” ratepayers as a result of rate changes. The model allows the Town to develop a long-term strategy in developing water and sewer rates and consideration of rate smoothing over the rate planning period.

Tracking of Water and Sewer Reserve Balances – The Utility (Full Cost) Approach to rate setting establishes provisions for future asset replacement. As such, the accumulation and use of asset replacement funds (reserve funds) is also considered in the water and sewer rate model. The model allows the Town to confirm that future rate scenarios are sufficient to meet reserve financing requirements identified in the 10-year capital plan and to meet reserve covenants (reserve minimums and maximums) that may be established by way of a Town fiscal policy.

Water and Sewer Rate Model Instructions – The water and sewer rate model has been developed with simple instructions including a list of steps to update the model at the end of each fiscal year and preparing the model for budget year rate scenarios. Appendix A provides an illustration of the water and sewer rate model’s control panel.

5 Water Rate Analysis & Recommendations

In this section, existing and proposed water rates and related rate structures are analyzed. The section describes:

- Key components of the Town's water revenue requirements from 2016 to 2025 (the funds that water rates must generate).
- Modern water rate structures.
- Existing water rates and recoveries – key elements of the existing water rate structure and the projected recoveries generated by those rates, in comparison with the revenue requirements as defined by the Utility (Full Cost) Approach.
- Recommended water rate structure – a long term rate transition strategy that enables the Town to eliminate rate issues and move gradually toward a sustainable rate structure (i.e., a full cost approach).

5.1 Water Revenue Requirements

Revenue requirements represent the costs that water rates must recover. The following are the key elements used to determine the Town's water revenue requirements.

Existing Water Infrastructure – Water infrastructure that is “in service” is used as a base upon which a rate of return is generated. This rate of return is used to make debt payments associated with creation of the infrastructure and to rehabilitate or replace assets when they reach the end of their economic life.

The tables below show the original and residual book value of assets in service currently. Assets in service are classified into two groups: (1) those acquired by the Town (acquired assets), and (2) those contributed to the Town through grants, local improvements, third party contributions and development levies (contributed assets). Each of these two asset classes earn different rates of return, which is described more fully later in this section.

As demonstrated, water assets are at 34% of their life on average (66% remaining). It is important that reserves be accumulated for future asset rehabilitation and reconstruction.

Note, the historical tangible capital asset listing of the Town may be incomplete as it makes no provision for historical assets prior to 2014 that may have been contributed to the Town. This is discussed further in Section 5.6.

Description	Gross Cost	Accumulated Depreciation	Net Book Value	Remaining % of Asset
System Acquired Assets				
Water Distribution System	\$ 13,410,744	\$ 9,693,789	\$ 3,716,955	28%
Water Transmission System	\$ 200,485	\$ 12,029	\$ 188,456	94%
Water Reservoir	\$ 39,841	\$ 39,841	\$ -	0%
Pumping Stations	\$ -	\$ -	\$ -	0%
Water Treatment	\$ 4,555,664	\$ 146,267	\$ 4,409,397	97%
Equipment	\$ 224,610	\$ 155,919	\$ 68,692	31%
Computers	\$ -	\$ -	\$ -	0%
Land	\$ -	\$ -	\$ -	0%
Total Acquired	\$ 18,431,344	\$ 10,047,844	\$ 8,383,500	45%
Contributed Assets				
Water Distribution System	\$ 80,360	\$ 4,822	\$ 75,538	94%
Water Transmission System	\$ 287,932	\$ 17,276	\$ 270,656	94%
Water Reservoir	\$ -	\$ -	\$ -	0%
Pumping Stations	\$ -	\$ -	\$ -	0%
Water Treatment	\$ 11,327,074	\$ 283,177	\$ 11,043,897	98%
Equipment	\$ 150,000	\$ 22,500	\$ 127,500	85%
Computers	\$ -	\$ -	\$ -	0%
Land	\$ -	\$ -	\$ -	0%
Total Contributed	\$ 11,845,366	\$ 327,774	\$ 11,517,592	97%
Total All Assets	\$ 30,276,710	\$ 10,375,618	\$ 19,901,091	66%

Notes:

- Contributed assets book values (if any) and accumulated depreciation are notional only as the Town did not acquire these assets.
- Land is not a depreciable asset.

Capital Plan Water Asset Additions – The table below provides details of the capital expenditures that are planned for the Town's water system. These assets will be placed into service in the year of construction. As with existing assets in service, when capital assets are placed into service, they will earn a rate of return for any debt obligations that have arisen during their creation, and for the assets' eventual rehabilitation and replacement.

Town of Drayton Valley – Water and Sewer Utility Rate Review

		Inflation	3.00%	Allocation of Cost		System Acquired Financing		Contributed Assets		
Addition Description	Current Cost	Year	Future Cost	System Acquired	Contributed	Debtenture	Reserves	Grants	Developer	Other
High Lift Pump Station (Raw Water)	\$ 6,985,000	2017	\$ 7,410,387	\$ 796,617	\$ 6,613,770	\$ 796,617	\$ -	\$ 5,557,790	\$ 741,039	\$ 314,941
North Pressure Zone PRVs - Town	\$ 190,000	2017	\$ 201,571	\$ 74,535	\$ 127,036	\$ 74,535	\$ -	\$ -	\$ 127,036	\$ -
North Pressure Zone PRV - County	\$ 120,000	2017	\$ 127,308	\$ -	\$ 127,308	\$ -	\$ -	\$ -	\$ -	\$ 127,308
Decommission old WTP per AEP License	\$ 116,500	2017	\$ 123,595	\$ 53,339	\$ 70,256	\$ 53,339	\$ -	\$ -	\$ 49,433	\$ 20,823
Southwest Pressure Zone - Short Term (All SW zone PRVs except the two noted below as medium term and long term)	\$ 830,000	2017	\$ 880,547	\$ 425,971	\$ 454,576	\$ -	\$ 425,971	\$ -	\$ 430,208	\$ 24,368
56 Avenue Watermain Upgrade (WTP to 52 Street)	\$ 3,390,000	2018	\$ 3,704,345	\$ 1,598,658	\$ 2,105,687	\$ 1,000,000	\$ 598,658	\$ -	\$ 1,481,580	\$ 624,107
52 Street Watermain Upgrade (52 Street from 56 Ave to Old Reservoir #1 Location)	\$ 810,000	2018	\$ 885,109	\$ 381,980	\$ 503,129	\$ 381,980	\$ -	\$ -	\$ 354,006	\$ 149,123
Hwy 22/62 Street watermain between South of 50 Ave and 43 Ave, to improve fire flows and strengthen the water network	\$ 410,000	2021	\$ 489,561	\$ 211,276	\$ 278,285	\$ -	\$ 211,276	\$ -	\$ 82,481	\$ 195,804
Pipe looping in Poplar Ridge (Brazeau County), to improve fire flows	\$ 530,000	2025	\$ 712,276	\$ -	\$ 712,276	\$ -	\$ -	\$ -	\$ -	\$ 712,276
Downtown Distribution System Upgrades, including interconnections to existing 250 mm 56 Ave main, to improve fire flows	\$ 2,380,000	2023	\$ 3,014,913	\$ 3,014,913	\$ -	\$ 500,000	\$ 2,514,913	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2016	\$ 51,500	\$ 51,500	\$ -	\$ -	\$ 51,500	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2017	\$ 53,045	\$ 53,045	\$ -	\$ -	\$ 53,045	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2018	\$ 54,636	\$ 54,636	\$ -	\$ -	\$ 54,636	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2019	\$ 56,275	\$ 56,275	\$ -	\$ -	\$ 56,275	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2020	\$ 57,964	\$ 57,964	\$ -	\$ -	\$ 57,964	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2021	\$ 59,703	\$ 59,703	\$ -	\$ -	\$ 59,703	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2022	\$ 61,494	\$ 61,494	\$ -	\$ -	\$ 61,494	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2023	\$ 63,339	\$ 63,339	\$ -	\$ -	\$ 63,339	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2024	\$ 65,239	\$ 65,239	\$ -	\$ -	\$ 65,239	\$ -	\$ -	\$ -
Minor Capital	\$ 50,000	2025	\$ 67,196	\$ 67,196	\$ -	\$ -	\$ 67,196	\$ -	\$ -	\$ -
	\$ 16,261,500		\$ 18,140,003	\$ 7,147,680	\$ 10,992,323	\$ 2,806,471	\$ 4,341,209	\$ 5,557,790	\$ 3,265,783	\$ 2,168,750

Notes:

1. Given the nature of the capital projects contained in this plan, and historical Government of Alberta funding priorities, it has been assumed that high lift pump station project will qualify for a special earmarked grant (75%). Should this change in the future, the water rate model can be amended and rate forecasts adjusted accordingly.
2. An annual provision of \$50,000 was established for minor capital expenditures.
3. Contributed assets born by development levies and other third parties have been estimated by Town engineering staff.

Existing and Future Debt Payments – Rates/recoveries must provide for debt payments on existing and future debentures. The following table outlines debt payments on existing debentures and the impact of any new debentures over the rate-planning period.

Year	Existing Debt			Future Debt			Total Debt		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 133,183	\$ 310,571	\$ 443,755	\$ -	\$ -	\$ -	\$ 133,183	\$ 310,571	\$ 443,755
2017	\$ 219,723	\$ 303,960	\$ 523,683	\$ -	\$ -	\$ -	\$ 219,723	\$ 303,960	\$ 523,683
2018	\$ 229,802	\$ 293,881	\$ 523,683	\$ 26,588	\$ 24,049	\$ 50,636	\$ 256,390	\$ 317,930	\$ 574,319
2019	\$ 240,349	\$ 283,334	\$ 523,683	\$ 67,034	\$ 59,297	\$ 126,331	\$ 307,383	\$ 342,631	\$ 650,014
2020	\$ 251,385	\$ 272,298	\$ 523,683	\$ 68,802	\$ 57,529	\$ 126,331	\$ 320,187	\$ 329,827	\$ 650,014
2021	\$ 262,934	\$ 260,749	\$ 523,683	\$ 70,616	\$ 55,715	\$ 126,331	\$ 333,551	\$ 316,463	\$ 650,014
2022	\$ 275,020	\$ 248,663	\$ 523,683	\$ 72,478	\$ 53,852	\$ 126,331	\$ 347,499	\$ 302,515	\$ 650,014
2023	\$ 287,668	\$ 236,015	\$ 523,683	\$ 88,770	\$ 64,947	\$ 153,717	\$ 376,438	\$ 300,962	\$ 677,400
2024	\$ 300,905	\$ 222,778	\$ 523,683	\$ 91,111	\$ 62,606	\$ 153,717	\$ 392,015	\$ 285,384	\$ 677,400
2025	\$ 314,757	\$ 208,926	\$ 523,683	\$ 78,365	\$ 47,966	\$ 126,331	\$ 393,122	\$ 256,891	\$ 650,014
Total	\$ 2,515,727	\$ 2,641,174	\$ 5,156,902	\$ 563,763	\$ 425,960	\$ 989,724	\$ 3,079,491	\$ 3,067,135	\$ 6,146,625

Operating and Maintenance Costs – The table below outlines projected net operating expenditures (expenditures less non-utility revenues) that must be provided for by water utility rates. Projected expenditures over the rate planning period are based upon baseline costs (2015 actual operating expenditures adjusted for budgeted step increases/decreases for 2016 and 2017) plus a provision for future escalation of these costs (3.0% inflation in costs and revenues are taken into consideration in each year of the 10-year planning period).

Year	Miscellaneous Recoveries	Expenditures	Net Expenditures
2016	\$ 164,337	\$ 2,143,320	\$ 1,978,983
2017	\$ 334,267	\$ 2,051,620	\$ 1,717,352
2018	\$ 344,295	\$ 2,153,168	\$ 1,808,873
2019	\$ 354,624	\$ 2,217,763	\$ 1,863,139
2020	\$ 365,263	\$ 2,284,296	\$ 1,919,033
2021	\$ 376,221	\$ 2,352,825	\$ 1,976,604
2022	\$ 387,507	\$ 2,423,410	\$ 2,035,903
2023	\$ 399,133	\$ 2,496,112	\$ 2,096,980
2024	\$ 411,107	\$ 2,570,996	\$ 2,159,889
2025	\$ 423,440	\$ 2,648,126	\$ 2,224,686

Notes:

1. Miscellaneous recoveries include utility bill penalties, misc revenue, etc.

Further, in establishing the water rate structure discussed in Section 5.4, the following operating and maintenance cost allocation mix has been assumed for the Town:

Description	Customer Related	Capacity Related	Consumption Related
Non Utility Billing Revenues and Recoveries			
SALE OF GOODS AND SERV-WATER			100%
PENALTIES AND COSTS-WATER			100%
MISCELLANEOUS REVENUE - WATER			100%
WATER MISC. REVENUE CLEARING			100%
FEDERAL CONDITIONAL GRANTS			100%
PROV. CONDITIONAL GRANTS-WATER			100%
ENG. WATER			
SALARIES & WAGES-ENG. WATER		50%	50%
BENEFITS-ENGINEERING WATER		50%	50%
PROF & GEN SERVICES-ENG. WAT		50%	50%
REPAIRS & MAINT-ENG. WATER		50%	50%
INS LIC & CLAIMS-ENG. WATER		50%	50%
GENERAL SUPPLIES-ENG. WATER		50%	50%
UTILITIES-ENGINEERING WATER		50%	50%
WATER BILLING			
SALARIES & WAGES-WATER BILLING	100%		0%
BENEFITS-WATER BILLING	100%		0%
PROF & GEN SERV-WATER BILLING	100%		0%
REPAIRS & MAINT-WATER BILLING	100%		0%
ALLOC COMM SER R&M-WATER BILL	100%		0%
GENERAL SUPPLIES-WATER BILLING	100%		0%
ALLOC COMM SER SUPP-WATER BILL	100%		0%
UNCOLLECTIBLE ACCTS-WATER BILL	100%		0%
WATER TREAT PLANT			
SALARIES-WATER TREAT PLANT			100%
BENEFITS-WATER TREAT PLANT			100%
PROF & GEN SERVICE-WATER TREAT			100%
R&M-WATER TREAT PLANT			100%
ALLOC COMM SER R&M-WATER PLANT			100%
GEN SUPPLIES-WATER TREAT PLANT			100%
ALLOC COM SER SUPP-WATER PLANT			100%
UTILITIES-WATER TREAT PLANT			100%
DEBENTURE INTEREST			100%
DEBENT PRINCIPAL			100%
DISTRIBUTION MAINS & SERVICE			
SALARIES-DIST MAINS & SERV		50%	50%
BENEFITS-DIST MAINS & SERVICE		50%	50%
PROF & GEN SERVICES-DIST MAINS		50%	50%
R&M-DIST MAINS & SERV		50%	50%
ALLOC COMM SER R&M-DISTN MAIN		50%	50%
GEN SUPPLIES-DIST MAINS & SERV		50%	50%
ALLOC COMM SER SUPP-DIST MAIN		50%	50%
DEBENTURE INTEREST			100%
DEBENT PRINCIPAL			100%
WATER RESERVOIR			
SALARIES & WAGES-WATER RESERVE			100%
BENEFITS-WATER RESERVOIR			100%
PROF & GEN SERVI-WATER RESERV			100%
REPAIR & MAINT-WATER RESERVOIR			100%
ALLOC COMM SER R&M - RESERVOIR			100%
GENERAL SUPPLIES-WATER RESERV			100%
ALLOC COMM SERV SUPP-RESERV			100%
UTILITIES-WATER RESERVOIR			100%
DEBENTURE INTEREST			100%
DEBENT PRINCIPAL			100%

Depreciation Expense on Acquired Assets – Depreciation represents the value of assets consumed while in service to rate payers. A depreciation expense establishes part of the provision used for the rehabilitation and replacement of assets. Under the Utility (Full Cost) Approach a depreciation expense is calculated only on acquired assets (contributed assets have not been purchased and therefore no expense can emanate from these assets). The depreciation expense established within the water revenue requirement is calculated on a straight-line base over the economic life of assets in each asset pool (distribution system, reservoir, etc.). The tables below outline the economic life of each water asset category and the depreciation expenses in each year of the rate-planning period.

Category	Economic Life	
Water Distribution System	25	Years
Water Transmission System	25	Years
Water Reservoir	20	Years
Pumping Stations	20	Years
Water Treatment	20	Years
Equipment	10	Years
Computers	5	Years

Description	2016	2017	2018	2019	2020
System Acquired Assets					
Water Distribution System	\$ 292,739	\$ 292,471	\$ 292,204	\$ 290,694	\$ 282,336
Water Transmission System	\$ 8,019	\$ 18,030	\$ 67,652	\$ 107,265	\$ 107,265
Water Reservoir	\$ -	\$ -	\$ -	\$ -	\$ -
Pumping Stations	\$ -	\$ 19,915	\$ 39,831	\$ 39,831	\$ 39,831
Water Treatment	\$ 286,841	\$ 347,233	\$ 348,567	\$ 348,567	\$ 348,567
Equipment	\$ 25,036	\$ 21,533	\$ 18,186	\$ 23,732	\$ 29,444
Computers	\$ -	\$ -	\$ -	\$ -	\$ -
Total Depreciation	\$ 612,635	\$ 699,182	\$ 766,441	\$ 810,088	\$ 807,442

Description	2021	2022	2023	2024	2025
System Acquired Assets					
Water Distribution System	\$ 271,674	\$ 249,297	\$ 288,062	\$ 344,358	\$ 336,142
Water Transmission System	\$ 111,491	\$ 115,716	\$ 115,716	\$ 115,716	\$ 115,716
Water Reservoir	\$ -	\$ -	\$ -	\$ -	\$ -
Pumping Stations	\$ 39,831	\$ 39,831	\$ 39,831	\$ 39,831	\$ 39,831
Water Treatment	\$ 348,567	\$ 348,567	\$ 348,567	\$ 348,567	\$ 348,567
Equipment	\$ 35,327	\$ 41,387	\$ 47,629	\$ 51,558	\$ 55,679
Computers	\$ -	\$ -	\$ -	\$ -	\$ -
Total Depreciation	\$ 806,889	\$ 794,798	\$ 839,804	\$ 900,029	\$ 895,935

Notes:

1. Depreciation is calculated in the year of construction.

Further, in establishing the water rate structure discussed in Section 5.4, the following

asset allocation mix has been assumed for the Town:

Description	Asset Allocation Matrix		
	Customer Related	Capacity Related	Consumption Related
System Acquired Assets			
Water Distribution System	0%	50%	50%
Water Transmission System	0%	50%	50%
Water Reservoir	0%	0%	100%
Pumping Stations	0%	50%	50%
Water Treatment	0%	0%	100%
Equipment	0%	0%	100%
Computers	0%	0%	100%

Return on Assets in Service – As previously indicated various rates of returns are established for assets in service by using the 2015 Generic Rate of Return established by the Alberta Utilities Commission (AUC).

Assets in service include:

- Acquired assets that are debt supported
- Acquired assets that are equity supported
- Contributed assets, and
- Working capital.

Acquired asset returns are based on a deemed capital structure of 40% debt and 60% equity. The deemed capital structure helps to generate a smooth revenue requirement during periods of abnormally low or high capital construction. A 40% debt / 60% deemed equity structure has been selected for the Town as it reflects the structure used by many municipal utilities.

Acquired assets that are deemed to be debt supported (40% of all acquired assets) are provided a rate of return that meets average debt obligations (principal and interest payments). In Year 1, the return of 7.30% is determined by the average interest terms of all outstanding debentures.

Acquired assets that are deemed to be equity supported (60% of all acquired assets) are provided a rate of return of 8.30% (the AUC Generic Rate of Return) which approximates the cost of equity capital for water and sewer utilities as determined by the AUC.

Contributed assets do not earn a rate of return.

Determination of average working capital requirements is based upon 1½ months of

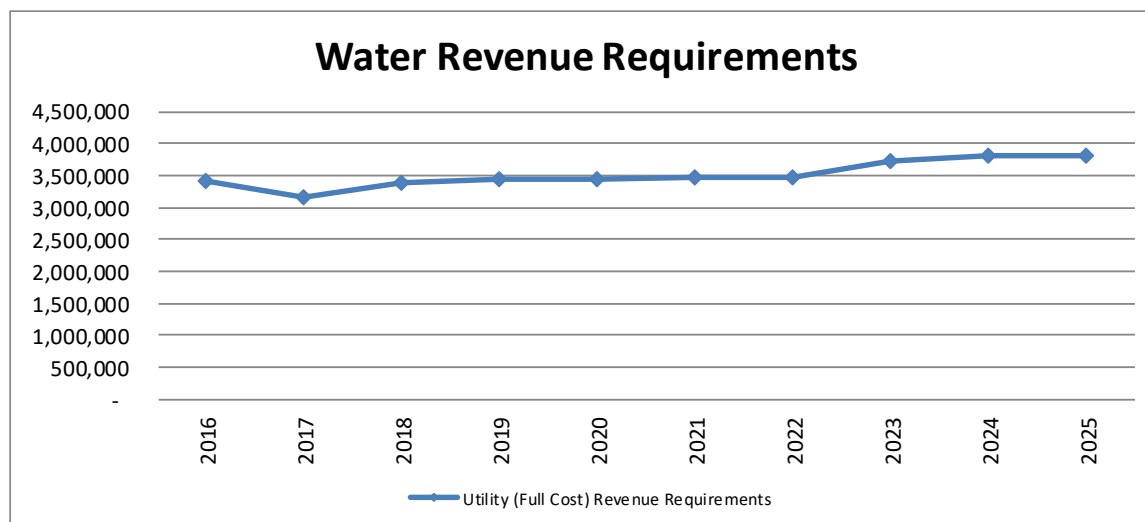
operating and maintenance costs (the “one-eighth” rule). Returns on working capital are assumed to be 8.30% (the AUC Generic Rate of Return).

The table below shows returns for each asset in service in Year 1 of the rate planning period. The average return on all assets in service is 3.86%. As previously indicated this return is intended to meet any borrowing obligations that are incurred in the creation of assets and to rehabilitate and replace the assets when they reach the end of their economic life.

2016							
Description	Actual Capital In Service	% Actual Capital Structure	% Actual System Acquired Asset Structure	Deemed % System Acquired Asset Structure	Deemed Rate Base	Rate of Return	Return on Deemed Rate Base
System Acquired Assets							
Debt Portion	\$ 4,254,002	20.16%	41.77%	40.00%	\$ 4,073,878	7.30%	\$ 297,421
Equity Portion	\$ 5,930,693	28.10%	58.23%	60.00%	\$ 6,110,816	8.30%	\$ 507,198
Total System Acquired	\$ 10,184,694	48.25%	100.00%	100.00%	\$ 10,184,694		\$ 804,619
Contributed Assets	\$ 10,921,506	51.75%			\$ 10,921,506	0.00%	\$ -
Total Assets	\$ 21,106,200	100.00%			\$ 21,106,200		\$ 804,619
Working Capital	\$ 1,978,983				\$ 247,373	8.30%	\$ 20,532
						Total Return	\$ 825,151
							3.86%

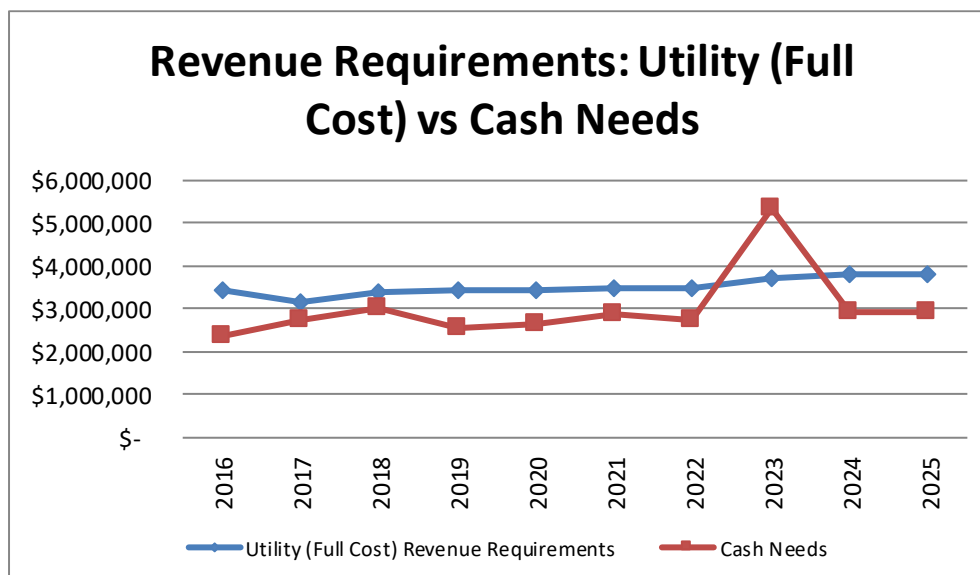
Summary of Revenue Requirements (Utility (Full Cost) Approach) – Based upon all revenue requirement elements described in this section the following table and graph outline the revenue recovery required under the Utility (Full Cost) Approach.

Revenue Requirement - Utility (Full Cost)				
Year	Operating & Maintenance Expenses	Depreciation	Return on Assets	Total Revenue Requirement
2016	\$ 1,978,983	\$ 612,635	\$ 825,151	\$ 3,416,769
2017	\$ 1,717,352	\$ 699,182	\$ 740,928	\$ 3,157,463
2018	\$ 1,808,873	\$ 766,441	\$ 807,275	\$ 3,382,588
2019	\$ 1,863,139	\$ 810,088	\$ 779,276	\$ 3,452,504
2020	\$ 1,919,033	\$ 807,442	\$ 730,280	\$ 3,456,755
2021	\$ 1,976,604	\$ 806,889	\$ 695,528	\$ 3,479,022
2022	\$ 2,035,903	\$ 794,798	\$ 637,200	\$ 3,467,901
2023	\$ 2,096,980	\$ 839,804	\$ 793,323	\$ 3,730,107
2024	\$ 2,159,889	\$ 900,029	\$ 738,984	\$ 3,798,903
2025	\$ 2,224,686	\$ 895,935	\$ 689,523	\$ 3,810,143



Comparison of Revenue Requirement : Utility (Full Cost) Approach Versus Cash Needs Approach – Based upon all revenue requirements described in this section the following table and graph compare the revenue recovery required under the Utility (Full Cost) Approach with the Cash Needs Approach.

Year	Revenue Requirement - Utility (Full Cost)				Revenue Requirement - Cash				
	Operating & Maintenance Expenses	Depreciation	Return on Assets	Total Revenue Requirement	Operating & Maintenance Expenses	Debt Charges	Revenue Requirement Before Capital Drawn From Reserve	Capital Drawn From Reserves	Total Revenue Requirement
2016	\$ 1,978,983	\$ 612,635	\$ 825,151	\$ 3,416,769	\$ 1,978,983	\$ 350,969	\$ 2,329,952	\$ 51,500	\$ 2,381,452
2017	\$ 1,717,352	\$ 699,182	\$ 740,928	\$ 3,157,463	\$ 1,717,352	\$ 523,683	\$ 2,241,035	\$ 479,016	\$ 2,720,052
2018	\$ 1,808,873	\$ 766,441	\$ 807,275	\$ 3,382,588	\$ 1,808,873	\$ 574,319	\$ 2,383,192	\$ 653,294	\$ 3,036,486
2019	\$ 1,863,139	\$ 810,088	\$ 779,276	\$ 3,452,504	\$ 1,863,139	\$ 650,014	\$ 2,513,153	\$ 56,275	\$ 2,569,428
2020	\$ 1,919,033	\$ 807,442	\$ 730,280	\$ 3,456,755	\$ 1,919,033	\$ 650,014	\$ 2,569,047	\$ 57,964	\$ 2,627,011
2021	\$ 1,976,604	\$ 806,889	\$ 695,528	\$ 3,479,022	\$ 1,976,604	\$ 650,014	\$ 2,626,618	\$ 270,979	\$ 2,897,597
2022	\$ 2,035,903	\$ 794,798	\$ 637,200	\$ 3,467,901	\$ 2,035,903	\$ 650,014	\$ 2,685,916	\$ 61,494	\$ 2,747,410
2023	\$ 2,096,980	\$ 839,804	\$ 793,323	\$ 3,730,107	\$ 2,096,980	\$ 677,400	\$ 2,774,379	\$ 2,578,252	\$ 5,352,631
2024	\$ 2,159,889	\$ 900,029	\$ 738,984	\$ 3,798,903	\$ 2,159,889	\$ 677,400	\$ 2,837,289	\$ 65,239	\$ 2,902,528
2025	\$ 2,224,686	\$ 895,935	\$ 689,523	\$ 3,810,143	\$ 2,224,686	\$ 650,014	\$ 2,874,699	\$ 67,196	\$ 2,941,895



Key Conclusions:

- The Cash Needs Approach outlines the minimum amount of cash required in any given year. Revenue production below this amount results in a utility “loss”, and subsequent subsidy from the Town (i.e., tax financed).
- Over the long term, rates and revenues need to satisfy the Utility (Full Cost) revenue requirements in order for the utility to be fully self-sustained.
- A gradual, long term transition toward full cost rates is recommended and is discussed in Section 5.4.

5.2 Water Rate Structure

Water utilities typically attribute water revenue requirements to customers through three charges: (1) Commodity charge, (2) Capacity charge, and (3) Billing charge. Together, the capacity charge and billing charge are often combined to form a single fixed charge.

Commodity Charge – A commodity charge represents the cost of finished water provided to the customer and includes water treatment costs as well as a portion of infrastructure costs that are associated with average (non peak) provision of water. Infrastructure costs include the distribution as well as portions of the water reservoir, pumping station etc. Currently, the Town maintains a commodity charge \$1.60 for each cubic meter consumed by the customer. In addition, the Town charges a \$0.11 sustainability charge for each cubic meter consumed. Therefore, the total commodity

charge is \$1.71 per cubic meter consumed.

Capacity Charge – A capacity charge represents the infrastructure costs (standby costs) that are associated with providing a customer with their peak water requirements. Capacity costs do not change based upon the amount of water used by the customer. Rather, a customer's water capacity is determined by the size of water service entering customer's premises. Capacity costs include a portion of costs related to the finished water reservoir, pumping facilities, water distribution system etc. Currently, the Town has a fixed charge of \$15.25 per month. However, this charge is currently applied uniformly to all customers regardless of service size.

Billing Charge – A billing charge represents the cost to create, send and collect a water customer utility bill. Costs include billing and meter reading staff time, postage, bad debts and the like (i.e., administration). Currently, the Town does not have a separate billing charge. It not known if the Town costs associated with billing and administration are included in the \$15.25 fixed charge described above.

Fixed Charge – For simplicity, capacity charges and billing charges are often combined together into a single 'fixed charge' for the customer. As mentioned previously, the Town currently has fixed charge of \$15.25 per month.

5.3 Existing Water Rates and Recoveries

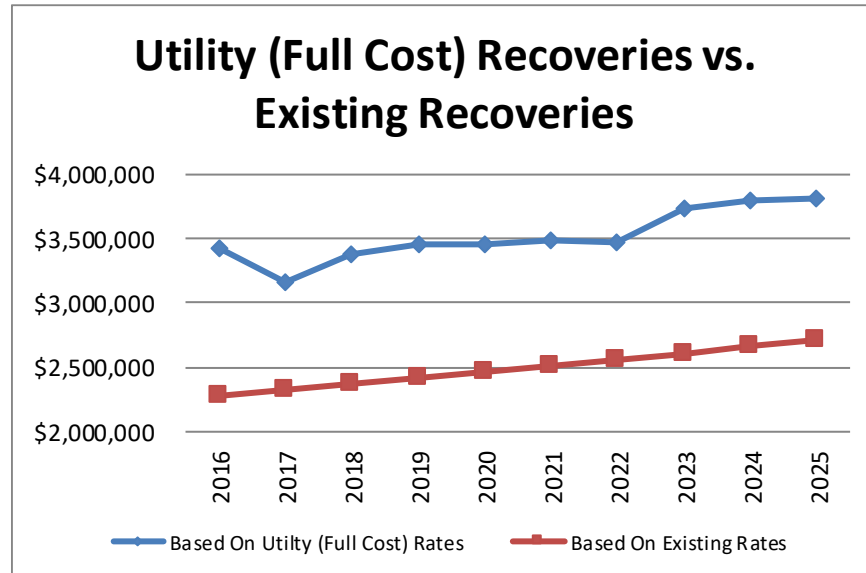
Existing water rates are not sufficient to recover funds needed to meet the Utility (Full Cost) revenue requirements. There are two key issues: (1) the fixed charge is not sufficient to cover the cost of both capacity and billing requirements, and (2) the fixed charge is applied uniformly across all rate payers regardless of service size (i.e., a senior citizen with a 5/8" water line is paying the same "standby cost" as a commercial/industrial customer with a 4" water line).

Should the Town continue with current rates, in order to meet water utility cash requirements a subsidy from general revenues would be required totaling approximately \$5.33 million as shown in the table below.

Year	Cash Needs Revenue Requirement	Existing Revenues / Rates	Cash Needs Shortfall
2016	\$ 2,381,452	\$ 2,269,272	\$ (112,180)
2017	\$ 2,720,052	\$ 2,314,658	\$ (405,394)
2018	\$ 3,036,486	\$ 2,360,951	\$ (675,535)
2019	\$ 2,569,428	\$ 2,408,170	\$ (161,258)
2020	\$ 2,627,011	\$ 2,456,333	\$ (170,678)
2021	\$ 2,897,597	\$ 2,505,460	\$ (392,137)
2022	\$ 2,747,410	\$ 2,555,569	\$ (191,841)
2023	\$ 5,352,631	\$ 2,606,681	\$ (2,745,951)
2024	\$ 2,902,528	\$ 2,658,814	\$ (243,714)
2025	\$ 2,941,895	\$ 2,711,991	\$ (229,905)
Total	\$ 30,176,491	\$ 24,847,899	\$ (5,328,592)

Should the Town continue with current rates it would result in a utility (full cost) deficit of approximately \$1.03 million per year (approximately \$10.30 million over the 10-year review period) as shown in the table and graph below. Of the \$10.30 million deficit, \$5.33 million would be required by way of subsidy from taxpayers (as shown above), and \$4.97 million would represent water system investment provisions not being provided for.

Year	Utility (Full Cost) Revenue Requirement	Existing Revenues / Rates	Existing Shortfall
2016	\$ 3,416,769	\$ 2,269,272	\$ (1,147,497)
2017	\$ 3,157,463	\$ 2,314,658	\$ (842,805)
2018	\$ 3,382,588	\$ 2,360,951	\$ (1,021,637)
2019	\$ 3,452,504	\$ 2,408,170	\$ (1,044,334)
2020	\$ 3,456,755	\$ 2,456,333	\$ (1,000,422)
2021	\$ 3,479,022	\$ 2,505,460	\$ (973,562)
2022	\$ 3,467,901	\$ 2,555,569	\$ (912,331)
2023	\$ 3,730,107	\$ 2,606,681	\$ (1,123,426)
2024	\$ 3,798,903	\$ 2,658,814	\$ (1,140,088)
2025	\$ 3,810,143	\$ 2,711,991	\$ (1,098,152)
Total	\$ 35,152,154	\$ 24,847,899	\$ (10,304,255)



5.4 Proposed Water Rate Strategy

To facilitate discussion of rates strategy options, we have outlined a recommended water rate strategy whose aim is to achieve the revenue requirements of the Utility (Full Cost) Approach within 10 years of implementation. In addition, the recommended rate strategy is intended to rectify structural issues identified in the previous section.

Billing Charge – The Town currently does not include a customer billing charge within the overall fixed charge. The cost of producing a water utility bill in the Town is \$4.55 per month and is estimated to remain fairly constant during the planning period (\$4.97 by year 10). Accordingly, the proposed fixed charge includes a billing component of \$4.55 monthly, instituted in Year 1 and increasing by \$0.05 each year.

Capacity Charge – The Town does not currently utilize capacity charges (although the Town does include a single fixed charge of \$15.25 per month applied uniformly to all customers regardless of service size).

The target base rate as determined by the Town's existing cost structure is \$15.37 per month for 5/8" (15mm) service in Year 1. By extension, the target rate for a 6" water line is \$1,537.00 in Year 1.

Currently, water service customers are not meeting the cost of peak water capacity that they are provided. A 6" water service which costs the utility \$1,537 to provide is only costing the customer \$15.25, a revenue loss of \$1,521.75 per month. A 3/4" water service which costs the utility \$24.66 to provide is only costing the customer \$15.25 a revenue

loss of \$9.41 per month.

Though all customers are currently not paying for the full cost of providing standby service, this disparity is amplified significantly the larger the customer service. Of the water utility's estimated 3,074 customers, 2,886 (94%) smaller customers (15mm and 19mm/20mm) are paying, in part, to make up for a significant revenue shortfall stemming from customers with service sizes >20mm. To rectify this cross-subsidization it is recommended that all customers pay for the cost of their capacity service. This would result in elimination of a common capacity charge and adoption of capacity charges based upon the capacity of service provided to the customer.

Description	2016
15mm	2,839
19mm	47
20mm	-
25mm	59
37mm	-
38mm	69
50mm	45
75mm	13
100mm	1
150mm	1
Average Accounts	3,074

Accordingly, the proposed rate strategy includes a capacity charge of \$15.25 per month for 5/8" service in Year 1, increasing by \$0.10 in most years to \$16.05 in Year 10. Other service sizes are calibrated based upon the base rate as shown in the table below.

Service Size	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
5/8" 15mm	\$ 15.25	\$ 15.35	\$ 15.45	\$ 15.55	\$ 15.65	\$ 15.75	\$ 15.85	\$ 15.95	\$ 16.05	\$ 16.05
3/4" 19mm	\$ 24.47	\$ 24.63	\$ 24.79	\$ 24.95	\$ 25.11	\$ 25.27	\$ 25.43	\$ 25.59	\$ 25.75	\$ 25.75
3/4" 20mm	\$ 27.11	\$ 27.29	\$ 27.47	\$ 27.64	\$ 27.82	\$ 28.00	\$ 28.18	\$ 28.36	\$ 28.53	\$ 28.53
1" 25mm	\$ 42.36	\$ 42.64	\$ 42.92	\$ 43.19	\$ 43.47	\$ 43.75	\$ 44.03	\$ 44.31	\$ 44.58	\$ 44.58
1.25" 37mm	\$ 92.79	\$ 93.40	\$ 94.00	\$ 94.61	\$ 95.22	\$ 95.83	\$ 96.44	\$ 97.05	\$ 97.66	\$ 97.66
1.5" 38mm	\$ 97.87	\$ 98.51	\$ 99.15	\$ 99.80	\$ 100.44	\$ 101.08	\$ 101.72	\$ 102.36	\$ 103.01	\$ 103.01
2" 50mm	\$ 169.44	\$ 170.56	\$ 171.67	\$ 172.78	\$ 173.89	\$ 175.00	\$ 176.11	\$ 177.22	\$ 178.33	\$ 178.33
3" 75mm	\$ 381.25	\$ 383.75	\$ 386.25	\$ 388.75	\$ 391.25	\$ 393.75	\$ 396.25	\$ 398.75	\$ 401.25	\$ 401.25
4" 100mm	\$ 677.78	\$ 682.22	\$ 686.67	\$ 691.11	\$ 695.56	\$ 700.00	\$ 704.44	\$ 708.89	\$ 713.33	\$ 713.33
6" 150mm	\$ 1,525.00	\$ 1,535.00	\$ 1,545.00	\$ 1,555.00	\$ 1,565.00	\$ 1,575.00	\$ 1,585.00	\$ 1,595.00	\$ 1,605.00	\$ 1,605.00

This modified capacity charge recommendation represents the single most significant change to the Town's current rate structure. By ensuring that customers pay for standby costs in direct proportion to the benefit they receive, this change rectifies the inequity inherent in the Town's current rate structure; namely, that customer with small service sizes (usually residential customers) are subsidizing the rates of customers with larger service size (usually commercial/industrial customers).

Town of Drayton Valley – Water and Sewer Utility Rate Review

Fixed Charge – For simplicity, we recommend the Town combine the proposed billing and capacity charges into a single fixed charge, as shown in the tables below.

		2016			2017			2018			2019			2020		
Service Size		Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge
5/8"	15mm	\$ 4.55	\$ 15.25	\$ 19.80	\$ 4.60	\$ 15.35	\$ 19.95	\$ 4.65	\$ 15.45	\$ 20.10	\$ 4.70	\$ 15.55	\$ 20.25	\$ 4.75	\$ 15.65	\$ 20.40
3/4"	19mm	\$ 4.55	\$ 24.47	\$ 29.02	\$ 4.60	\$ 24.63	\$ 29.23	\$ 4.65	\$ 24.79	\$ 29.44	\$ 4.70	\$ 24.95	\$ 29.65	\$ 4.75	\$ 25.11	\$ 29.86
3/4"+	20mm	\$ 4.55	\$ 27.11	\$ 31.66	\$ 4.60	\$ 27.29	\$ 31.89	\$ 4.65	\$ 27.47	\$ 32.12	\$ 4.70	\$ 27.64	\$ 32.34	\$ 4.75	\$ 27.82	\$ 32.57
1"	25mm	\$ 4.55	\$ 42.36	\$ 46.91	\$ 4.60	\$ 42.64	\$ 47.24	\$ 4.65	\$ 42.92	\$ 47.57	\$ 4.70	\$ 43.19	\$ 47.89	\$ 4.75	\$ 43.47	\$ 48.22
1.25"	37mm	\$ 4.55	\$ 92.79	\$ 97.34	\$ 4.60	\$ 93.40	\$ 98.00	\$ 4.65	\$ 94.00	\$ 98.65	\$ 4.70	\$ 94.61	\$ 99.31	\$ 4.75	\$ 95.22	\$ 99.97
1.5"	38mm	\$ 4.55	\$ 97.87	\$ 102.42	\$ 4.60	\$ 98.51	\$ 103.11	\$ 4.65	\$ 99.15	\$ 103.80	\$ 4.70	\$ 99.80	\$ 104.50	\$ 4.75	\$ 100.44	\$ 105.19
2"	50mm	\$ 4.55	\$ 169.44	\$ 173.99	\$ 4.60	\$ 170.56	\$ 175.16	\$ 4.65	\$ 171.67	\$ 176.32	\$ 4.70	\$ 172.78	\$ 177.48	\$ 4.75	\$ 173.89	\$ 178.64
3"	75mm	\$ 4.55	\$ 381.25	\$ 385.80	\$ 4.60	\$ 383.75	\$ 388.35	\$ 4.65	\$ 386.25	\$ 390.90	\$ 4.70	\$ 388.75	\$ 393.45	\$ 4.75	\$ 391.25	\$ 396.00
4"	100mm	\$ 4.55	\$ 677.78	\$ 682.33	\$ 4.60	\$ 682.22	\$ 686.82	\$ 4.65	\$ 686.67	\$ 691.32	\$ 4.70	\$ 691.11	\$ 695.81	\$ 4.75	\$ 695.56	\$ 700.31
6"	150mm	\$ 4.55	\$ 1,525.00	\$ 1,529.55	\$ 4.60	\$ 1,535.00	\$ 1,539.60	\$ 4.65	\$ 1,545.00	\$ 1,549.65	\$ 4.70	\$ 1,555.00	\$ 1,559.70	\$ 4.75	\$ 1,565.00	\$ 1,569.75

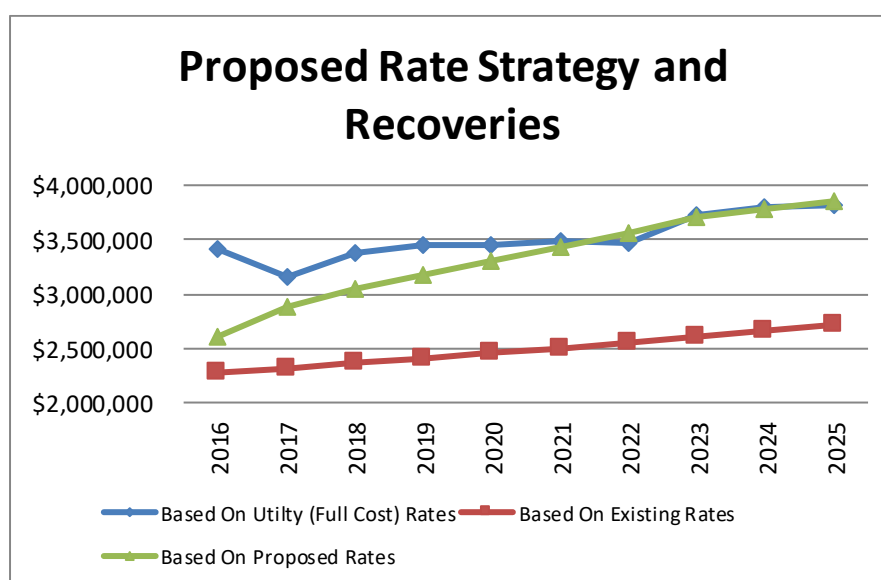
		2021			2022			2023			2024			2025		
Service Size		Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge	Customer Billing	Capacity 15mm	Total Fixed Charge
5/8"	15mm	\$ 4.80	\$ 15.75	\$ 20.55	\$ 4.85	\$ 15.85	\$ 20.70	\$ 4.90	\$ 15.95	\$ 20.85	\$ 4.95	\$ 16.05	\$ 21.00	\$ 5.00	\$ 16.05	\$ 21.05
3/4"	19mm	\$ 4.80	\$ 25.27	\$ 30.07	\$ 4.85	\$ 25.43	\$ 30.28	\$ 4.90	\$ 25.59	\$ 30.49	\$ 4.95	\$ 25.75	\$ 30.70	\$ 5.00	\$ 25.75	\$ 30.75
3/4"+	20mm	\$ 4.80	\$ 28.00	\$ 32.80	\$ 4.85	\$ 28.18	\$ 33.03	\$ 4.90	\$ 28.36	\$ 33.26	\$ 4.95	\$ 28.53	\$ 33.48	\$ 5.00	\$ 28.53	\$ 33.53
1"	25mm	\$ 4.80	\$ 43.75	\$ 48.55	\$ 4.85	\$ 44.03	\$ 48.88	\$ 4.90	\$ 44.31	\$ 49.21	\$ 4.95	\$ 44.58	\$ 49.53	\$ 5.00	\$ 44.58	\$ 49.58
1.25"	37mm	\$ 4.80	\$ 95.83	\$ 100.63	\$ 4.85	\$ 96.44	\$ 101.29	\$ 4.90	\$ 97.05	\$ 101.95	\$ 4.95	\$ 97.66	\$ 102.61	\$ 5.00	\$ 97.66	\$ 102.66
1.5"	38mm	\$ 4.80	\$ 101.08	\$ 105.88	\$ 4.85	\$ 101.72	\$ 106.57	\$ 4.90	\$ 102.36	\$ 107.26	\$ 4.95	\$ 103.01	\$ 107.96	\$ 5.00	\$ 103.01	\$ 108.01
2"	50mm	\$ 4.80	\$ 175.00	\$ 179.80	\$ 4.85	\$ 176.11	\$ 180.96	\$ 4.90	\$ 177.22	\$ 182.12	\$ 4.95	\$ 178.33	\$ 183.28	\$ 5.00	\$ 178.33	\$ 183.33
3"	75mm	\$ 4.80	\$ 393.75	\$ 398.55	\$ 4.85	\$ 396.25	\$ 401.10	\$ 4.90	\$ 398.75	\$ 403.65	\$ 4.95	\$ 401.25	\$ 406.20	\$ 5.00	\$ 401.25	\$ 406.25
4"	100mm	\$ 4.80	\$ 700.00	\$ 704.80	\$ 4.85	\$ 704.44	\$ 709.29	\$ 4.90	\$ 708.89	\$ 713.79	\$ 4.95	\$ 713.33	\$ 718.28	\$ 5.00	\$ 713.33	\$ 718.33
6"	150mm	\$ 4.80	\$ 1,575.00	\$ 1,579.80	\$ 4.85	\$ 1,585.00	\$ 1,589.85	\$ 4.90	\$ 1,595.00	\$ 1,599.90	\$ 4.95	\$ 1,605.00	\$ 1,609.95	\$ 5.00	\$ 1,605.00	\$ 1,610.00

Commodity Charge – The Town's current commodity charge is a charge of \$1.60 per cubic meter, plus a \$0.11 per cubic meter sustainability charge for a total of \$1.71 per cubic meter. The full cost rate as determined by the Town's existing cost structure is \$2.44 per cubic meter, decreasing to \$2.16 per cubic meter in Year 10 of the planning period. Accordingly, the proposed rate strategy includes modifying the commodity charge to \$1.80 per cubic meter in Year 1 (inclusive of any sustainability charge), and increasing gradually to \$2.20 per cubic meter in Year 10.

Year	Commodity Charge Per m3
2016	\$ 1.80
2017	\$ 1.85
2018	\$ 1.95
2019	\$ 2.00
2020	\$ 2.05
2021	\$ 2.10
2022	\$ 2.15
2023	\$ 2.20
2024	\$ 2.20
2025	\$ 2.20

5.5 Proposed Water Recoveries

The revenue generated from the proposed rate structure changes is shown in the table and graph below (green line).



The impact of the proposed rate strategy on the forecast water reserve balance over the 10-year planning period is shown in the table below.

	Opening Reserve Balance		\$ 967,318
Year	Reserve Receipts	Reserve Applied	Reserve Balance
2015		\$ -	\$ 967,318
2016	\$ 269,437	\$ 51,500	\$ 1,185,255
2017	\$ 643,651	\$ 479,016	\$ 1,349,890
2018	\$ 670,520	\$ 653,294	\$ 1,367,116
2019	\$ 662,193	\$ 56,275	\$ 1,973,034
2020	\$ 731,576	\$ 57,964	\$ 2,646,646
2021	\$ 803,023	\$ 270,979	\$ 3,178,690
2022	\$ 876,583	\$ 61,494	\$ 3,993,779
2023	\$ 924,921	\$ 2,578,252	\$ 2,340,448
2024	\$ 944,344	\$ 65,239	\$ 3,219,553
2025	\$ 984,765	\$ 67,196	\$ 4,137,121

5.6 Summary of Year 1 Recommendations - Water

The following summarizes the key aspects of the recommended water rate strategy in Year 1:

Objective – The aim is to achieve the revenue requirements of the Utility (Full Cost) Approach within 10 years of implementation, thereby creating a water utility that is self-sustaining (i.e., no burden on taxpayers) .					
Commodity Charge	Billing Charge	Capacity Charges			Fixed Charge
\$1.80 (incl sustainability)	\$4.75		Service Size	2016	= Billing plus capacity
		5/8"	15mm	\$ 15.25	
		3/4"	19mm	\$ 24.47	
		3/4"+	20mm	\$ 27.11	
		1"	25mm	\$ 42.36	
		1.25"	37mm	\$ 92.79	
		1.5"	38mm	\$ 97.87	
		2"	50mm	\$ 169.44	
		3"	75mm	\$ 381.25	
		4"	100mm	\$ 677.78	
		6"	150mm	\$ 1,525.00	

Philosophy – It is recommended the Town establish financial boundaries between the water utility and the rest of the Town's financial requirements:

- Water utility recovers in excess of cash need requirements should be set aside for future water utility infrastructure and operating requirements.
- When the water utility's infrastructure and operating requirements are met (in part) from tax levy funds, provisions should be established for the utility to repay these tax levy funds.

Other – It is recommended the Town undertake a review of its tangible capital asset (TCA) listing. Currently, the historical TCA prior to 2014 makes no provision for assets that may have been contributed to the Town. Should the TCA be amended by the Town in the future, the utility rate model can be easily updated and future rates adjusted accordingly.

The impact of the recommended rate strategy on various customer types is shown in Appendix B and benchmarks are shown in Appendix C.

5.7 Potential Capacity Charge Subsidy

Though the rates outlined in the previous section account for full cost requirements and remove cross-subsidies inherent in the Town's current rate structure, we recognize the proposed capacity rates represent a significant increase for water customers with larger service sizes. Accordingly, the Town may wish to consider implementing a subsidization program which would reduce capacity charges for water customers with service sizes >20mm, and with no charge lower than that for 20mm, as shown in the table below. The subsidy starts at 50% in Year 1 and decreases by 5% each year.

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Subsidy	50%	45%	40%	35%	30%	25%	20%	15%	10%	5%
New Capacity Charge After Subsidy											
5/8"	15mm	\$ 15.25	\$ 15.35	\$ 15.45	\$ 15.55	\$ 15.65	\$ 15.75	\$ 15.85	\$ 15.95	\$ 16.05	\$ 16.05
3/4"	19mm	\$ 24.47	\$ 24.63	\$ 24.79	\$ 24.95	\$ 25.11	\$ 25.27	\$ 25.43	\$ 25.59	\$ 25.75	\$ 25.75
3/4"+	20mm	\$ 27.11	\$ 27.29	\$ 27.47	\$ 27.64	\$ 27.82	\$ 28.00	\$ 28.18	\$ 28.36	\$ 28.53	\$ 28.53
1"	25mm	\$ 27.11	\$ 27.29	\$ 27.47	\$ 28.08	\$ 30.43	\$ 32.81	\$ 35.22	\$ 37.66	\$ 40.13	\$ 42.35
1.25"	37mm	\$ 46.39	\$ 51.37	\$ 56.40	\$ 61.50	\$ 66.66	\$ 71.87	\$ 77.15	\$ 82.49	\$ 87.89	\$ 92.77
1.5"	38mm	\$ 48.94	\$ 54.18	\$ 59.49	\$ 64.87	\$ 70.31	\$ 75.81	\$ 81.38	\$ 87.01	\$ 92.70	\$ 97.86
2"	50mm	\$ 84.72	\$ 93.81	\$ 103.00	\$ 112.31	\$ 121.72	\$ 131.25	\$ 140.89	\$ 150.64	\$ 160.50	\$ 169.42
3"	75mm	\$ 190.63	\$ 211.06	\$ 231.75	\$ 252.69	\$ 273.88	\$ 295.31	\$ 317.00	\$ 338.94	\$ 361.13	\$ 381.19
4"	100mm	\$ 338.89	\$ 375.22	\$ 412.00	\$ 449.22	\$ 486.89	\$ 525.00	\$ 563.56	\$ 602.56	\$ 642.00	\$ 677.67
6"	150mm	\$ 762.50	\$ 844.25	\$ 927.00	\$ 1,010.75	\$ 1,095.50	\$ 1,181.25	\$ 1,268.00	\$ 1,355.75	\$ 1,444.50	\$ 1,524.75

The impact of the subsidization program shown above results in a reduction of revenue totaling approximately \$852,000 over 10 Years (approximately \$85,000 per year on

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average).

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Subsidy Amount (\$)										
5/8"	15mm	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3/4"	19mm	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3/4"+	20mm	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1"	25mm	\$ 10,797.12	\$ 11,085.27	\$ 11,380.64	\$ 11,358.85	\$ 9,994.74	\$ 8,549.82	\$ 7,020.95	\$ 5,404.91	\$ 3,698.38	\$ 1,886.18
1.25"	37mm	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1.5"	38mm	\$ 40,231.59	\$ 37,174.78	\$ 33,924.71	\$ 30,473.78	\$ 26,814.13	\$ 22,937.64	\$ 18,835.96	\$ 14,500.42	\$ 9,922.10	\$ 5,060.27
2"	50mm	\$ 46,017.56	\$ 42,521.13	\$ 38,803.65	\$ 34,856.41	\$ 30,670.44	\$ 26,236.45	\$ 21,544.88	\$ 16,585.82	\$ 11,349.07	\$ 5,788.02
3"	75mm	\$ 29,007.18	\$ 26,803.20	\$ 24,459.89	\$ 21,971.75	\$ 19,333.12	\$ 16,538.15	\$ 13,580.82	\$ 10,454.87	\$ 7,153.89	\$ 3,648.48
4"	100mm	\$ 4,297.36	\$ 3,970.84	\$ 3,623.69	\$ 3,255.07	\$ 2,864.17	\$ 2,450.10	\$ 2,011.97	\$ 1,548.87	\$ 1,059.83	\$ 540.52
6"	150mm	\$ 9,669.06	\$ 8,934.40	\$ 8,153.30	\$ 7,323.92	\$ 6,444.37	\$ 5,512.72	\$ 4,526.94	\$ 3,484.96	\$ 2,384.63	\$ 1,216.16
	Total	\$ 140,019.86	\$ 130,489.63	\$ 120,345.87	\$ 109,239.77	\$ 96,120.97	\$ 82,224.88	\$ 67,521.51	\$ 51,979.85	\$ 35,567.90	\$ 18,139.63

The impacts of the subsidization program on various customers is outlined below.

Small Business (1 1/2" Service)		
Consumption Level m3	50	50
Service Type - 38mm/1 1/2"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 48.94
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 100.75	\$ 143.49
Change from Existing Billing	\$ -	\$ 42.74
Subsidy Amount		\$ 43.85

Medium Business (2" Service)		
Consumption Level m3	200	200
Service Type - 50mm/2"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 84.72
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 357.25	\$ 449.27
Change from Existing Billing	\$ -	\$ 92.02
Subsidy Amount		\$ 296.53

Large Business (4" Service)		
Consumption Level m3	2500	2500
Service Type - 100mm/4"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 338.89
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 4,290.25	\$ 4,843.44
Change from Existing Billing	\$ -	\$ 553.19
Subsidy Amount		\$ 1,186.11

6 Sewer Rate Analysis & Recommendations

In this section, existing and proposed sewer rates and related rate structures are analyzed. The section describes:

- Key components of the Town's sewer revenue requirements from 2016 to 2025 (the funds that rates must generate).
- Modern sewer rate structures.
- Existing sewer rates and recoveries – key elements of the existing sewer rate structure and the projected recoveries generated by those rates, in comparison with the revenue requirements as defined by the Utility (Full Cost) Approach.
- Recommended sewer rate structure – a long term rate transition strategy that enables the Town to eliminate rate issues and move gradually toward a sustainable rate structure (i.e., a full cost approach).

6.1 Sewer Revenue Requirements

Revenue requirements represent the costs that sewer rates must recover. The following are the key elements used to determine the Town's sewer revenue requirements.

Existing Sewer Infrastructure – Sewer infrastructure that is “in service” is used as a base upon which a rate of return is generated. This rate of return is used to make debt payments associated with creation of the infrastructure and to rehabilitate or replace assets when they reach the end of their economic life.

The tables below show the original and residual book value of assets in service currently. Assets in service are classified into two groups: (1) those acquired by the Town (acquired assets), and (2) those contributed to the Town through grants, local improvements, third party contributions and development levies (contributed assets). Each of these two asset classes earn different rates of return, which is described more fully later in this section.

As demonstrated, sewer assets are at an average of 32% of their life (68% remaining). It is important that reserves be accumulated for future asset rehabilitation and reconstruction.

Note, the tangible capital asset listing of the Town may be incomplete and makes no provision for historical assets prior to 2014 that may have been contributed to the Town.

This is discussed further in Section 6.6

Description	Gross Cost	Accumulated Depreciation	Net Book Value	Remaining % of Asset
System Acquired Assets				
Collection	\$ 14,072,279	\$ 5,933,219	\$ 8,139,060	58%
Transmission	\$ -	\$ -	\$ -	0%
Liftstation	\$ -	\$ -	\$ -	0%
Wastewater Treatment	\$ 6,325,576	\$ 645,405	\$ 5,680,170	90%
Lagoon	\$ 96,588	\$ 966	\$ 95,622	99%
Equipment	\$ 34,584	\$ 15,563	\$ 19,021	55%
Computers	\$ -	\$ -	\$ -	0%
Land	\$ -	\$ -	\$ -	0%
Total Acquired	\$ 20,529,027	\$ 6,595,153	\$ 13,933,874	68%
Contributed Assets				
Collection	\$ -	\$ -	\$ -	0%
Transmission	\$ -	\$ -	\$ -	0%
Liftstation	\$ -	\$ -	\$ -	0%
Wastewater Treatment	\$ -	\$ -	\$ -	0%
Lagoon	\$ -	\$ -	\$ -	0%
Equipment	\$ -	\$ -	\$ -	0%
Computers	\$ -	\$ -	\$ -	0%
Land	\$ -	\$ -	\$ -	0%
Total Contributed	\$ -	\$ -	\$ -	0%
Total All Assets	\$ 20,529,027	\$ 6,595,153	\$ 13,933,874	68%

Notes:

1. Contributed assets book values (if any) and accumulated depreciation are notional only as the Town did not acquire these assets.
2. Land is not a depreciable asset.

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Capital Plan Sewer Asset Additions – The table below provides details of the capital expenditures that are planned for the Town's sewer system. These assets will be placed into service in the year of construction. As with existing assets in service, when capital assets are placed into service, they will earn a rate of return for any debt obligations that have arisen during their creation, and for the assets' eventual rehabilitation and replacement.

Addition Description	Inflation		3.00%	Allocation of Cost		System Acquired Financing		Contributed Assets		
	Current Cost	Year	Future Cost	System Acquired	Contributed	Debtenture	Reserves	Grants	Developer	Other
I/I Reduction Measures	\$ 4,000,000	2017	\$ 4,243,600	\$ 4,243,600	\$ -	\$ 2,243,600	\$ 2,000,000		\$ -	\$ -
WWTP (Lagoon) Inlet Upgrade	\$ 280,000	2017	\$ 297,052	\$ 29,705	\$ 267,347	\$ 29,705		\$ 222,789	\$ 27,477	\$ 17,080
Upper South Sanitary Trunk Cross Connections for East/West Branches	\$ 60,000	2017	\$ 63,654	\$ 63,654	\$ -	\$ 63,654			\$ -	\$ -
South Sanitary Trunk Twinning - Phase 1a	\$ 4,030,000	2017	\$ 4,275,427	\$ 1,830,363	\$ 2,445,064	\$ 1,830,363			\$ 1,600,722	\$ 844,342
Septage Receiving Pond Liner Investigation	\$ 58,500	2017	\$ 62,063	\$ 62,063	\$ -	\$ 62,063			\$ -	\$ -
North Sanitary Trunk Twinning - Phase 1	\$ 2,300,000	2019	\$ 2,588,670	\$ 903,350	\$ 1,685,320		\$ 903,350		\$ 747,621	\$ 937,699
I/I Reduction Measures	\$ 6,280,000	2021	\$ 7,498,648	\$ 7,498,648	\$ -	\$ 4,498,648	\$ 3,000,000		\$ -	\$ -
WWTP Upgrade to Mechanical c/w Nutrient Removal for ammonia and phosphorus (i.e. MABR)	\$ 12,880,000	2021	\$ 15,379,394	\$ 807,418	\$ 14,571,976	\$ 807,418		\$ 11,534,546	\$ 1,614,836	\$ 1,422,594
Decommission Existing Polishing Cell	\$ 325,000	2022	\$ 399,709	\$ 20,985	\$ 378,724		\$ 20,985	\$ 299,782	\$ 41,969	\$ 36,973
South Sanitary Trunk Twinning - Phase 1b	\$ 10,460,000	2023	\$ 13,250,415	\$ 6,904,170	\$ 6,346,245	\$ 3,404,170	\$ 3,500,000		\$ 4,154,726	\$ 2,191,518
Minor Capital	\$ 50,000	2016	\$ 51,500	\$ 51,500	\$ -		\$ 51,500			
Minor Capital	\$ 50,000	2017	\$ 53,045	\$ 53,045	\$ -		\$ 53,045			
Minor Capital	\$ 50,000	2018	\$ 54,636	\$ 54,636	\$ -		\$ 54,636			
Minor Capital	\$ 50,000	2019	\$ 56,275	\$ 56,275	\$ -		\$ 56,275			
Minor Capital	\$ 50,000	2020	\$ 57,964	\$ 57,964	\$ -		\$ 57,964			
Minor Capital	\$ 50,000	2021	\$ 59,703	\$ 59,703	\$ -		\$ 59,703			
Minor Capital	\$ 50,000	2022	\$ 61,494	\$ 61,494	\$ -		\$ 61,494			
Minor Capital	\$ 50,000	2023	\$ 63,339	\$ 63,339	\$ -		\$ 63,339			
Minor Capital	\$ 50,000	2024	\$ 65,239	\$ 65,239	\$ -		\$ 65,239			
Minor Capital	\$ 50,000	2025	\$ 67,196	\$ 67,196	\$ -		\$ 67,196			
	\$ 41,173,500		\$ 48,649,023	\$ 22,954,348	\$ 25,694,675	\$ 12,939,622	\$ 10,014,726	\$ 12,057,116	\$ 8,187,352	\$ 5,450,207

Notes:

- Given the nature of the capital projects contained in this plan, and historical Government of Alberta funding priorities, it has been assumed that treatment and lagoon related capital projects will qualify for special earmarked grants (75%). Should this change in the future, the water rate model can be amended and rate forecasts adjusted accordingly.
- An annual provision of \$50,000 was established for minor capital expenditures.
- Contributed assets born by development levies and other third parties have been estimated by Town engineering staff.

Existing and Future Debt Payments – Rates/recoveries must provide for debt payments on existing and future debentures. The following table outlines debt payments on existing debentures and the impact of any new debentures over the rate-planning period.

Year	Existing Debt			Future Debt			Total Debt		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 153,459	\$ 56,941	\$ 210,400	\$ -	\$ -	\$ -	\$ 153,459	\$ 56,941	\$ 210,400
2017	\$ 157,926	\$ 52,474	\$ 210,400	\$ -	\$ -	\$ -	\$ 157,926	\$ 52,474	\$ 210,400
2018	\$ 162,522	\$ 47,878	\$ 210,400	\$ 121,635	\$ 110,018	\$ 231,653	\$ 284,157	\$ 157,896	\$ 442,053
2019	\$ 167,252	\$ 43,148	\$ 210,400	\$ 124,843	\$ 106,811	\$ 231,653	\$ 292,094	\$ 149,959	\$ 442,053
2020	\$ 172,120	\$ 38,280	\$ 210,400	\$ 128,135	\$ 103,518	\$ 231,653	\$ 300,255	\$ 141,799	\$ 442,053
2021	\$ 177,129	\$ 33,271	\$ 210,400	\$ 131,514	\$ 100,139	\$ 231,653	\$ 308,643	\$ 133,410	\$ 442,053
2022	\$ 182,284	\$ 28,116	\$ 210,400	\$ 287,582	\$ 234,697	\$ 522,279	\$ 469,866	\$ 262,813	\$ 732,679
2023	\$ 187,589	\$ 28,116	\$ 215,705	\$ 295,166	\$ 234,697	\$ 529,863	\$ 482,755	\$ 262,813	\$ 745,568
2024	\$ 193,049	\$ 17,351	\$ 210,400	\$ 400,852	\$ 307,881	\$ 708,733	\$ 593,901	\$ 325,232	\$ 919,133
2025	\$ 198,668	\$ 11,732	\$ 210,400	\$ 411,423	\$ 411,423	\$ 822,846	\$ 610,090	\$ 423,155	\$ 1,033,246
Total	\$ 1,751,998	\$ 357,307	\$ 2,109,305	\$ 1,901,148	\$ 1,609,185	\$ 3,510,333	\$ 3,653,146	\$ 1,966,492	\$ 5,619,638

Operating and Maintenance Costs – The table below outlines projected net operating expenditures (expenditures less non-utility revenues) that must be provided for by sewer utility rates. Projected expenditures over the rate planning period are based upon baseline costs (2015 actual operating expenditures adjusted for budgeted step increases/decreases for 2016 and 2017) plus a provision for future escalation of these costs (3.0% inflation in costs and revenues are taken into consideration in each year of the 10-year planning period).

Year	Miscellaneous Recoveries	Expenditures	Net Expenditures
2016	\$ 72,219	\$ 913,871	\$ 841,652
2017	\$ 74,385	\$ 941,287	\$ 866,901
2018	\$ 76,617	\$ 969,525	\$ 892,908
2019	\$ 78,916	\$ 998,611	\$ 919,695
2020	\$ 81,283	\$ 1,028,569	\$ 947,286
2021	\$ 83,721	\$ 1,059,426	\$ 975,705
2022	\$ 86,233	\$ 1,091,209	\$ 1,004,976
2023	\$ 88,820	\$ 1,123,945	\$ 1,035,125
2024	\$ 91,485	\$ 1,157,664	\$ 1,066,179
2025	\$ 94,229	\$ 1,192,394	\$ 1,098,164

Notes:

1. Miscellaneous recoveries include utility bill penalties, misc revenue, etc.

Further, in establishing the sewer rate structure discussed in Section 6.4, the following operating and maintenance cost allocation mix has been assumed for the Town:

Description	Customer Related	Capacity Related	Consumption Related
Non Utility Billing Revenues and Recoveries			
SALE OF GOODS AND SERV-SEWER			100%
PENALTIES AND COSTS-SEWER			100%
MISCELLANEOUS REVENUE-SEWER			100%
INT. STABILIZATION PROG.-SEWER			100%
ENGINEERING			
SALARIES & WAGES-ENGINEERING			100%
BENEFITS-ENGINEERING			100%
PROF & GEN SERV-ENGINEERING			100%
REPAIRS & MAINT-ENGINEERING			100%
INS LIC & CLAIMS-ENGINEERING			100%
GENERAL SUPPLIES-ENGINEERING			100%
UTILITIES-ENGINEERING			100%
SEWER			
SALARIES & WAGES-SEWER			100%
BENEFITS-SEWER			100%
PROF & GEN SERVICES-SEWER			100%
REPAIRS & MAINT-SEWER			100%
ALLOC COM SER R&M-SEWER COLLEC			100%
GENERAL SUPPLIES-SEWER			100%
ALLOC COM SER SUPP-SEWER COLLC			100%
UTILITIES-SEWER			100%
DEBENTURE INTEREST			100%
DEBENT PRINCIPAL			100%
SEWAGE TREAT			
SALARIES & WAGES-SEWAGE TREAT			100%
BENEFITS-SEWAGE TREATMENT			100%
PROF & GEN SERV-SEWAGE TREAT			100%
REPAIRS & MAINT-SEWAGE TREAT			100%
ALLOC COMM SER R&M-SEWER PLANT			100%
GENERAL SUPPLIES-SEWAGE TREAT			100%
ALLOC COM SER SUPP-SEWER PLANT			100%
UTILITIES-SEWAGE TREATMENT			100%
DEBENTURE INTEREST			100%
DEBENT PRINCIPAL			100%

Depreciation Expense on Acquired Assets – Depreciation represents the value of assets consumed while in service to ratepayers. A depreciation expense establishes part of the provision used for the rehabilitation and replacement of assets. Under the Utility (Full Cost) Approach a depreciation expense is calculated only on acquired assets (contributed assets have not been purchased and therefore no expense can emanate from these assets). The depreciation expense established within the sewer revenue requirement is calculated on a straight-line base over the economic life of assets in each asset pool (collection system, lagoon, etc). The tables below outline the economic life of each sewer asset category and the depreciation expenses in each year of the rate-planning period.

Category	Economic Life	
Collection System	60	Years
Transmission System	60	Years
Liftstation	60	Years
Wastewater Treatment	50	Years
Lagoon	50	Years
Equipment	10	Years
Computers	5	Years

Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
System Acquired Assets										
Collection System	\$ 231,037	\$ 230,323	\$ 229,171	\$ 227,661	\$ 226,917	\$ 226,705	\$ 226,443	\$ 226,160	\$ 226,160	\$ 226,160
Transmission System	\$ -	\$ 51,147	\$ 102,294	\$ 109,822	\$ 117,349	\$ 179,838	\$ 242,327	\$ 299,862	\$ 299,862	\$ 299,862
Liftstation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater Treatment	\$ 126,512	\$ 126,512	\$ 126,512	\$ 126,512	\$ 126,512	\$ 134,586	\$ 142,870	\$ 143,080	\$ 143,080	\$ 143,080
Lagoon	\$ 1,932	\$ 2,849	\$ 3,767	\$ 3,767	\$ 3,767	\$ 3,767	\$ 3,767	\$ 3,767	\$ 3,767	\$ 3,767
Equipment	\$ 3,458	\$ 3,458	\$ 3,458	\$ 3,458	\$ 3,458	\$ 1,729	\$ -	\$ -	\$ -	\$ -
Computers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Depreciation	\$ 362,939	\$ 414,289	\$ 465,202	\$ 471,219	\$ 478,004	\$ 546,625	\$ 615,406	\$ 672,869	\$ 672,869	\$ 672,869

Notes:

1. Depreciation is calculated in the year of construction.

Further, in establishing the sewer rate structure discussed in Section 6.4, the following asset allocation mix has been assumed for the Town:

Description	Asset Allocation Matrix		
	Customer Related	Capacity Related	Consumption Related
System Acquired Assets			
Collection System	0%		100%
Transmission System	0%		100%
Liftstation	0%		100%
Wastewater Treatment	0%		100%
Lagoon	0%		100%
Equipment	0%		100%
Computers	0%		100%

Return on Assets in Service – As previously indicated various rates of returns are established for assets in service by using the 2015 Generic Rate of Return established by the Alberta Utilities Commission (AUC).

Assets in service include:

- Acquired assets that are debt supported
- Acquired assets that are equity supported
- Contributed assets, and
- Working capital.

Acquired asset returns are based on a deemed capital structure of 40% debt and 60%

equity. The deemed capital structure helps to generate a smooth revenue requirement during periods of abnormally low or high capital construction. A 40% debt / 60% deemed equity structure has been selected for the Town as it reflects the structure used by many municipal utilities.

Acquired assets that are deemed to be debt supported (40% of all acquired assets) are provided a rate of return that meets average debt obligations (principle and interest payments). In Year 1, the return of 3.16% is determined by the average interest terms of all outstanding debentures.

Acquired assets that are deemed to be equity supported (60% of all acquired assets) are provided a rate of return of 8.30% (the AUC Generic Rate of Return) which approximates the cost of equity capital for water and sewer utilities as determined by the AUC.

Contributed assets do not earn a rate of return.

Determination of average working capital requirements is based upon 1½ months of operating and maintenance costs (the “one-eighth” rule). Returns on working capital are assumed to be 8.30% (the AUC Generic Rate of Return).

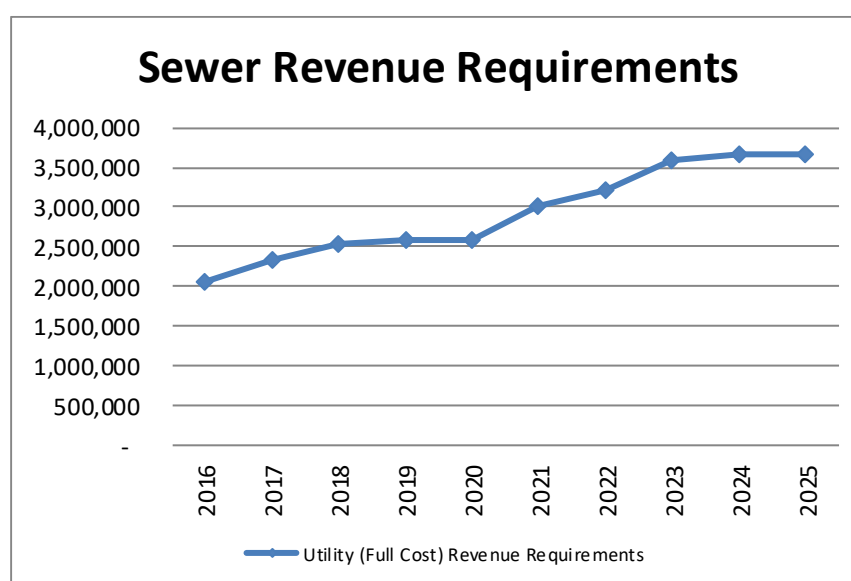
The table below shows returns for each asset in service in Year 1 of the rate planning period. The average return on all assets in service is 6.26%. As previously indicated this return is intended to meet any borrowing obligations that are incurred in the creation of assets and to rehabilitate and replace the assets when they reach the end of their economic life.

2016							
Description	Actual Capital In Service	% Actual Capital Structure	% Actual System Acquired Asset Structure	Deemed % System Acquired Asset Structure	Deemed Rate Base	Rate of Return	Return on Deemed Rate Base
System Acquired Assets							
Debt Portion	\$ 1,802,989	13.29%	13.29%	40.00%	\$ 5,428,374	3.16%	\$ 171,435
Equity Portion	\$ 11,767,947	86.71%	86.71%	60.00%	\$ 8,142,561	8.30%	\$ 675,833
Total System Acquired	\$ 13,570,935	100.00%	100.00%	100.00%	\$ 13,570,935		\$ 847,267
Contributed Assets	\$ -	0.00%			\$ -	0.00%	\$ -
Total Assets	\$ 13,570,935	100.00%			\$ 13,570,935		\$ 847,267
Working Capital	\$ 841,652				\$ 105,206	8.30%	\$ 8,732
						Total Return	\$ 856,000
							6.26%

Summary of Revenue Requirements (Utility (Full Cost) Approach) – Based upon all revenue requirement elements described in this section the following table and graph

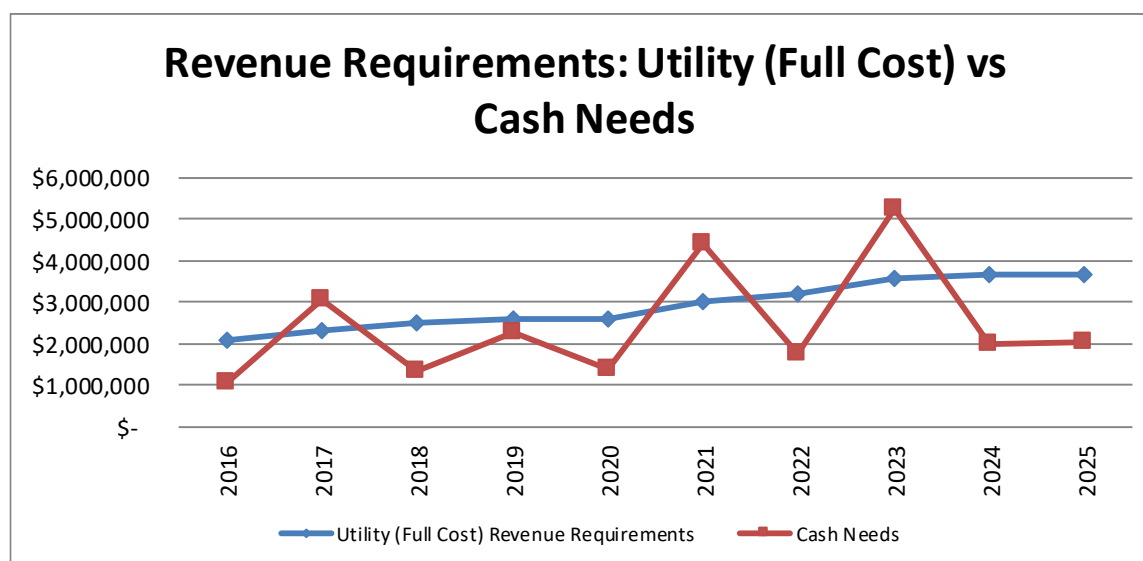
outline the revenue recovery required under the Utility (Full Cost) Approach.

Year	Revenue Requirement - Utility (Full Cost)			
	Operating & Maintenance Expenses	Depreciation	Return on Assets	Total Revenue Requirement
2016	\$ 841,652	\$ 362,939	\$ 856,000	\$ 2,060,590
2017	\$ 866,901	\$ 414,289	\$ 1,043,686	\$ 2,324,876
2018	\$ 892,908	\$ 465,202	\$ 1,165,287	\$ 2,523,397
2019	\$ 919,695	\$ 471,219	\$ 1,192,424	\$ 2,583,338
2020	\$ 947,286	\$ 478,004	\$ 1,164,005	\$ 2,589,295
2021	\$ 975,705	\$ 546,625	\$ 1,478,714	\$ 3,001,044
2022	\$ 1,004,976	\$ 615,406	\$ 1,594,599	\$ 3,214,982
2023	\$ 1,035,125	\$ 672,869	\$ 1,877,041	\$ 3,585,035
2024	\$ 1,066,179	\$ 672,869	\$ 1,928,057	\$ 3,667,105
2025	\$ 1,098,164	\$ 672,869	\$ 1,884,756	\$ 3,655,789



Comparison of Revenue Requirement : Utility (Full Cost) Approach Versus Cash Needs Approach – Based upon all revenue requirements described in this section the following table and graph compare the revenue recovery required under the Utility (Full Cost) Approach with the Cash Needs Approach.

Year	Revenue Requirement - Utility (Full Cost)				Revenue Requirement - Cash				
	Operating & Maintenance Expenses	Depreciation	Return on Assets	Total Revenue Requirement	Operating & Maintenance Expenses	Debt Charges	Revenue Requirement Before Capital Drawn From Reserve	Capital Drawn From Reserves	Total Revenue Requirement
2016	\$ 841,652	\$ 362,939	\$ 856,000	\$ 2,060,590	\$ 841,652	\$ 210,400	\$ 1,052,052	\$ -	\$ 1,052,052
2017	\$ 866,901	\$ 414,289	\$ 1,043,686	\$ 2,324,876	\$ 866,901	\$ 210,400	\$ 1,077,301	\$ 2,000,000	\$ 3,077,301
2018	\$ 892,908	\$ 465,202	\$ 1,165,287	\$ 2,523,397	\$ 892,908	\$ 442,053	\$ 1,334,961	\$ -	\$ 1,334,961
2019	\$ 919,695	\$ 471,219	\$ 1,192,424	\$ 2,583,338	\$ 919,695	\$ 442,053	\$ 1,361,749	\$ 903,350	\$ 2,265,098
2020	\$ 947,286	\$ 478,004	\$ 1,164,005	\$ 2,589,295	\$ 947,286	\$ 442,053	\$ 1,389,339	\$ -	\$ 1,389,339
2021	\$ 975,705	\$ 546,625	\$ 1,478,714	\$ 3,001,044	\$ 975,705	\$ 442,053	\$ 1,417,758	\$ 3,000,000	\$ 4,417,758
2022	\$ 1,004,976	\$ 615,406	\$ 1,594,599	\$ 3,214,982	\$ 1,004,976	\$ 732,679	\$ 1,737,655	\$ 20,985	\$ 1,758,639
2023	\$ 1,035,125	\$ 672,869	\$ 1,877,041	\$ 3,585,035	\$ 1,035,125	\$ 732,679	\$ 1,767,804	\$ 3,500,000	\$ 5,267,804
2024	\$ 1,066,179	\$ 672,869	\$ 1,928,057	\$ 3,667,105	\$ 1,066,179	\$ 919,133	\$ 1,985,312	\$ -	\$ 1,985,312
2025	\$ 1,098,164	\$ 672,869	\$ 1,884,756	\$ 3,655,789	\$ 1,098,164	\$ 919,133	\$ 2,017,297	\$ -	\$ 2,017,297



Key Conclusions:

- The Cash Needs Approach outlines the minimum amount of cash required in any given year. Revenue production below this amount results in a utility “loss”, and subsequent subsidy from the Town (i.e., tax financed).
- Over the long term, rates and revenues need to satisfy the Utility (Full Cost) revenue requirements in order for the utility to be fully self-sustained.
- A gradual, long term transition toward full cost rates is recommended and is discussed in Section 6.4.

6.2 Sewer Rate Structure

There are generally two approaches to attributing sewer revenue requirements to customers. The first and traditional approach is similar to water in that requirements are allocated through three potential charges: a billing charge, a capacity charge (based upon water service capacity), and a commodity charge. The commodity charge differs

from water in that the sewer commodity charge is split between treatment of regular strength sewage and treatment of over strength sewage.

The second and more modern approach is to attribute revenue requirements through two potential charges: a billing charge, and a commodity charge. Again, the commodity charge differs from water in that the sewer commodity charge is split between treatment for regular strength sewage and treatment of over strength sewage.

Commodity Charge – A sewer commodity charge represents the cost of treating sewage and would include sewage treatment costs as well as sewage storage and sewage transmission costs. Currently, the Town maintains a commodity charge \$1.40 for each cubic meter of water consumed by the customer.

Billing Charge – A billing charge represents the cost to create, send and collect a sewer customer utility charge. Costs include billing and meter reading staff time, postage, bad debts and the like. Currently, the Town does not have a separate billing charge. It not known if the Town costs associated with billing and administration are included in the \$15.25 fixed charge described below.

Capacity Charge – A capacity charge represents the infrastructure costs (standby costs) that are associated with providing a customer sewage collection capacity. Capacity costs do not change based upon the amount of sewer used by the customer. As such, modern rate setting has eliminated the capacity charge because a customer's sewer capacity is not determined by the size of water service entering customer's premises. The Town currently maintains a fixed charge of \$15.25 per month.

Fixed Charge – For simplicity, capacity charges (if any) and billing charges are often combined together into a single 'fixed charge' for the customer. As mentioned previously, the Town currently has fixed charge of \$15.25 per month.

6.3 Existing Sewer Rates and Recoveries

Existing sewer rates are not sufficient to recover funds needed to meet the Utility (Full Cost) revenue requirements. There are two key issues: (1) the commodity charge is well below utility (full cost) requirements, and (2) the fixed charge (not used in modern rate setting) is distorting recoveries (e.g., it is applied uniformly across all rate payers regardless of service size).

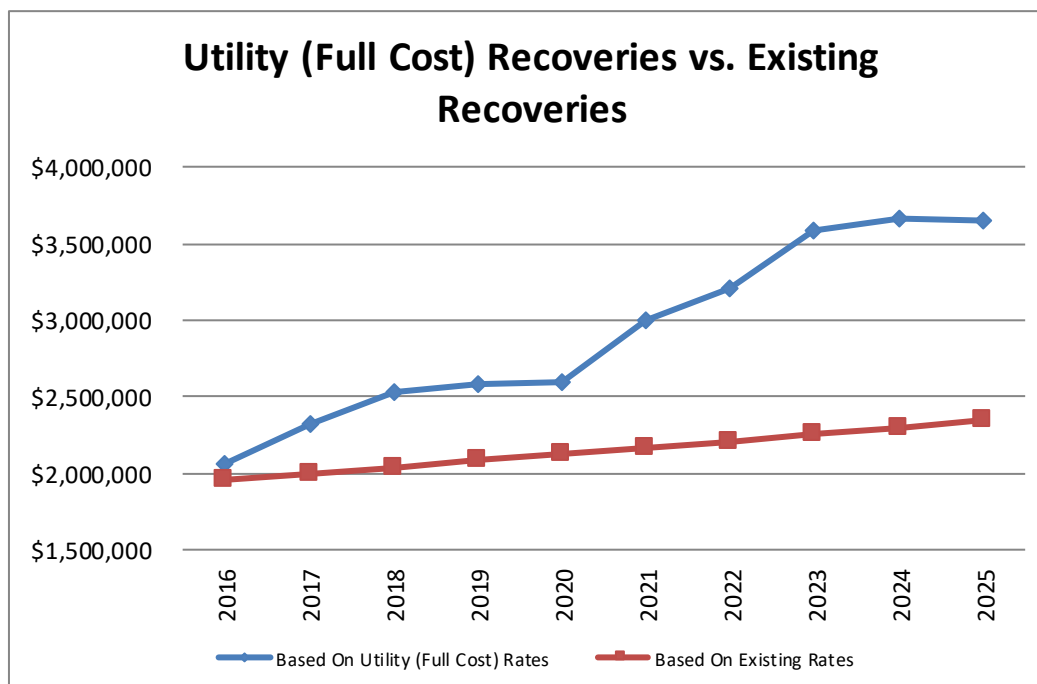
Should the Town continue with current rates, in order to meet sewer utility cash requirements a subsidy from general revenues would be required totaling approximately

\$3.11 million as shown in the table below.

Year	Cash Needs Revenue Requirement	Existing Revenues / Rates	Cash Needs Shortfall
2016	\$ 1,052,052	\$ 1,959,626	\$ 907,575
2017	\$ 3,077,301	\$ 1,998,819	\$ (1,078,482)
2018	\$ 1,334,961	\$ 2,038,795	\$ 703,834
2019	\$ 2,265,098	\$ 2,079,571	\$ (185,527)
2020	\$ 1,389,339	\$ 2,121,162	\$ 731,823
2021	\$ 4,417,758	\$ 2,163,586	\$ (2,254,172)
2022	\$ 1,758,639	\$ 2,206,857	\$ 448,218
2023	\$ 5,267,804	\$ 2,250,995	\$ (3,016,809)
2024	\$ 1,985,312	\$ 2,296,014	\$ 310,702
2025	\$ 2,017,297	\$ 2,341,935	\$ 324,637
Total	\$ 24,565,563	\$ 21,457,361	\$ (3,108,202)

Should the Town continue with current rates it would result in a utility (full cost) deficit of approximately \$0.77 million per year (approximately \$7.75 million over the 10-year review period) as shown in the table and graph below. Of the \$7.75 million deficit, \$3.11 million would be required by way of subsidy from taxpayers (as shown above), and \$4.64 million would represent sewer system investment provisions not being provided for.

Year	Utility (Full Cost) Revenue Requirement	Existing Revenues / Rates	Existing Shortfall
2016	\$ 2,060,590	\$ 1,959,626	\$ (100,964)
2017	\$ 2,324,876	\$ 1,998,819	\$ (326,058)
2018	\$ 2,523,397	\$ 2,038,795	\$ (484,602)
2019	\$ 2,583,338	\$ 2,079,571	\$ (503,767)
2020	\$ 2,589,295	\$ 2,121,162	\$ (468,132)
2021	\$ 3,001,044	\$ 2,163,586	\$ (837,458)
2022	\$ 3,214,982	\$ 2,206,857	\$ (1,008,124)
2023	\$ 3,585,035	\$ 2,250,995	\$ (1,334,040)
2024	\$ 3,667,105	\$ 2,296,014	\$ (1,371,091)
2025	\$ 3,655,789	\$ 2,341,935	\$ (1,313,854)
Total	\$ 29,205,451	\$ 21,457,361	\$ (7,748,090)



6.4 Proposed Sewer Rate Strategy

To facilitate discussion of rates strategy options, we have outlined a recommended sewer rate strategy whose aim is to achieve the revenue requirements of the Utility (Full Cost) Approach within 10 years of implementation. In addition, the recommended rate strategy is intended to rectify structural issues identified in the previous section.

Capacity Charge – As described previously, modern rate setting has eliminated the capacity charge as a customer's sewer capacity is not determined by the size of water service entering customer's premises. However, the Town currently utilizes a significant fixed charge of \$15.25. Accordingly, the proposed rate strategy seeks to eliminate the capacity charge, instead accommodating revenue requirements via the commodity charge. The proposed rate strategy reduces the commodity charge to \$0.00 in Year 1. This modified capacity charge represents the single most significant change to the Town's current rate structure.

Billing Charge – The cost of producing a sewer utility bill in the Town is \$0.00 (it is included in the cost of producing a water bill). Accordingly, the proposed rate strategy does not include a customer billing charge.

Commodity Charge – The Town's current commodity charge is a charge of \$1.40 per cubic meter. However, when the average cost of the Town's current capacity charge is

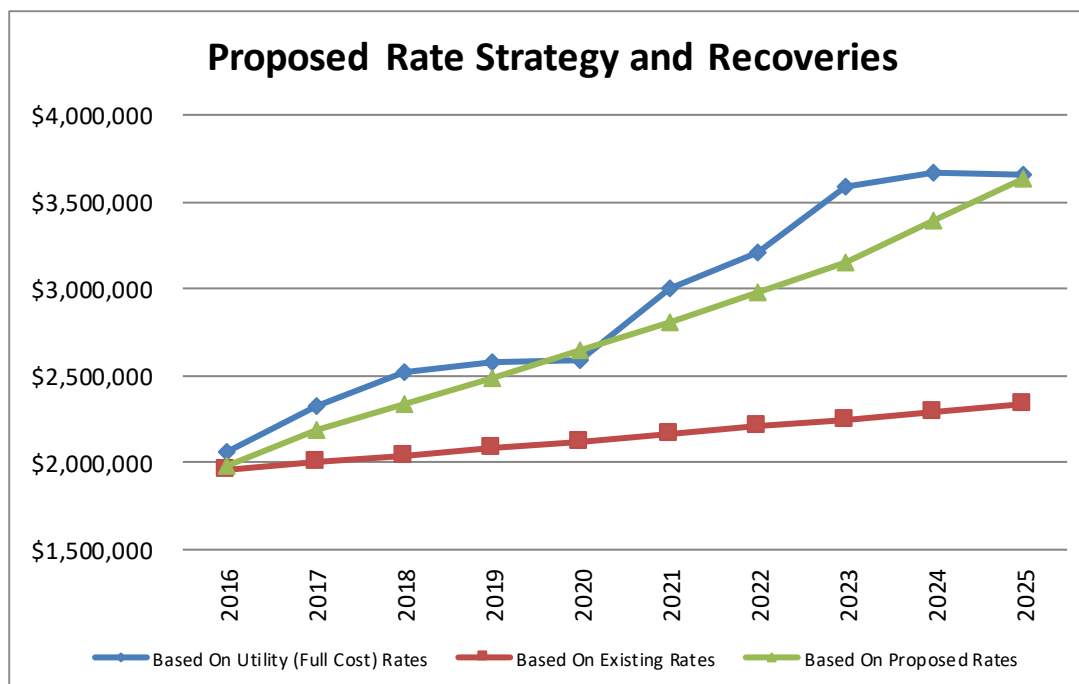
considered, the actual commodity charge is approximately \$2.54 per cubic meter.

The full cost rate as determined by the Town's existing cost structure is \$2.06 per cubic meter, increasing to \$3.13 per cubic meter in Year 9, then dropping to \$3.06 per cubic meter in Year 10 of the planning period. Accordingly, the proposed rate strategy includes modifying the commodity charge to \$2.05 per cubic meter in Year 1, and gradually increasing the rate by \$0.10 in most years to \$3.05 per cubic meter in Year 10.

Year	Commodity Charge Per m3
2016	\$ 2.05
2017	\$ 2.15
2018	\$ 2.25
2019	\$ 2.35
2020	\$ 2.45
2021	\$ 2.55
2022	\$ 2.65
2023	\$ 2.75
2024	\$ 2.90
2025	\$ 3.05

6.5 Proposed Sewer Recoveries

The revenues generated from the proposed rate structure changes is shown in the graph below ('green' line).



The impact of the proposed rate strategy on the forecast water reserve balance over the 10-year planning period is shown in the table below.

	Opening Reserve Balance		599,007
Year	Reserve Receipts	Reserve Applied	Reserve Balance
2016	933,877	-	1,532,884
2017	1,113,195	2,000,000	646,079
2018	1,003,266	-	1,649,346
2019	1,129,243	903,350	1,875,239
2020	1,259,592	-	3,134,831
2021	1,394,434	3,000,000	1,529,265
2022	1,243,269	20,985	2,751,549
2023	1,387,476	3,500,000	639,025
2024	1,408,621	-	2,047,647
2025	1,623,574	-	3,671,221

6.6 Summary of Year 1 Recommendations - Sewer

The following summarizes the key aspects of the recommended sewer rate strategy in Year 1:

Objective – The aim is to achieve the revenue requirements of the Utility (Full Cost) Approach within 10 years of implementation, thereby creating a sewer utility that is self-sustaining (i.e., no burden on taxpayers).			
Commodity Charge	Billing Charge	Capacity Charge	Fixed Charge
\$2.05	\$0.00	\$0.00	\$0.00
<p>Philosophy – It is recommended the Town establish financial boundaries between the sewer utility and the rest of the Town's financial requirements:</p> <ul style="list-style-type: none"> • Sewer utility recovers in excess of cash needed requirements should be set aside for future sewer utility infrastructure and operating requirements. • When the sewer utilities infrastructure and operating requirements are met (in part) from tax levy funds, provisions should be established for the utility to repay these tax levy funds. 			
<p>Other – It is recommended the Town undertake a review of its tangible capital asset (TCA) listing. Currently, the TCA makes no provision for historical assets prior to 2014 that may have been contributed to the Town. Should the TCA be amended by the Town in the future, the utility rate model can be easily updated and future rates adjusted accordingly.</p>			

The impact of the recommended rate strategy on various customer types is shown in Appendix B and benchmarks are shown in Appendix C.

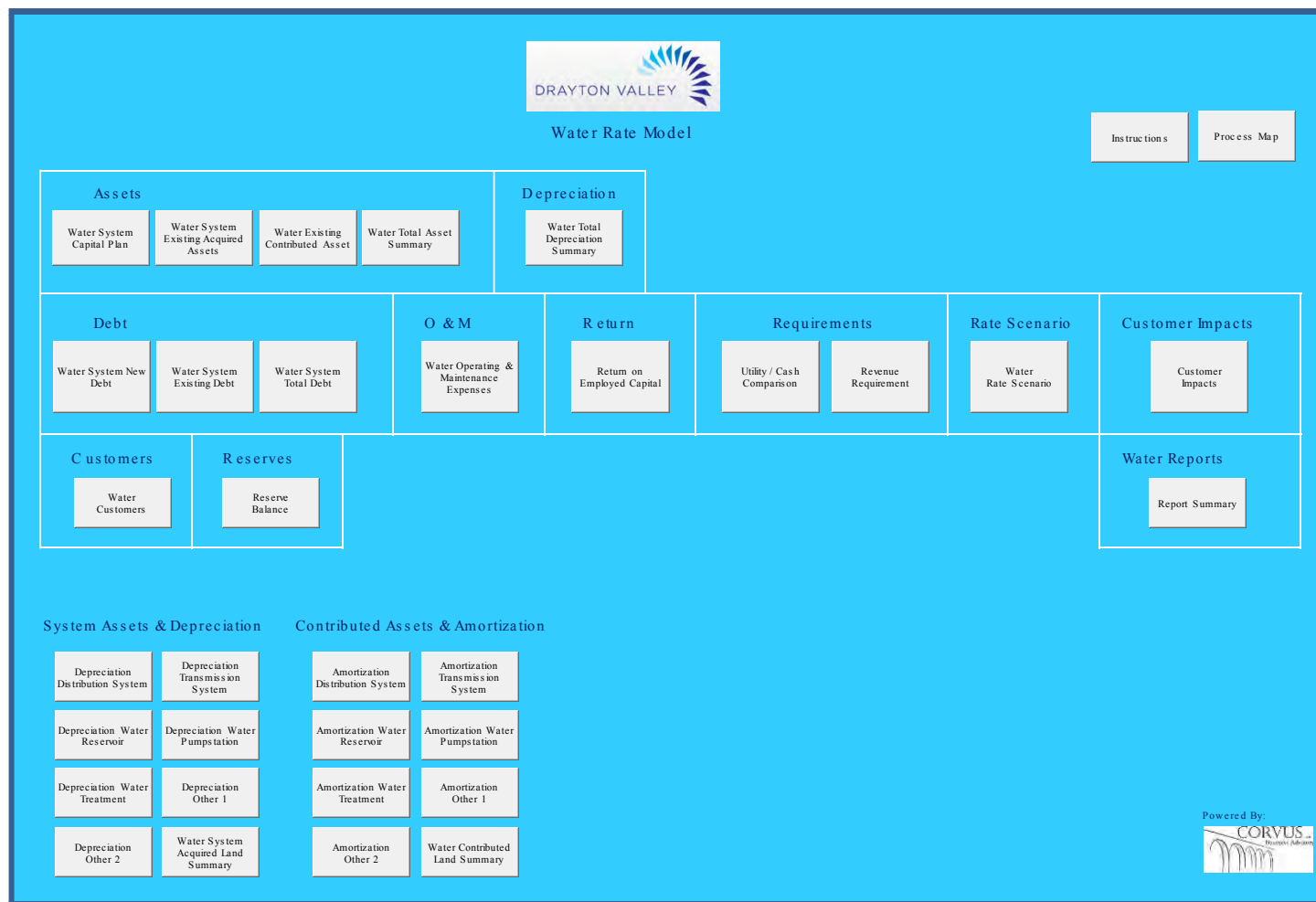
7 Acknowledgements

CORVUS Business Advisors would like to thank all the Town of Drayton Valley staff from Engineering, Planning, and Finance who supported the work of this review.

8 Disclaimer

CORVUS Business Advisor has relied upon Town of Drayton Valley to provide all of the data and information used to construct the utility rate model and create the rates, such as TCA's, capital plans and costs estimates, debenture details, and operating budgets etc. As such, CORVUS Business Advisors makes no guarantee as to the accuracy of the input data and information provided by these groups or the results that stem from this data and information.

Appendix A – Utility Rate Model Control Panel



Appendix B – Customer Impacts

Customer Impacts – Water

Average Residential Consumption		
Consumption Level m3	13.4	13.4
Service Type - 15mm/5/8"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 15.25
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 38.16	\$ 43.92
Change from Existing Billing	\$ -	\$ 5.76

Low Residential Consumption (e.g., Senior Citizen)		
Consumption Level m3	8	8
Service Type - 15mm/5/8"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 15.25
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 28.93	\$ 34.20
Change from Existing Billing	\$ -	\$ 5.27

High Residential Consumption		
Consumption Level m3	25	25
Service Type - 15mm/5/8"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 15.25
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 58.00	\$ 64.80
Change from Existing Billing	\$ -	\$ 6.80

Very Low Residential Consumption (e.g., snowbird)		
Consumption Level m3	1	1
Service Type - 15mm/5/8"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 15.25
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 16.96	\$ 21.60
Change from Existing Billing	\$ -	\$ 4.64

Small Business (1 1/2" Service)		
Consumption Level m3	50	50
Service Type - 38mm/1 1/2"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 97.87
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 100.75	\$ 192.42
Change from Existing Billing	\$ -	\$ 91.67

Medium Business (2" Service)		
Consumption Level m3	200	200
Service Type - 50mm/2"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 169.44
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 357.25	\$ 533.99
Change from Existing Billing	\$ -	\$ 176.74

Large Business (4" Service)		
Consumption Level m3	2500	2500
Service Type - 100mm/4"	Existing	2016
Customer Billing Charge	\$ -	\$ 4.55
Capacity Charge	\$ 15.25	\$ 677.78
Consumption Charge	\$ 1.71	\$ 1.80
Total Monthly Billing	\$ 4,290.25	\$ 5,182.33
Change from Existing Billing	\$ -	\$ 892.08

Customer Impacts – Sewer

Average Residential Consumption		
Consumption Level m3	13.4	13.4
Service Type - 15mm/5/8"	Existing	2016
Fixed Charge	\$ 15.25	\$ -
Consumption Charge	\$ 1.40	\$ 2.05
Total Monthly Billing	\$ 34.01	\$ 27.47
Change from Existing Billing	\$ -	\$ (6.54)

Low Residential Consumption (e.g., Senior Citizen)		
Consumption Level m3	8	8
Service Type - 15mm/5/8"	Existing	2016
Fixed Charge	\$ 15.25	\$ -
Consumption Charge	\$ 1.40	\$ 2.05
Total Monthly Billing	\$ 26.45	\$ 16.40
Change from Existing Billing	\$ -	\$ (10.05)

High Residential Consumption		
Consumption Level m3	25	25
Service Type - 15mm/5/8"	Existing	2016
Fixed Charge	\$ 15.25	\$ -
Consumption Charge	\$ 1.40	\$ 2.05
Total Monthly Billing	\$ 50.25	\$ 51.25
Change from Existing Billing	\$ -	\$ 1.00

Customer Below Deemed Minimum Consumption Level		
Consumption Level m3	1	1
Service Type - 15mm/5/8"	Existing	2016
Fixed Charge	\$ 15.25	\$ -
Consumption Charge	\$ 1.40	\$ 2.05
Total Monthly Billing	\$ 16.65	\$ 2.05
Change from Existing Billing	\$ -	\$ (14.60)

Small Business (1 1/2" Service)		
Consumption Level m3	50	50
Service Type - 38mm/1 1/2"	Existing	2016
Fixed Charge	\$ 15.25	\$ -
Consumption Charge	\$ 1.40	\$ 2.05
Total Monthly Billing	\$ 85.25	\$ 102.50
Change from Existing Billing	\$ -	\$ 17.25

Medium Business (2" Service)		
Consumption Level m3	200	200
Service Type - 50mm/2"	Existing	2016
Fixed Charge	\$ 15.25	\$ -
Consumption Charge	\$ 1.40	\$ 2.05
Total Monthly Billing	\$ 295.25	\$ 410.00
Change from Existing Billing	\$ -	\$ 114.75

Appendix C – Benchmarks

2016	EPCOR	Aquatera	Calgary	Red Deer	Medicine Hat	Lethbridge	St. Albert	Drayton Valley Existing	Drayton Valley Proposed Before Subsidy	Drayton Valley Proposed After Subsidy
RES WATER										
Commodity/Consumption Charge (/m3)	\$ 2.07	\$ 1.47	\$ 1.79	\$ 1.40	\$ 0.94	\$ 1.17	\$ 1.60	\$ 1.71	\$ 1.80	\$ 1.80
Service Charge/Flat Rate	-	-	\$ 15.85	-	\$ 23.50	-	\$ 20.45	\$ 15.25	\$ 4.55	\$ 4.55
Capacity Charge:										
16mm (5/8")	\$ 7.28	\$ 10.83	\$ 15.85	\$ 16.05	-	\$ 9.90	-	-	\$ 15.25	\$ 15.25
20mm (3/4")	\$ 9.99	\$ 16.25	\$ 26.98	\$ 21.35	-	\$ 12.90	-	-	\$ 24.47	\$ 24.47
25mm (1")	\$ 14.17	\$ 27.08	\$ 32.95	\$ 30.60	-	\$ 21.00	-	-	\$ 42.36	\$ 21.18
40mm (1 1/2")	\$ 24.74	\$ 54.15	\$ 56.39	\$ 62.00	-	\$ 40.50	-	-	\$ 97.87	\$ 48.94
50mm (2")	\$ 32.98	\$ 86.64	\$ 76.78	\$ 142.00	-	\$ 58.20	-	-	\$ 169.44	\$ 84.72
80mm (3")	\$ 65.46	\$ 189.53	\$ 121.37	\$ 243.00	-	\$ 105.30	-	-	\$ 381.25	\$ 190.63
100mm (4")	\$ 119.60	\$ 341.15	\$ 161.39	\$ 590.00	-	\$ 161.40	-	-	\$ 677.78	\$ 338.89
150mm (6")	\$ 223.85	\$ 758.10	\$ 252.47	\$ 1,200.00	-	\$ 323.10	-	-	\$ 1,525.00	\$ 762.50
200mm (8")	\$ 355.62	\$ 1,516.20	\$ 428.77	\$ 2,100.00	-	\$ 646.20	-	-	-	-
250mm (10")	\$ 831.04	-	\$ 783.73	-	-	\$ 1,130.70	-	-	-	-
300mm (12")	\$ 831.04	-	-	-	-	\$ 1,776.90	-	-	-	-
400mm (16")	\$ 993.51	-	-	-	-	-	-	-	-	-
500mm (20")	\$ 1,069.86	-	-	-	-	-	-	-	-	-
RES SEWER										
Commodity/Consumption Charge (/m3)	\$ 0.79	\$ 2.03	\$ 1.31	\$ 1.35	-	\$ 0.93	\$ 1.65	\$ 1.40	\$ 2.05	\$ 2.05
Service Charge/Flat Rate	\$ 4.15	-	\$ 23.66	\$ 21.10	\$ 34.78	-	\$ 11.84	\$ 15.25	-	-
Capacity Charge:										
16mm (5/8")	-	\$ 8.49	-	-	-	\$ 8.10	-	-	-	-
20mm (3/4")	-	\$ 12.74	-	-	-	\$ 11.40	-	-	-	-
25mm (1")	-	\$ 21.23	-	-	-	\$ 18.90	-	-	-	-
40mm (1 1/2")	-	\$ 42.45	-	-	-	\$ 30.30	-	-	-	-
50mm (2")	-	\$ 67.92	-	-	-	\$ 57.00	-	-	-	-
80mm (3")	-	\$ 148.58	-	-	-	\$ 91.20	-	-	-	-
100mm (4")	-	\$ 267.44	-	-	-	\$ 160.20	-	-	-	-
150mm (6")	-	\$ 594.30	-	-	-	\$ 243.00	-	-	-	-
200mm (8")	-	\$ 1,188.60	-	-	-	\$ 345.30	-	-	-	-
250mm (10")	-	-	-	-	-	\$ 462.60	-	-	-	-
300mm (12")	-	-	-	-	-	-	-	-	-	-
400mm (16")	-	-	-	-	-	-	-	-	-	-
500mm (20")	-	-	-	-	-	-	-	-	-	-