



Council Meeting

Jubilee Centre Council Chamber
9909 Franklin Avenue, Fort McMurray

Tuesday, May 22, 2012
6:00 p.m.

Agenda

Call To Order

Opening Prayer

Adoption of Agenda

Minutes of Previous Meetings

1. Regular Meeting - May 8, 2012

Delegations

2. Michelle Kelly and Jennifer Vincent, Wood Buffalo Communities In Bloom Committee, re: Update of activities for the Communities In Bloom program

Those individuals in attendance at the meeting will be provided with an opportunity to address Council regarding an item on the agenda, with the exception of those items for which a Public Hearing is required or has been held. Consistent with all delegations, each presentation will be allowed a maximum of five minutes.

Reports

3. Adoption of Amended Operating Protocol Principles for Municipal Corporations

4. Adoption of Amended Articles of Association for MacDonald Island Park Corporation
5. By-Election 2012: Joint By-Election with the Fort McMurray Public School District

Reporting - Boards and Committees

Adjournment

Unapproved Minutes of a Meeting of the Council of the Regional Municipality of Wood Buffalo held in the Council Chamber at the Municipal Offices in Fort McMurray, Alberta, on Tuesday, May 08, 2012, commencing at 6:00 p.m.

Present: M. Blake, Mayor
D. Blair, Councillor
L. Flett, Councillor
S. Germain, Councillor
D. Kirschner, Councillor
P. Meagher, Councillor
J. Stroud, Councillor
R. Thomas, Councillor
A. Vinni, Councillor

Administration: G. Laubenstein, Chief Administrative Officer
S. Kanzig, Chief Legislative Officer
M. Laing, Recorder/Legislative Assistant

Call To Order

Mayor Blake called the meeting to order at 6:07 p.m.

Opening Prayer

Mayor Blake invited those so inclined to join her in prayer.

Adoption of Agenda

Moved by Councillor P. Meagher that the agenda be adopted as presented.

CARRIED UNANIMOUSLY

Minutes of Previous Meetings

1. Regular Meeting - April 24, 2012

Moved by Councillor R. Thomas that the minutes from the Council Meeting held on April 24, 2012 be approved as presented.

CARRIED UNANIMOUSLY

Councillor Vinni arrived at 6:09 p.m.

Delegations

2. Rachel Gosse, Deloitte & Touche LLP, re: 2011 External Audit of Consolidated Financial Statements Summary Presentation

Moved by Councillor R. Thomas that the presentation made by Rachel Gosse, Deloitte & Touche LLP, regarding the 2011 External Audit of Consolidated Financial Statements Summary Presentation, be received as information.

CARRIED UNANIMOUSLY

Sean Graham, resident, came forward and spoke in opposition to the proposed 2012 Property Tax Rate Bylaw. He recommended an increase to the mill rate for the rural non-residential class.

Moved by Councillor R. Thomas that the presentation made by Sean Graham, resident, regarding Bylaw No. 12/014 be received as information.

CARRIED UNANIMOUSLY

Nick Sanders, Fort McMurray Chamber of Commerce, came forward and spoke in opposition to the proposed 2012 Property Tax Rate Bylaw. He recommended that the Municipality work towards a closer balance between residential and non-residential property classes and that a bi-annual review of capital projects be conducted.

Moved by Councillor S. Germain that the presentation made by Nick Sanders, Fort McMurray Chamber of Commerce, regarding Bylaw No. 12/014 be received as information.

CARRIED UNANIMOUSLY

Jim Rogers, resident, came forward and spoke in opposition to the proposed 2012 Property Tax Rate Bylaw. He suggested an increase for the rural non-residential property class.

Moved by Councillor P. Meagher that the presentation made by Jim Rogers, resident, regarding Bylaw No. 12/014 be received as information.

CARRIED UNANIMOUSLY

Business Arising from Delegation

3. 2011 Consolidated Financial Statements

Moved by Councillor R. Thomas that the consolidated financial statements of the Regional Municipality of Wood Buffalo for the year ended December 31, 2011 be received as information.

CARRIED UNANIMOUSLY

Bylaws

4. Bylaw No. 12/014– 2012 Property Tax Rate Bylaw

E. Hutton, Chief Financial Officer, and **H. van Waas, Regional Assessor**, provided clarification to Council regarding questions surrounding the proposed 2012 Property Tax Rate Bylaw.

The following motion was presented by Councillor P. Meagher: “That Bylaw No. 12/014, being the 2012 Property Tax Rate Bylaw, be read a second time.” The following amendment was put forward by Councillor A. Vinni.

Moved by Councillor A. Vinni that Bylaw No. 12/014 be amended by deleting paragraph 2.

CARRIED UNANIMOUSLY

Moved by Councillor P. Meagher that Bylaw No. 12/014, as amended, be read a second time.

CARRIED UNANIMOUSLY

Moved by Councillor R. Thomas that Bylaw No. 12/014 be read a third and final time.

CARRIED UNANIMOUSLY

Reports

5. 2012 – 2014 Fiscal Management Strategy

E. Hutton, Chief Financial Officer, and **V. Mema, Manager, Financial Planning**, presented the 2012 -2014 Fiscal Management Strategy.

Moved by Councillor P. Meagher that the 2011 - 2014 Fiscal Management Strategy be replaced with the 2012 - 2014 Fiscal Management Strategy.

CARRIED UNANIMOUSLY

Resignation of Councillors

G. Laubenstein, Chief Administrative Officer, announced that two resignations have been received. Effective immediately, Councillors Allen and Scott have resigned to assume their new roles in the Provincial Legislature.

6. By-Election 2012

Moved by Councillor Meagher:

- THAT a by-election be held in Ward 1 of the Regional Municipality of Wood Buffalo on Monday, June 25, 2012; and

- THAT Darlene Soucy be appointed Returning Officer to conduct the 2012 Ward 1 Municipal By-Election, and be authorized to divide the local jurisdiction into voting subdivisions; and
- THAT advance votes be held for the 2012 Ward 1 Municipal By-Election on dates and times determined by the Returning Officer; and
- THAT institutional voting stations be established on June 25, 2012, for the 2012 Ward 1 Municipal By-Election at Northern Lights Regional Health Centre, Continuing Care Unit, Northern Lights Regional Health Centre and Rotary House; and
- THAT, at the request of a physically incapacitated elector, deputy returning officers attend the incapacitated elector's residence for the purpose of taking the elector's vote, by appointment, between the hours of 9:00 a.m. and 8:00 p.m. on June 25, 2012, for the 2012 Ward 1 Municipal By-Election.

CARRIED UNANIMOUSLY

D. Soucy, Returning Officer, came forward to address the questions of Council regarding the upcoming 2012 by-election.

Moved by Councillor R. Thomas that Bylaw No. 12/015, being a bylaw to establish time and location to receive nominations, and to require nomination deposits, be read a first time.

CARRIED UNANIMOUSLY

Moved by Councillor J. Stroud that Bylaw No. 12/015 be read a second time.

CARRIED UNANIMOUSLY

Moved by Councillor R. Thomas that Bylaw No. 12/015 be considered for third reading.

CARRIED UNANIMOUSLY

Moved by Councillor J. Stroud that Bylaw No. 12/015 be read a third and final time.

CARRIED UNANIMOUSLY

Moved by Councillor R. Thomas that Bylaw No. 12/016, being a bylaw to provide for the opening of voting stations prior to

10:00 a.m., be read a first time.

CARRIED UNANIMOUSLY

Moved by Councillor P. Meagher that Bylaw No. 12/016 be read a second time.

CARRIED UNANIMOUSLY

Moved by Councillor R. Thomas that Bylaw No. 12/016 be considered for third and final reading.

CARRIED UNANIMOUSLY

Moved by Councillor P. Meagher that Bylaw No. 12/016 be read a third and final time.

CARRIED UNANIMOUSLY

Reporting - Boards and Committees

- MacDonald Island Park Corporation (Councillor S. Germain)
- Safe 63 Rally/Communities In Bloom Committee (Councillor J. Stroud)
- Safe 63 Rally/McHappy Day Fundraiser (Councillor P. Meagher)
- Town Cleanup (Councillor D. Blair)
- Municipal Census/MS Society Open House/Business Walk Cleanup/Together Is Amazing Initiative/Girls Inc. Filming/Integrity Awards winner/Fort McMurray Little League/Safe 63 Rally/National Nurses Week (Mayor Blake)

Adjournment

Moved by Councillor D. Blair that the meeting be adjourned.

CARRIED UNANIMOUSLY

The meeting adjourned at 8:35 p.m.

Mayor

Chief Legislative Officer



Council Meeting Presentation Request

Completed requests to make a public presentation must be received by 12:00 noon on the Wednesday immediately prior to the scheduled meeting. Presentations are a maximum of 5 minutes in duration.

Presentation Information	
Preferred Date of Presentation	May 22, 2012
Name of Presenter(s)	Michelle Kelly and Jennifer Vincent
Organization Represented	Wood Buffalo Communities in Bloom
Topic	Update of activities for the Communities in Bloom program
Please List Specific Points/Concerns	Update of activities planned for the year Announcement of winning the National WinterLife Outstanding Achievement Award in the National Communities in Bloom program.
Action Being Requested of Council	Information sharing
<p>Are you providing any supporting documentation (ie: Powerpoint)? No</p> <p>If yes, the documentation <u>must</u> accompany this request, as handouts will not be distributed at the meeting. To ensure that your documents meet minimum standards, please see presentation guidelines on the next page.</p> <p>Supporting documents may be e-mailed to legislativeassistants@woodbuffalo.ab.ca.</p>	

As per Procedure Bylaw No. 06/020, a request to make a presentation may be referred or denied.

Subject: Adoption of Amended Operating Protocol Principles for Municipal Corporations**APPROVALS:**

Glen Laubenstein, Chief Administrative Officer
Brian Makey, Deputy Chief Administrative Officer
Tamara Epple, Director

Administrative Recommendation(s):

THAT the attached Regional Municipality of Wood Buffalo Operating Protocol Principles for Municipal Corporations dated May 2012 be adopted by Council to replace the Operating Protocol Principles adopted by Council on June 10, 2008 and that the Mayor be authorized to sign the resolution of the Members of each Municipal Corporation on behalf of the Municipality.

Summary:

On June 10, 2008, Council approved Operating Protocol Principles (the “2008 Principles”) to define the principles and guidelines to be used in the development of Operating Agreements with each of the Municipal Corporations established by the Regional Municipality of Wood Buffalo. The attached Regional Municipality of Wood Buffalo (the “Amended Operating Protocol Principles”) would replace the 2008 Principles adopted by Council on June 10, 2008, without the negotiation of an Operating Agreement with each of the Municipal Corporations.

Background:

Wood Buffalo Housing and Development Corporation (“WBHDC”) and MacDonald Island Park Corporation (“MIPC”) are both not-for-profit corporations set up under the *Companies Act* (Alberta) (“the Act”). A not-for-profit corporation set up under the Act cannot pay dividends to its members and all profits and income must go towards the promotion of the objectives of the corporation. Subject to meeting the requirements of the *Income Tax Act* (Canada), not for profit corporations do not pay income tax.

WBHDC was incorporated on May 30, 2001 at the direction of Council for the purpose of providing low cost housing to low income families and seniors within the Municipality. MIPC was similarly incorporated on February 12, 2004 to advance, promote and encourage recreational, cultural and social activities and events and to undertake activities in support of these objectives as well as operate and manage the facilities on MacDonald Island.

A not-for-profit corporation is incorporated by filing a Memorandum of Association and Articles of Association at the Corporate Registry office. The Memorandum of Association describes in broad terms the powers and objects of the corporation. The Articles of Association describe the

governance of the corporation in broad terms, including the appointment of directors and officers and its borrowing powers.

The 2008 Principles outlined the expectations of Council in the operation and governance of the Municipal Corporations. As well, the 2008 Protocols narrow the broad powers and objectives described in the Memorandum of Association of each Municipal Corporation to make sure that the activities carried on by each Municipal Corporation are consistent with the objectives approved by Council when the Municipal Corporations were established. The 2008 Principles provide that the “Mandate” can be changed only with the approval of Council. As well, the 2008 Principles describe general rules and directions to be followed in the administration and governance of each of the Municipal Corporations.

Allan Farmer, Q.C. who provided legal advice to Council in 2008 advises that the Operating Protocol Principles were approved by Council for four purposes:

1. To improve communication between the Municipal Corporations and the Municipality in response to complaints made by the Municipal Corporations that any requests made to Municipal Administration were ignored and their only approach was to go directly to Council.
2. To avoid conflict and competition. In a number of cases, decisions made by the Municipal Corporations had adverse consequences for the Municipality financially and politically.
3. To coordinate the duties and responsibilities of the Municipal Corporations with those of the Municipality, so that municipal resources and funds will be directed towards goals and objectives which reflect the goals and objectives of the Municipality and Council.
4. To provide transparency in the operation of the Municipal Corporations and the timely provision of necessary information to Council, so that Council and the Municipality will be aware of the issues that could have an impact on the Municipality and Council financially and politically.

The 2008 Principles were met with substantial resistance and concern by the Directors and Administration of the Municipal Corporations. Since June of 2008, many meetings have taken place with representatives of the Municipal Corporations. The Municipal Corporations have taken the position that the 2008 Principles place the Municipal Corporations under unnecessary scrutiny and represent an attempt by the Municipality to micro-manage the Municipal Corporations.

The Amended Operating Protocol Principles eliminate many of the Principles which the Municipal Corporations found to be objectionable and an attempt at micro-management. The Amended Operating Protocol Principles ensure that the Municipal Corporations operate and are governed in a manner which is consistent with the expectations of Council. The role of each Municipal Corporation can be expanded with the approval of Council.

No change will be required in the Memorandum of Association for MIPC or WBHDC as a result of the adoption of the Amended Operating Protocol Principles. The Memorandum of Association can only be amended by Court Order. Amendments will be required for the Articles of Association for each Municipal Corporation to make them consistent with the Amended Operating Protocol Principles.

The Amended Operating Protocol Principles, once approved by Council, would be adopted by way of a resolution of the Members of each Municipal Corporation (the Municipality and the CAO) and once adopted would set out certain basic parameters for the operation, administration and governance of the Municipal Corporations.

Alternatives:

The options available to Council include reaffirming the 2008 Principles, adopting the Amended Operating Protocol Principles as attached or amending the attached Operating Protocol Principles, as Council may see fit.

Budget/Financial Implications:

There are no budget or financial implications for the Municipality.

Rationale for Recommendation(s):

The attached Amended Operating Protocol Principles provide the basic protection necessary for the Municipality and Council without placing the Municipal Corporations under unnecessary scrutiny and micro-management.

Attachments:

- 1) June 10, 2008 Council Report re Operating Protocol Principles and Minutes of Council Meeting
- 2) Proposed Amended Operating Protocol Principles for Municipal Corporations

Subject: Operating Protocol Principles: Not for Profit Corporations**APPROVALS:**

Kevin Greig, Deputy Chief Administrative Officer
Rodney Burkard, Chief Administrative Officer

Administrative Recommendation(s):

THAT the Operating Protocol Principles for the not for profit corporations, dated May 23, 2008, as attached, be adopted; and

THAT administration be authorized to amend the Articles of Association, prepare bylaws, or amendments to bylaws, and prepare agreements where appropriate, to reflect the Operating Protocol Principles.

Summary:

The Municipality has received recommendations from the municipal Solicitor regarding his establishment of Operating Protocol Principles for the not for profit corporations.

Background:

As the Municipality continues to experience unprecedented growth, municipal activities are becoming increasingly complex. In an ongoing effort to move the Municipality toward an expected population of 250,000, legal and financial obligations require the Municipality monitor, control and protect municipal interests of all municipal functions. Council has established three (3) not for profit corporations, under Part 9 of the Companies Act, to carry out certain municipal functions:

- Fort McMurray Regional Airport Commission
- Wood Buffalo Housing and Development Corporation, and
- MacDonald Island Park Corporation.

In late 2007, due to the significant activities being proposed or being undertaken by the not for profit corporations, the municipal Solicitor began an initial review of the corporations. On February 12, 2008, the Solicitor reported that the original intended mandates, in some cases, do not appear to have been clearly understood by the corporations. Minimal municipal controls and oversights were in place to protect the Municipality, its assets and funds. Council then approved the Solicitor's initial recommendation to remove the Chief Administrative Officer as a Director of the not for profit corporations and directed administration to develop Operating Protocol Principles.

Rationale for Recommendation(s):

On May 23, 2008, Allan Farmer, Q.C., of Reynolds Mirth Richards & Farmer, LLP, completed the Operating Protocol Principles for the not for profit corporations (Attachment1). The reasons for establishing the Operating Protocol Principles are as follows:

- Not for profit corporations are established by Council and are ultimately accountable to the Municipality. Municipal assets and funds are involved and the Municipality cannot avoid responsibility if the corporations encounter difficulties.
- Directors of the not for profit corporations are community volunteers. Directors are responsible for ensuring that the best interests of the members (the Municipality) of the not for profit corporations are protected. It is in the best interest of the volunteer Directors that specific guidelines, protocols and rules be established so that both the municipal administration and the Board of Directors know and understand the limits of their authority and their responsibilities.
- Not for profit corporations are best suited for operation and management responsibilities. More specifically, they may not have the administrative support necessary to undertake large capital projects on their own. If a large capital project is undertaken, the administration and the Board of Directors of the corporation become reliant upon consultants, architects and contractors without having the administrative capability to provide proper oversight and direction.
- The incorporating documents for the not for profit corporations are the Memorandum of Association and the Articles of Association. The Memorandum of Association usually sets out the authority of the corporation. The authority of the corporation is always made very broad in the Memorandum of Association so that it will be unnecessary to amend the authority, if the mandate or role of the corporation is expanded in the future. The authority cannot be changed without a Court Order. It is likely not prudent for the Municipality and for Council to grant each not for profit corporation the broad and sweeping powers presently set out in the Memorandum of Association. It is important that the broad authority as described in the Memorandum of Association be limited by a specific operating mandate approved by Council.
- The not for profit corporations should be bound by a set of rules, policies and administrative directives that are equivalent to those that apply to the Municipality. Municipal funds and assets are being used or managed by each of the not for profit corporations. Legally, each not for profit corporation would be free to set up its own rules, policies and administrative directives. It is difficult to explain why a not for profit corporation, which is a wholly owned subsidiary of the Municipality, can operate under a different set of rules, policies and directives than would be binding upon the Municipality. Subsidiaries, under normal circumstances report to the administration of the parent company, and are governed by the same rules and policies that the parent company is governed.

- The establishment of Operating Protocol Principles for the not for profit corporations is not intended in any way to adversely affect the operation and management of the not for profit corporations. The Protocols are required to protect the following interests:
 - Volunteer directors of the corporations and the corporations' administration.
 - Municipal assets and funds
 - Council and municipal administration

Subject to Council support of the Operating Protocol Principles, administration will meet with the various not for profit corporations regarding the same and develop operating Protocols for each corporation based on the principles. Additionally, administration supports a continued engagement of the Solicitor to review and develop a clear mandate statement for each of the not for profit corporations, which will be brought to a future Council Meeting.

Attachments:

Operating Protocol Principles: Not for Profit Corporations



OPERATING PROTOCOL PRINCIPLES

NOT FOR PROFIT CORPORATIONS

May 23, 2008

I. Reporting

1. The CAO or designate shall be the designated contact person for the Municipality (the "Designated Contact"). All communication from the Corporation to the Municipality must be directed to the Designated Contact.
2. All requests for Council approval of any matter must be made to the Designated Contact along with all supporting materials required by the Designated Contact at least thirty (30) days before such approval is requested from Council.

II. Mandate

1. The specific Mandate of the Corporation shall initially be approved by Council. The Corporation shall at all times operate within the terms of the approved Mandate. Any proposed variation of the approved Mandate shall be approved by Council. Any dispute or question regarding the interpretation of the approved Mandate shall be settled or determined by the Designated Contact.

III. Financial Matters

1. Annual Operating and Capital Budgets for the Corporation are to be presented to the Designated Contact for review and analysis on or before the date specified by the Designated Contact and before being presented to Council. Capital and Operating Budgets must be approved by Council prior to the beginning of each calendar year. The Corporation, with the permission of the Designated Contact, may operate under the previous year's Operating Budget until a new Capital and Operating Budget are approved by Council.
2. Each Corporation may borrow for operating purposes up to an amount set by Council for each Corporation.
3. All borrowing for capital purposes and the terms and conditions of such borrowing shall be approved by Council.
4. The terms of any security granted on the assets of the Corporation must receive prior written approval from the Designated Contact.
5. Any transfer, lease, sub-lease or other disposition of Corporation assets shall be subject to the approval of the Designated Contact or Council, depending upon the value or term

of the lease or sub-lease. The authority of each Corporation will vary depending upon the approved Mandate.

6. The Designated Contact shall appoint auditors for the Corporation and determine the fiscal period for the Corporation.
7. An annual report must be submitted to the Municipality by the Corporation including all audited financial statements for each fiscal period on or before April 30th of the following year.
8. A "Life Cycle Reserve" shall be established by the Corporation at a level acceptable to the Designated Contact, if not identified and provided for in an approved budget.
9. All financial and business plans shall be forwarded to the Designated Contact for approval prior to implementation.

IV. Board and Administration

1. There shall be no Municipal elected officials or Administration on the Board of Directors of the Corporation.
2. The Board of Directors of the Corporation must conduct its meetings in public unless a matter to be discussed is within one of the exceptions to disclosure Division 2 of Part 1 of the Freedom of Information and Protection of Privacy Act (Alberta).
3. The Designated Contact shall be given reasonable notice in advance of all meetings of the Board of Directors of the Corporation and notice of all meetings of the Board of Directors shall be given to the public in the manner specified by the Designated Contact.
4. A copy of all adopted minutes of each meeting of the Board of Directors of the Corporation shall be forwarded to the Designated Contact.
5. No employment by the Corporation of former employees or Elected Officials of the Municipality or another municipality controlled corporation without the written approval of the Designated Contact.
6. The appointment of Officers shall be made by the Board of Directors of the Corporation.
7. Payment of honoraria shall be made to the members of the Board of Directors only if approved by the Municipality.
8. Remuneration and benefits of senior management as well as all Collective Bargaining Mandates of the Corporation shall be subject to the approval of the Designated Contact.
9. The Designated Contact shall have the right to conduct an inspection, review or audit from time to time of the Corporation's records, systems, processes, and administration.

V. General

1. Each Corporation shall adopt all relevant policies and administrative directives which are in effect from time to time for the Municipality, unless the Designated Contact approves a variance or exception.
2. Insurance coverage for the Corporation shall be subject to the approval of Designated Contact in an amount and with coverage to be determined by the Municipality's insurance advisors.
3. The adoption of a name or logo shall be subject to the approval of Council.
4. The Corporation shall at all times comply with all relevant laws including bylaws and resolutions of the Municipality, including all bylaws and resolutions with respect to planning, safety and the environment.
5. The hiring of all Consultants which may have an effect on any of the Operating Protocols shall be subject to the approval of the Designated Contact.
6. Appeals of the decision of the Designated Contact shall be delivered, in writing, to Council.

MINUTES OF A REGULAR MEETING OF THE COUNCIL OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO HELD IN THE COUNCIL CHAMBERS AT THE MUNICIPAL OFFICES IN FORT McMURRAY, ON TUESDAY, JUNE 10, 2008, COMMENCING AT 6:00 P.M.

Present: M. Blake, Mayor
D. Blair, Councillor
M. Byron, Councillor
S. Germain, Councillor
G. Janvier, Councillor
P. Meagher, Councillor
R. Rebus, Councillor
J. Vyboh, Councillor

Absent: M. Allen, Councillor
S. Clarkson, Councillor

Administration: S. Motkaluk, Acting Chief Administrative Officer
K. Greig, Deputy CAO - Corporate
S. Kanzig, Chief Legislative Officer
A. Rogers, Legislative Officer
B. Broomfield, Legislative Assistant

CALL TO ORDER: Mayor Blake called the meeting to order at 6:03 p.m.

PRAYER: The Mayor asked everyone to join her in Prayer.

AGENDA: Resolution #08-149

MOVED by Councillor Vyboh:

- THAT the agenda be amended by:
 - Deleting Item C under Reports, Operating Protocol Principles: Not-for-Profit Corporations Review;
 - adding new Item C under Reports, RCMP/Bylaw and Search and Rescue Warehouse; and
- THAT the agenda be adopted as amended.

DEFEATED

For: Blake, Janvier, Meagher,
Vyboh

Opposed: Blair, Byron, Germain, Rebus

Resolution #08-150

MOVED by Councillor Vyboh that the agenda be amended by adding Item D under Reports, RCMP/Bylaw and Search and Rescue Warehouse, and that the agenda be adopted as amended.

CARRIED

For: Blake, Blair, Byron, Janvier,

Vyboh

Opposed: Germain, Meagher, Rebus

MINUTES:

Council Meeting – May 27, 2008

Resolution # 08-151

MOVED by Councillor Meagher that the Minutes of the Regular Meeting held on May 27, 2008 be approved as presented.

CARRIED UNANIMOUSLY

DELEGATIONS:

Ms. Frances Jean, Fort McMurray Regional Airport Commission, re: Operating Protocol Principles: Not-for-Profit Corporations Review

Ms. Jean was in attendance to speak in opposition to this item. Ms. Jean respectfully requested that Council delay this item as the Airport Commission would like an opportunity to have input into the operating protocol principles.

Ms. Ravi Natt, Chair, Wood Buffalo Housing and Development Corporation Board, re: Operating Protocol Principles: Not-for-Profit Corporations Review

Ms. Natt was in attendance to speak in opposition to this item. Ms. Natt requested that the adoption of the operating protocol principles be postponed until they have had an opportunity to review this.

Mr. Lee Nordbye, MacDonald Island Park Corporation, re: Operating Protocol Principles: Not-for-Profit Corporations Review

Mr. Nordbye was in attendance to speak in opposition to this item. Mr. Nordbye respectfully requested deferral of this item as they have not had an opportunity to review the report or consult with the Municipality.

Mr. Jack Bonville, President, Fort McMurray Chamber of Commerce, re: Operating Protocol Principles: Not-for-Profit Corporations Review

Mr. Bonville was in attendance and requested that Council defer this item until consultation has occurred between the Municipality and the Chamber of Commerce.

Mr. Matthew Eisentraut, re: Bylaw No. 08/036 – Gregoire Lake Area Structure Plan Amendment

Mr. Eisentraut was in attendance and made reference to a memorandum from Alberta Environment regarding the impacts of contaminated runoff from residential areas. Mr. Eisentraut pointed out that the information received by Council in this memorandum is inaccurate, and he would like to see this item be approved for second reading of Bylaw No. 08/036 – Gregoire Lake Area Structure Plan Amendment.

PUBLIC HEARINGS: There were no public hearings scheduled.

BYLAWS: **Bylaw No. 08/031 – Partial Closure of Road Plan 5076 LZ, Fort Chipewyan**

Resolution #08-152

MOVED by Councillor Meagher that Bylaw No. 08/031, being a bylaw to close a government road allowance, be read a first time.

CARRIED UNANIMOUSLY

Bylaw No. 08/036 – Gregoire Lake Area Structure Plan Amendment

Resolution #08-153

MOVED by Councillor Vyboh that Bylaw No. 08/036, being an amendment to the Gregoire Lake Area Structure Plan, be read a first time and a public hearing be scheduled to take place on June 24, 2008.

CARRIED UNANIMOUSLY

Bylaw No. 08/037 – Land Use Bylaw Amendment – Anzac

Resolution #08-154

MOVED by Councillor Meagher:

- THAT Bylaw No. 08/037, being a Land Use Bylaw Amendment – to add “Dwelling Units above Ground Floor Commercial” on Lots 3-8, Block 16, Plan 832 2978, Lots 9, 15, 17 and 18, Block 17, Plan 832 2978, Lots 16A and 16B, Block 17, Plan 902 3066, Lots 1-4, Block 3, Plan 792 0314 and Lots 1-3 and 5-7, Block 11, Plan 792 0314, as a designation to the list of Discretionary Uses to the HC – Hamlet Commercial District within the Hamlet of Anzac, be read a first time.
- THAT a public hearing be scheduled to take place on June 24, 2008.

CARRIED UNANIMOUSLY

Bylaw No. 08/038 – Amendment to Debenture Bylaw No. 07/048 – MacDonald Island Park Redevelopment Project

Resolution #08-155

MOVED by Councillor Vyboh that Bylaw No. 08/038, being an amendment to Bylaw No. 07/048 – Debenture Borrowing Bylaw for

the MacDonald Island Park Redevelopment Project, be read a first time.

CARRIED

For: Blake, Blair, Germain,
Janvier, Meagher, Rebus,
Vyboh
Opposed: Byron

REPORTS:

Funding Request for the 2008 “Squirts C” Provincial Softball Championships

Resolution #08-156

MOVED by Councillor Rebus that \$10,000 is allocated from the Joint Initiatives Fund for the Fort McMurray Minor Softball Association in support of the 2008 “Squirts C” Provincial Softball Championships.

CARRIED UNANIMOUSLY

MacDonald Island Park Corporation 2007 Operating Deficit

Resolution #08-157

MOVED by Councillor Meagher that the Regional Municipality of Wood Buffalo provide grant funding in the amount of \$559,580 for the 2007 operating deficit of MacDonald Island Park Corporation (MIPC).

Ms. Janet Chant, Interim General Manager and Director of Finance, MacDonald Island Park Corporation, was in attendance and responded to questions from Council.

CARRIED

For: Blake, Germain, Meagher,
Rebus, Vyboh
Opposed: Blair, Byron, Janvier

Operating Protocol Principles: Not-for-Profit Corporations Review

Resolution #08-158

MOVED by Councillor Rebus:

- THAT the Operating Protocol Principles for the not-for-profit corporations, dated May 23, 2008, as attached, be adopted; and
- THAT administration be authorized to amend the Articles of Association, prepare bylaws, or amendments to bylaws, and prepare agreements where appropriate, to reflect the Operating Protocol Principles.

A discussion ensued during which concern was expressed that the not-for-project corporations have not had ample opportunity to review and provide input into the operating protocols and principles for their respective corporations. It was requested that this item be deferred

until a consultation process with the not-for-profit corporations has occurred. A short discussion on timelines occurred. Mr. Allan Farmer, Municipal Solicitor, was in attendance and responded to questions from Council.

Resolution #08-159

MOVED by Councillor Vyboh that the Operating Protocol Principles: Not-for-Profit Corporations Review be referred back to Administration until a consultation process has occurred with the three not-for-profit corporations.

DEFEATED

For: Blake, Janvier, Meagher,
Vyboh

Opposed: Blair, Byron, Germain, Rebus

Mr. Farmer provided a review of the operating protocol principles for not-for-profit corporations. He explained that the purpose in developing protocol principles for each of the three not-for-profit corporations is to improve communication between the Municipality and each of the corporations, to set out the responsibilities of the corporations to ensure protection of municipal funds and assets, and to set limits to authority.

Further discussion ensued with regard to the role of a designated contact person, and a process to address appeals.

Following the discussion, Mayor Blake advised of her intention to put forward an amendment to the operating protocol principles. Mayor Blake vacated the Chair and Deputy Mayor Germain assumed the Chair at 7:24 p.m.

Resolution #08-160

MOVED by Mayor Blake that the Operating Protocol Principles: Not-for-Profit Corporations be amended by adding, under General, point 6 as follows: "Appeals of the decision of the Designated Contact shall be delivered, in writing, to Council."

CARRIED UNANIMOUSLY

Mayor Blake assumed the Chair at 7:28 p.m.

Voting then occurred on Councillor Rebus's motion, as amended.

CARRIED

For: Blake, Blair, Byron, Germain,
Janvier, Rebus

Opposed: Meagher, Vyboh

RCMP/Bylaw and Search and Rescue Warehouse

Resolution #08-161

MOVED by Councillor Meagher:

- THAT additional funding in the amount of \$80,000 be committed from the Capital Infrastructure Reserve for the RCMP/Bylaw Search and Rescue Society Warehouse, per Capital Budget Amendment Request, June 10, 2008 – Attachment 1.
- THAT the contract for the RCMP/Bylaw Search and Rescue Society Warehouse be awarded to Marshall Lee in the amount of \$486,905;
- THAT the contract for the RCMP/Bylaw Search and Rescue Society Warehouse consulting fees be awarded to ACI Architecture Inc. in the amount of \$21,000.

Ms. Susan Motkaluk, Acting CAO, provided a brief synopsis of the RCMP/Bylaw and Search and Rescue Warehouse project. Ms. Tonia Enger, Superintendent, Wood Buffalo RCMP Detachment, and Mr. Salem Abushawashi, General Manager, Engineering, were both in attendance and responded to questions from Council.

CARRIED

For: Blake, Blair, Germain,
Janvier, Meagher, Vyboh
Opposed: Byron, Rebus

NEW BUSINESS:

None scheduled.

COUNCIL UPDATES:

Reporting of Councillors on Boards and Committees

Councillor Blair reported on the following:

- Communities In Bloom
- Southern Rural Communities Tour
- Ward 2 By-Election

Councillor Byron reported on the following:

- Golden Years Society
- Seniors' Week

Mayor's Update

Mayor Blake reported on the following:

- International Association of Public Participants Conference

REGIONAL MUNICIPALITY OF WOOD BUFFALO REGULAR COUNCIL MEETING
TUESDAY, JUNE 10, 2008

- Sheldon Chumir Foundation for Ethics in Leadership
- FCM Conference
- Meeting with Canada School of Public Service
- 11th Annual Aboriginal High School Graduation Ceremony
- June Jamboree

ADJOURNMENT:

Resolution # 08-162

MOVED by Councillor Meagher that the meeting be adjourned.

CARRIED UNANIMOUSLY

The meeting adjourned at 7:55 p.m.

MAYOR

CHIEF LEGISLATIVE OFFICER

REGIONAL MUNICIPALITY OF WOOD BUFFALO
OPERATING PROTOCOL PRINCIPLES FOR MUNICIPAL CORPORATIONS

MAY 22, 2012

I. Council Approval

1. The Corporation shall endeavour to provide all requests for Council approval of any matter to the Chief Administrative Officer along with all supporting materials at least thirty (30) days before such approval is requested from Council except if another time limit is specified by the Municipality.

II. Mandate

1. The specific Mandate for each Corporation shall be approved by Council. The Corporation shall at all times operate within the terms of the approved Mandate. Any proposed variation of the Mandate shall be approved by Council. Any dispute or question regarding the interpretation of the approved Mandate shall be settled or determined by Council.

III. Financial Matters

1. Annual Operating and Capital Budgets for the Corporation for each fiscal period for which a grant or subsidy is being requested from Council are to be presented to Council for approval on or before the October 1 immediately prior to the commencement of such fiscal period. Capital and Operating Budgets, for which a grant or subsidy is being requested from Council, must be approved by Council before being implemented.
2. Each Corporation may borrow for operating purposes up to an amount set by Council.
3. All borrowing practices for capital purposes and the terms and conditions of such borrowing shall be approved by Council.
4. The terms of any security granted on the assets of the Corporation must be in accordance with the borrowing practices approved by Council.
5. Any transfer, lease, sub-lease or other disposition of Corporation assets shall be subject to the approval of Council, depending upon the value or term of the lease or sublease. The authority of each Corporation to transfer, sublease or dispose of the Corporation's assets will vary depending upon the approved Mandate. No approval shall be required for the transfer, lease, sublease or other disposition of assets in the normal course of conduct of the operations of the Corporation.
6. The Members shall appoint auditors for the Corporation and the fiscal period for the Corporation shall be the calendar year unless otherwise approved by Council.
7. An Annual Report along with Audited Financial Statements must be submitted to Council by the Corporation within 180 days of the end of each fiscal period.
8. All Financial and Business Plans shall be forwarded to Council for information purposes within 180 days of being implemented.
9. Council may at any time direct that an audit of the affairs and records of the Corporation be carried out at the expense of Council.

IV. Board and Administration

1. Council shall be at liberty to appoint one (1) or more Councillors as voting members to the Board of Directors of the Corporation.
2. The appointment of all Officers shall be made by the Board of Directors of the Corporation.
3. Payment of Honoraria may be made to the members of the Board of Directors only if approved by Council
4. Council shall have the right to conduct an inspection, review or audit from time to time of the Corporation's records, systems, processes, administration and corporate records.

V. General

1. Each Corporation shall develop and implement such policies, directives and procedures as may be necessary to ensure that the Corporation conducts its operations and affairs in an ethical, moral and transparent manner.
2. Insurance coverage for the Corporation shall be in an amount and cover such risks as may be necessary to protect and cover the interests of the Corporation and the Municipality.
3. The adoption of a name or logo for all of a building or facility (including but not limited to the naming of buildings and any grants received in exchange for naming rights) shall be subject to the approval of Council. No approval shall be required to name assets owned by the Corporation.
4. The adoption of a name or logo for a portion of a building or facility shall not require the approval of Council, as long as the name or logo is in compliance with policies or guidelines adopted by Council for Municipal Assets and facilities and that the adoption of the name or logo is for a period of not more than five (5) years.
5. The Corporation shall at all times comply with all laws including, but not limited to, Bylaws and Resolutions of the Municipality.

Subject: Adoption of Amended Articles of Association for MacDonald Island Park Corporation**APPROVALS:**

Glen Laubenstein, Chief Administrative Officer
Brian Makey, Deputy Chief Administrative Officer
Tamara Eppe, Director

Administrative Recommendation(s):

THAT the attached Articles of Association of MacDonald Island Park Corporation, be adopted by Council to replace the Articles of Association of MacDonald Island Park Corporation dated December 3, 2003 and that the Mayor be authorized to sign a Special Resolution of the Members of MacDonald Island Park Corporation on behalf of the Municipality to replace the existing Articles with the amended Articles.

Summary:

At the time that MacDonald Island Corporation (“MIPC”) was incorporated the Articles of Association (the “Existing Articles”) were approved by the Municipality to provide in broad terms for the governance of MIPC including the appointment of directors, officers and borrowing powers. The attached Articles of Association (the “Amended Articles”) will make the Articles of Association of MIPC consistent with the Amended Operating Protocol Principles adopted by Council on May 22, 2012, and will more accurately reflect the current relationship between the Municipality and MIPC.

Background:

MIPC was incorporated on February 12, 2004 under the *Companies Act* (Alberta) (“the Act”), as a not-for-profit corporation, to advance, promote and encourage recreational, cultural and social activities and events and undertake activities in support of these objectives as well as to operate and manage the facilities on MacDonald Island. A not-for-profit corporation is incorporated under the Act by filing a Memorandum of Association and Articles of Association at Corporate registry. The Memorandum of Association describes in broad terms the governance of the corporation.

The Existing Articles conflict in some respects with the Operating Protocol Principles for Municipal Corporations adopted by Council on May 22, 2012. As well, the Existing Articles do not fully reflect the existing relationship between MIPC and the Municipality and the need for transparency in the operation and management of a corporation which administers Municipal assets and facilities with funds which are in part provided by the Municipality, The Amended Articles have been prepared to address these deficiencies.

The main differences between the Existing Articles and the Amended Articles are as follows:

- In the Existing Articles, the Chief Administrative Officer for the Municipality is appointed as a Director of MIPC. This has been removed in the Amended Articles.
- In the Existing Articles, Council must appoint at least one member of Council as a Director of MIPC. This has been changed in the Amended Articles to give Council the option to appoint one or more Councillors as a Director or Directors of MIPC.
- The Existing Articles provide that the Chairman and Treasurer of MIPC shall be appointed by the Municipality and that the term of each must be set by the Municipality. The Amended Articles provide that all Officers of MIPC, including the Chairman and the treasurer, are appointed by the Directors of MIPC.
- The Existing Articles do not specifically provide that meetings of the Directors of MIPC will be open to the public. The Amended Articles provide that all meetings of the Directors of MIPC are to open to the public with public notice given of the meetings of the Directors of MIPC, unless one of the exceptions to disclosure set out in the *Freedom of Information and Protection of Privacy Act* (Alberta) applies.
- Under the Existing Articles, the Directors of MIPC have the power to appoint and remove the Auditor of MIPC. Under the Amended Articles, the power to appoint and remove the Auditor of MIPC is granted to the Members (the Municipality and the Chief Administrative Officer of the Municipality) to make the auditing of the records of the MIPC consistent with the auditing of the records of the Municipality's and for efficiency.

The Amended Articles contain some additional changes to the Existing Articles to clarify the roles, duties and responsibilities of the Officers, Directors and Members of MIPC.

The Amended Articles, once approved by Council, would be adopted by way of a Special Resolution of the Members of MIPC (the Municipality and the Chief Administrative Officer of the Municipality) and would become effective once filed at the Corporate Registry Office.

Budget/Financial Implications:

There are no budget or financial implications for the Municipality.

Rationale for Recommendation(s):

The attached Amended Articles will make the Articles of Association of MIPC consistent with the Operating Protocol Principles for Municipal Corporations adopted by Council on May 22, 2012, will reflect the current relationship which exists between MIPC and the Municipality and will provide additional transparency in the operation and governance of MIPC.

Attachments:

- 1) Articles of Association for MacDonald Island Park Corporation dated December 3, 2003 (“the Existing Articles”)
- 2) Proposed Amended Articles of Association for MacDonald Island Corporation (the “Amended Articles”)

signed
copy

ARTICLES OF ASSOCIATION
OF
MACDONALD ISLAND PARK CORPORATION

SECTION 1 – INTERPRETATION

1.1. Definitions

In these Articles, unless the context otherwise requires:

- (a) "Act" means the Companies Act Revised Statutes of Alberta, 2000 Chapter C-21 and any Statute from time to time enacted in substitute thereof as amended from time to time;
- (b) "Board of Directors" means the board of directors of the Company;
- (c) "Chairman" means the chairman of the Company;
- (d) "Company" or "Corporation" means MacDonald Island Park Corporation;
- (e) "Companies Act" means the Companies Act (Alberta), as amended, 2000 RSA C.-21;
- (f) "Director" means a director of the Company;
- (g) "Executive Committee" means the committee described in Section 5.4;
- (h) "Member" means member of the Company;
- (i) "Municipality" means the Regional Municipality of Wood Buffalo;
- (j) "Secretary" means the Secretary of the Company;
- (k) "Resolution" means a resolution passed by a majority of votes cast at a duly called and constituted meeting of the members of the Directors, as the case may be;
- (l) "Treasurer" means the Treasurer of the Company;
- (m) "Vice-Chairman" means the vice-chairman of the Board of Directors.

1.2 Companies

These definitions in the *Companies Act* on the date these Articles become effective shall apply to these Articles.

1.3 Interpretation

In these Articles, unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the neuter and feminine gender, as the case may be, and vice versa, and references to persons shall include firms and corporations.

The terms used in these Articles shall be taken as having the same meanings as they have when used in the Act. Notwithstanding anything else herein contained, these Articles shall be read subject to the restrictions upon their scope and effect contained in the Act and in any other applicable Statute or rule of law or equity and any provisions herein repugnant to such restrictions shall, to the extent required, be severed from these Articles in order that the rest may stand and be enforceable.

SECTION 2 – MEMBERSHIP

2.1 Members

The Municipality shall be a Member. The other Member will be the Regional Manager appointed by the Municipality or such other person as the Municipality shall appoint from time to time. In the event of a vacancy in the office of the Regional Manager, the Mayor shall appoint a substitute member until the Regional Manager's office is filled or council appoints another member.

2.2 Obligations of Membership

There shall be no Membership fees or dues.

2.3 Conflict of Interest

The Municipality shall not be deemed to be in conflict of interest with the Company by reason only of the Municipality entering into a Lease Agreement or other Contract with the Company, from time to time, relating to the provision of or management of recreational facilities located within the Regional Municipality of Wood Buffalo.

SECTION 3 – APPOINTMENT OF DIRECTORS

3.1 Number and Appointment of Directors

There shall be a minimum of two (2) Directors and a maximum of nine (9) Directors. All of the Directors shall be appointed by the Municipality provided that the Regional Manager of the Regional Municipality of Wood Buffalo shall be appointed as one (1) Director and there shall be a minimum of one (1) Director appointed who is a sitting Municipal Councillor with the Regional Municipality of Wood Buffalo.

3.2 Exclusions

None of the following shall be a Director, namely:

- (a) a corporation;
- (b) a person under the age of 18 years;
- (c) a person who is not eligible to vote at a municipal election within the Regional Municipality of Wood Buffalo;
- (d) a person who has the status of a bankrupt;

- (e) a person who is found by a court to be mentally incompetent person or of unsound mind; or
- (f) a person who has been convicted of an indictable offence or a criminal offence involving fraud.

3.3 Terms of Directors

3.3.1 The first Directors will be appointed for the following terms:

- (a) The Municipal Councillor appointed shall be appointed for a term at the will of the Members and terminable by the Members at any time upon notice provided that in any event such term shall not last beyond the Councillor's remaining term as a Municipal Councillor;
- (b) The Regional Manager shall be appointed for a continuous term and hold office during the continued existence of the Company;
- (c) All other Directors shall be appointed for a minimum term of one (1) year and a maximum term of three (3) years to be determined by the Regional Municipality of Wood Buffalo with the object that such appointment terms shall be established to overlap and optimize the continuity of the Board of Directors.

3.4 Qualifications of Directors

3.4.1 A minimum of one (1) Director will be a Councillor of the Regional Municipality of Wood Buffalo.

3.4.2 The Regional Manager of the Regional Municipality of Wood Buffalo shall be a director.

3.4.3 The Municipal Councillor or the Regional Manager shall be authorized from time to time to delegate their voting power by way of proxy to other Councillors of the Regional Municipality of Wood Buffalo including the Mayor of the Regional Municipality of Wood Buffalo or a member of the administration of the Regional Municipality of Wood Buffalo provided that any delegation by the Municipal Councillor shall be to another Councillor (including the Mayor), and any delegation by the Regional Manager shall be to a member of the administration.

3.5 Termination of Directors

A person shall cease to be a Director if:

- (a) such person resigns by delivering a written resignation to the Secretary which resignation will be effective upon receipt by the Secretary;
- (b) he becomes a person described in Section 3.2;
- (c) the Municipality shall pass a resolution that he be removed from his office as Director; or
- (d) he is deceased.

- 3.5.1 If a Director shall miss three (3) consecutive director's meetings, the Director shall be removed from office at the following Board Meeting, unless the Directors by resolution excuse the absences and reinstate the Director or suspend the termination of the Directorship. Such reinstatement shall be issued by the Directors on such terms and conditions as the Directors consider necessary, including without limiting the generality of the foregoing, the establishment of a probationary period during which the Director in default shall be monitored by the Directors. The Directors by resolution shall be entitled to impose conditions upon the reinstatement or the suspension of the termination as they in their absolute discretion, consider in the best interests of the Company.

3.6 Casual Vacancies

The Municipality may at any time and from time to time, appoint a new person as a Director to fill a casual vacancy on the Board of Directors for the balance of the term of the person whose departure created the vacancy, provided that, if the departing person was appointed to meet a requirement imposed by Section 3.4, the new person must meet the same requirements.

3.7 Remuneration of Directors

Directors shall not be paid any remuneration for their services, but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

3.8 Conflict of Interest

No Director shall directly or indirectly receive any profit from his position as such, provided that any Director who is engaged in or is a member of a firm or corporation engaged in any business or profession may, subject to the conflict of interest guidelines established by the Board of Directors, act in and be paid the usual professional fees and business charges for any professional work or other business required to be done in connection with the administration of the affairs of the Company.

3.9 Agents of the Directors

The Board of Directors may appoint such agents as it shall deem necessary from time to time and those agents have such authority and shall perform such duties as shall be prescribed by the Board of Directors at the time of their appointment.

SECTION 4 – PROCEEDINGS OF DIRECTORS

4.1 Meetings

The Directors may meet together at such time and places as they think fit for the dispatch of business and adjourn or otherwise regulate their meetings and proceedings as they see fit, subject always to these Articles. If all the Directors consent either generally or in respect of a particular meeting, a Director may participate in a meeting of the Board of Directors or of a committee of the Board of Directors by means of a conference telephone or other communications facility which permits all persons participating in the meeting to hear each other, and a Director participating in a meeting by such means shall be deemed to be present at the meeting.

4.2 Quorum

Provided that one of the Directors present is a Councillor of the Regional Municipality of Wood Buffalo, a quorum of Directors for the transaction of business shall be a majority of the Directors.

4.3 Requisition of Meetings of Directors

A meeting of Directors shall be called by the Secretary promptly upon receipt of a requisition for a meeting signed by two (2) or more Directors or may be called at any time at the direction of the Chairman.

4.4 Notice

Not less than forty-eight (48) hours written notice of any meeting of Directors, specifying the time and place of the meeting and the general nature of the business to be discussed, shall be given to all Directors in the manner prescribed in Section 15.1 Notice by mail shall be sent at least seven (7) days prior to the meeting. The accidental omission to give notice of any meeting to, or the non-receipt of any such notice by, any Director shall not invalidate any proceeding at that meeting.

If the Board of Directors shall appoint a day or days in a month or months for its regular meetings, specific notice of such meetings will not be required, but each Director will be provided with an agenda and supporting material at least two (2) days before each meeting.

4.5 Waiver of Notice

Directors may waive or reduce the period of notice convening a meeting by unanimous consent in writing and may give such waiver before, during or after the meeting.

4.6 Alternate Chairman

If the Chairman is not present within thirty (30) minutes after the time appointed for the holding of the meeting, or if he is unable to attend the meeting, the Vice-Chairman shall be the Chairman of the meeting and, failing the attendance of the Vice-Chairman, the Directors present shall elect one of their number to act as Chairman of the meeting.

4.7 Lack of Quorum

No business, other than the election of a Chairman and the adjournment of the meeting, shall be transacted at any meeting of Directors unless a quorum is present at the meeting and, unless adjourned, a meeting at which a quorum is not present shall be dissolved.

4.8 Adjournments

In the event a quorum of Directors fails to attend any properly convened meeting where proper notice has been given to all Directors, those Directors attending shall adjourn the meeting and may set a new meeting date which will not be earlier than Three (3) days following the adjourned meeting nor later than Thirty (30) days following the adjourned meeting. All Directors shall be sent notice of the new meeting date and those Directors who attend shall be deemed to constitute a quorum whether or not a quorum of Directors shall attend.

A meeting of Directors may be adjourned from time to time and place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for ten (10) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Except as provided in this Section 4.8, it is not necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.

4.9 Resolutions

Any Director shall be entitled to move or propose a resolution at a Meeting of Directors.

4.10 Votes

Each Director present in person at a meeting, including the Chairman of the meeting, shall have one (1) vote. All votes shall be taken by a show of hands unless a Resolution is passed requiring a secret ballot. The Chairman of the meeting shall not have a casting vote in addition to his original vote.

4.11 Resolution in Writing

A Resolution in writing signed by all the Directors shall be valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

4.12 Deficiencies

No act or proceeding of the Directors is invalid because of a defect in the appointment of a Director or the disqualification of a Director.

4.13 Disclosure of Interest in Contracts

Every Director who has, directly or indirectly, any interest in any contract or transaction to which the Company is or is to be a party shall declare his interest in such contract or transaction at a meeting of the Directors and shall, at that time, disclose the nature and extent of such interest. No Director who has an interest direct or indirect in any contract or transaction to which the Company is or is to be a party shall participate in any discussion or vote relating to the contract or transaction and shall absent himself during such discussions and vote of the Board.

SECTION 5 – COMMITTEES

5.1 Committees

The Directors may create a committee or committees consisting of such Directors and for such purposes as the Directors think fit. A committee, shall in the exercise of its duties, conform to any rules that may from time to time be imposed on it by the Directors. Each committee shall make periodic recommendations to the Board of Directors in respect of the subject on which the committee was created to advise. The Board of Directors shall take into consideration, but shall not be bound by, the recommendations of any committee.

5.2 Chairman of Committees

The Chairman of each committee created by the Board of Directors shall be a Director recommended by the Executive Committee, whose appointment is confirmed by the Board of Directors.

5.3 Proceedings of Committees

The members of a committee may meet and adjourn, as they think proper. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present. The provisions relating to proceedings at meetings of Directors set forth in Section 4 of these Articles shall apply *mutatis mutandis* to meetings of committees except as otherwise specifically provided in this Section 5.

5.4 Executive Committee

The Board of Directors may establish an Executive Committee, which if established, will comprise of a Chairman, a Vice-Chairman, a Secretary, a Treasurer and the Regional Manager. The Executive Committee shall exercise such powers as are delegated to it by the Board of Directors. The Chairman shall be the Chairman of the Executive Committee.

5.5 Meetings of Executive Committee

Meetings of the Executive Committee shall be held at any time and place to be determined by its members, provided that forty-eight (48) hours notice of a meeting may be given to each member of that committee by telephone or fax. Otherwise, notice by mail shall be sent at least seven (7) days prior to the meeting. Three (3) members shall constitute a quorum for a meeting of the committee. No error or omission in giving notice of any meeting or any adjourned meeting of such committee shall invalidate the meeting or make void any proceedings thereat and any member of a committee may at any time waive notice of any meeting and may ratify, approve and confirm any and all proceedings thereat.

5.6 Remuneration of Committee members

Executive Committee members shall not be paid any remuneration for their services, but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

SECTION 6 – POWERS OF DIRECTORS

6.1 Administer Affairs

The Board of Directors shall administer the affairs of the Company in all things and make or cause to be made for the Company, in its name, any kind of contract which the Company may lawfully enter into and, save as hereinafter provided, generally may exercise all other powers and do all other acts and things as the Company is by its Memorandum of Association, the *Companies Act* or otherwise authorized to exercise and do.

6.2 Disposition or Pledging of Assets

The Directors on resolution of the Directors shall have the authority to dispose of by sale or by lease any of the personal property of the Company. The Directors with the consent of the

Members, shall have the authority to dispose of by sale or by lease any real property of the Company and further, subject to receiving the consent of the Members, shall have the power to borrow money and to mortgage, pledge, or grant any security encumbering the real or personal property of the Company for the purposes of the Company.

SECTION 7 – INDEMNITIES TO DIRECTORS AND OTHERS

7.1 Indemnities

Every Director and officer of the Company and their respective heirs, executors and administrators, and estate and effects, shall from time to time and at all times be indemnified and save harmless out of the funds of the Company from and against:

- (a) all costs, charges and expenses which such Director, officer or other person sustains or incurs in or about any action, suit or proceeding that is brought, commenced, or prosecuted against him for or in respect of any act, deed, matter or thing whatever made, done or permitted by him in or about the execution of the duties of his office; and
- (b) all other costs, charges and expenses he sustains or incurs in or about or in relation to the affairs of the Company;

except such costs, charges or expenses as are occasioned by his own willful neglect, default or misconduct.

7.2 Contract of Indemnity

The Board of Directors may from time to time cause the Company to enter into a contract to indemnify any Director, officer, employee, agent or other person who has undertaken or is about to undertake any liability on behalf of the Company or any corporation controlled by it.

7.3 Insurance

The Board of Directors may cause funds to be expended by the Company for the purchase and maintenance of insurance for the benefit of any person who is or was a Director, officer, employee or agent of the Company against any liability incurred by such person in such capacity if the Members of the Company have not provided for such insurance coverage for the directors.

SECTION 8 - OFFICERS

8.1 Officers

The officers of the Company shall be the Chairman, Vice-Chairman, Secretary, Treasurer and such other officers as the Board of Directors may by Resolution determine. Any two (2) or more offices may be held by the same person. The officers shall be Directors.

8.2 Appointment of Chairman

The Chairman and the Treasurer shall be appointed by the Municipality and, in each case, the term of the appointment shall be determined by the Municipality.

8.3 Appointment of Officers

Officers of the Company, other than the Chairman and Treasurer, shall be appointed by Resolution of the Board of Directors.

8.4 Term of Office

The Officers of the Company, other than the Chairman and Treasurer (who shall hold office at the pleasure of the Municipality), shall hold office at the pleasure of the Board of Directors. Officers are eligible for reappointment.

8.5 Remuneration of Officers

Officers of the Company shall not be paid any remuneration for their services, but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

SECTION 9 – DUTIES OF OFFICERS

9.1 Chairman

The Chairman shall preside at all meetings of the Members, the Board of Directors and any committees of which he is a member. The Chairman shall be the spokesman for the Company.

9.2 Vice-Chairman

The Vice-Chairman shall, in the absence of the Chairman, perform the duties and exercise the powers of the Chairman.

9.3 Secretary

The Secretary shall attend all meetings of the members of the Board of Directors and act as clerk and record all votes and minutes of all proceedings in the books to be kept for that purpose. He shall give or cause to be given notice of all meetings of the Members and of the Board of Directors when requested by the Chairman or upon receipt of a requisition referred to in Section 4.3. The Secretary shall perform such other duties as may be prescribed by the Board of Directors or Chairman, under whose supervision he shall be. The Secretary shall be custodian of the seal of the Company. The Company may appoint a person to perform the recording and other clerical duties imposed by this Section 9.3.

9.4 Treasurer

The Treasurer shall keep or cause to be kept proper accounting records as required by law. He shall deposit or cause to be deposited all funds received by the Company in the Company's bank account or accounts. He shall, under the direction of the Board of Directors, supervise the safekeeping of securities and the disbursement of the funds of the Company. He shall render to the Board of Directors, whenever required, an account of all his transactions as Treasurer and of the financial position of the Company, and he shall perform such other duties as may from time to time be prescribed by the Board of Directors.

9.5 Variation of Duties

From time to time, the Board of Directors may vary, add to or limit the powers and duties of any officer or officers.

SECTION 10 – CORPORATE SEAL AND EXECUTION OF DOCUMENTS

10.1 Corporate Seal

The seal, an impression of which is stamped on a certificate of the Secretary immediately following the incorporation of the Company, shall be the seal of the Company.

10.2 Execution of Documents

Subject to any Resolution regarding the execution of instruments and the use of the seal, contracts, documents or instruments in writing requiring the signature of the Company may be signed by and the seal of the Company may be affixed in the presence of the Chairman and Treasurer or either the Chairman or Treasurer together with any other Officer and all contracts, documents and instruments in writing so signed shall be binding upon the Company without any further authorization or formality. The Directors may pass a Resolution regarding the execution of instruments and the use of the seal not inconsistent with these Articles. The Directors may from time to time, by Resolution, appoint an officer or officers on behalf of the Company to sign a specific contract, document or other instrument in writing with or without the corporate seal.

10.3 Banking Authority

The Chairman and the Treasurer together or the Chairman or Treasurer together with any other Officer, or any other party designated by Resolution of the Board of Directors, shall have signing authority on any account established in a Bank, Trust Company, Credit Union, Province of Alberta Treasury Branch or other like financial institute by the Company.

SECTION 11 – MEETINGS OF THE MEMBERS

11.1 Annual General Meeting

There shall be an annual general meeting of the Members, which shall be held on such day and at such place as the Board of Directors shall determine.

11.2 Business of the Meeting

At every annual general meeting of the Company, in addition to any other business that may be transacted, the report of the Directors, the financial statements and the report of the auditors of the Company shall be presented and auditors appointed for the ensuing year. The Members may consider and transact any business, either special or general, at any meeting of the Company.

11.3 Notice

Twenty-one (21) days prior written notice shall be given to the Members and each Director of each annual general meeting of the Company.

11.4 Waiver of Notice

The Members together with all of the Directors may unanimously waive notice or the length of notice required pursuant to paragraph 11.3.

SECTION 12 – FINANCIAL RECORDS, AUDIT AND ACCOUNTING

12.1 Records and Accounts

The Directors shall cause to be kept proper accounting records for the Company and, without limiting the generality of the foregoing, shall cause records to be kept of every receipt of funds, disbursement, sale, purchase, asset, liability of the Company and every other transaction effecting the financial position of the Company.

12.2 Place of Records

The accounting records of the Company shall be kept at 151 MacDonald Drive, Fort McMurray, Alberta, T9H 5C5, or such other place as the Members may determine by Resolution.

12.3 Inspection

The accounting and financial records of the Company shall be available for the inspection of Directors and the Members at any time during normal business hours.

12.4 Auditor

The Directors shall appoint an auditor qualified as an auditor in the Province of Alberta. The Directors shall forthwith fill any vacancy occurring in the office of the auditor. An auditor may be removed by a Resolution of the Directors. No Director and no employee of the Company shall be auditor of the Company. The auditor may attend meetings of Directors. The auditor shall audit the accounts of the Company and shall report to the Directors at the annual general meeting.

12.5 Fiscal Year

The fiscal year end for the Company shall conclude on December 31st in each year or such other date, as the Members shall hereafter resolve.

12.6 Financial Statements

The Directors shall at least once in every fiscal year cause financial statements of the Company to be prepared. The Financial Statement shall be audited if required by law or if required by resolution of the Members. The financial statements shall consist of a statement of income and expense, a statement of surplus, a balance sheet and a statement of source and application of funds and shall be prepared in accordance with generally accepted accounting principles as established by the Canadian Institute of Chartered Accountants from time to time.

12.7 Directors' Report

The Directors shall produce a written report in each year of the operation of the Company containing, inter alia, a statement of the Company's financial affairs, general policies, business

and major transactions during the year (the "Directors' Report") and shall table the Directors' Report at the annual general meeting.

12.8 Disclosure

The Company shall make available to the public the annual Directors' Report referred to in Section 12.7.

12.9 Banking

The Directors shall cause an appropriate account or accounts to be established in a bank, trust company, credit union, Province of Alberta Treasury Branch or other like financial institution with respect to the funds of the Company and shall, in consultation with the auditors of the Company, ensure that appropriate controls are imposed on these accounts.

12.10

The Chairman and Treasurer together or the Chairman or Treasurer together with any other officer shall have signing authority on any account established in a bank, trust company, credit union, Province of Alberta Treasury Branch or other like financial institution by the Company.

SECTION 13 – INVESTMENT AND BORROWING

13.1 Investment Powers of Directors

In investing monies of the Company, the Directors shall be restricted to securities permitted by law to a trustee as outlined in the *Alberta Trustee Act*, 1980 RSA, C.-T-10, and shall comply with any policies, guidelines or restrictions on investment imposed by the Members from time to time.

13.2 Borrowing

Subject to approval by a Resolution of the Members, the Directors may from time to time:

- (a) borrow money upon the credit of the Company;
- (b) limit or increase the amount to be borrowed;
- (c) issue bonds, debentures or other securities of the Company;
- (d) pledge or sell such bonds, debentures or other securities for such sums and at such prices as may be deemed expedient; and
- (e) secure any such bonds, debentures or other securities, or any other present or future borrowing or liability of the Company by mortgage, hypothec, charge, pledge or other security interest relating to all or any currently owned or subsequently acquired real and personal, movable and immovable, property and leasehold interests and reversionary interests of the Company and the undertaking and rights of the Company.

SECTION 14 - GENERAL

14.1 Head Office

The head office of the Company shall be located at 151 MacDonald Drive, Fort McMurray, Alberta unless otherwise resolved by the Directors of the Corporation.

14.2 Members and Records

The Directors shall cause minutes of all meetings of Members and of Directors and Resolutions consented to in writing by the Members or the Directors, together with minutes of all meetings of committees of Directors and copies of all notices, filing and reports required pursuant to the *Companies Act* or these Articles to be maintained at such place as the Directors shall determine which minutes, Resolutions, notices, filings and reports shall be accessible to the Directors upon reasonable notice.

SECTION 15 - NOTICES

15.1 Delivery of Notice

Any notice to be given pursuant to these Articles may be delivered to a Member or a Director either personally or by prepaid mail addressed to his last address as recorded in the records of the Company. A notice sent by mail shall be deemed to be delivered on the third business day following the date of mailing. In the case of a postal strike or other disruption of service, only personal delivery by courier or otherwise shall be effective. A notice may also be communication by fax transmission or e-mail where a Member or a Director provides a fax number or e-mail address to the Secretary in which case service shall be deemed to have been effected at the time of the transmission.

SECTION 16 – DISTRIBUTION OF ASSETS AND DISSOLUTION

16.1 Distribution of Assets Upon Dissolution

In the event of the dissolution or liquidation of the company, the remaining assets of the company (after retiring all liabilities) shall devolve to the Regional Municipality of Wood Buffalo or to another non-profit association designated by the Regional Municipality of Wood Buffalo whose objects are consistent with the objects and purposes set out in the Memorandum of Association of this company.

SECTION 17 – RELATIONS WITH NOMINATING ENTITIES AND THE PUBLIC

17.1 Public Meetings

The Directors may call a public meeting at any time for any purpose. The place and time of any such meeting and the manner of notice shall be entirely at the discretion of the Directors.

17.2 Public Notices

The Directors may from time to time cause to be published public notices with respect to the affairs of the Company.

SECTION 18 – PRIVATE COMPANY

18.1 Public Subscription

The Company prohibits any invitation to the public to subscribe for any debenture of the Company.

18.2 Number of Members

The Company limits the number of its Members to two (2) or less.

18.3 Restriction on Transfer of Interest

The transfer of a Member of any interest in the Company is prohibited with the exception that the Regional Manager of the Municipality shall transfer his membership interest to any successor Regional Manager or such other party as designated by the Municipality, upon his departure from the employ of the Municipality.

DATED this 03 day of Dec, A.D. 20 03 at Fort McMurray, in the Regional Municipality of Wood Buffalo, in the Province of Alberta.

REGIONAL MUNICIPALITY OF WOOD BUFFALO
9909 Franklin Avenue
Fort McMurray, AB T9H 2K4

Mayor - Douglas L. Faulkner

Regional Manager - Dave Putz

Chief Legislative Officer - Kevin Greig

Witness

Witness

ARTICLES OF ASSOCIATION OF MACDONALD ISLAND PARK CORPORATION

ARTICLE 1 – PREAMBLE AND INTERPRETATION

- 1.1** These Articles of Association are intended to revoke and replace in their entirety the Articles of Association dated December 3, 2003.
- 1.2** These Articles should be read to comply with the *Companies Act*, R.S.A. 2000 and other applicable legislation, and unless they are otherwise defined in these Articles, terms used herein shall be taken as having the same meaning they have when used in the *Companies Act*.
- 1.3 Definitions**
- In these Articles, unless the context otherwise requires:
- a. **“Articles”** means these Articles of Association and any amendments hereto;
 - b. **“Board of Directors”** or **“Board”** means the Board of Directors of the Company, each of whom is appointed pursuant to the relevant sections of these Articles;
 - c. **“Board Meeting”** means a duly called and constituted meeting of the Board of Directors;
 - d. **“Chair”** means the member of the Company’s Board who is elected as Chair;
 - e. **“Chief Administrative Officer”** or **“CAO”** means the person appointed by Council to carry out the powers, duties, and functions of the position of Chief Administrative Officer of the Regional Municipality as described in the *Municipal Government Act* (Alberta);
 - f. **“Chief Operating Officer”** or **“COO”** means the person appointed by and directly accountable to the Board of the Company to serve as the senior executive officer of the Company;
 - g. **“Company”** means the MacDonald Island Park Corporation, a not-for-profit Company established under the *Companies Act*;
 - h. **“Companies Act”** means the *Companies Act* RSA 2000 C.-21 as amended;
 - i. **“Council”** means the elected Council of the Regional Municipality;
 - j. **“Councillor”** means an elected Councillor of the Regional Municipality;
 - k. **“Director”** means a director of the Company;
 - l. **“Executive Committee”** means the committee described in Article 8.2.
 - m. **“Members”** means Members of the Company as defined by the *Companies Act* and Article 2.1 of these Articles;
 - n. **“Regional Municipality”** means the Regional Municipality of Wood Buffalo, a specialized municipality incorporated under the *Municipal Government Act* (Alberta); and
 - o. **“Resolution”** means a resolution passed by a majority of votes cast at a duly called and constituted meeting of the Members or of the Directors, as the case may be.

ARTICLE 2 – MEMBERSHIP

2.1 Members

The Members are the Regional Municipality and the Chief Administrative Officer. In the event of a vacancy in the position of Chief Administrative Officer, the Mayor of the Regional Municipality may appoint a replacement Member to serve while a vacancy in the position of Chief Administrative Officer exists.

2.2 Obligations of Membership

There shall be no membership fees or dues.

2.3 Conflict-of-Interest

The Regional Municipality shall not be deemed to be in conflict-of-interest with the Company by reason only of the Regional Municipality entering into a lease agreement or other Contracts with the Company from time to time.

ARTICLE 3 – APPOINTMENT OF DIRECTORS

3.1 Number and Appointment of Directors

There shall be a minimum of two (2) Directors and a maximum of nine (9) Directors. All of the Directors shall be appointed by Council and shall serve as Directors at the pleasure of Council. Council shall be at liberty to appoint one or more Councillors as a Director.

3.2 Exclusions

None of the following shall be a Director, namely:

- a. a person under the age of 18 years;
- b. a person who is not eligible to vote at a municipal election within the Regional Municipality of Wood Buffalo;
- c. a person who has the status of a bankrupt;
- d. a person who is found by a court to be mentally incompetent or of unsound mind;
- e. a person who has been convicted of an indictable offence or a criminal offence involving fraud for which they have not received a pardon; or
- f. a corporation.

Council may, in its discretion and subject to the residency requirement of directors contained in the *Companies Act*, waive the exclusions set out in paragraphs 3.2(b) and 3.2(e) by resolution at a Council Meeting.

3.3 Terms of Directors

Directors shall be appointed to varying lengths of terms from one- to three-year terms as determined by Council to reflect succession planning and governance continuity.

3.4 Termination of Directors

A Director's appointment shall be terminated if:

- a. the person delivers a written resignation to the Chief Administrative Officer with an effective resignation date;
- b. such person becomes a person described in Article 3.2;
- c. Council has passed a resolution that such person be removed from his office as Director;
- d. such person is deceased; or
- e. such person is absent from three (3) consecutive Board meetings.

Notwithstanding s. 3.4 (e) if a Director is absent from three (3) consecutive Board meetings, the Director shall be removed from office at the following Board Meeting, unless the Directors by resolution excuse the absences and reinstate the Director or suspend the termination of the Director. Such reinstatement shall be issued by the Directors on such terms and conditions as the Directors consider necessary, including, without limiting the generality of the foregoing, the establishment of a probationary period during which the Director in default shall be monitored by the other Directors. The Directors by resolution shall be entitled to impose conditions upon the reinstatement or the suspension of the termination as they, in their absolute discretion, consider to be in the best interests of the Company.

3.5 Casual Vacancies

The Regional Municipality may at any time and from time-to-time, appoint a new person as a Director to fill a casual vacancy on the Board of Directors for the balance of the term of the Director whose departure created the vacancy.

3.6 Remuneration of Directors

Directors shall not be paid any remuneration for their services but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

3.7 Conflict-of-Interest

No Director shall directly or indirectly receive any profit or financial benefit from his or her position, provided that any Director who is engaged in or is a member of a firm or corporation engaged in any business or profession may, subject to the conflict of interest guidelines which shall be established by the Board of Directors, act in and be paid the usual professional fees and business charges for any professional work or other business required to be done in connection with the administration of the affairs of the Company.

3.8 Agents of the Directors

The Board of Directors may appoint such agents as it may deem necessary from time to time, which agents have such authority and shall perform such duties as may be prescribed by the Board of Directors at the time of their appointment.

ARTICLE 4 – POWERS OF DIRECTORS

4.1 Administer Affairs

The Board of Directors shall administer the affairs of the Company in all things and make or cause to be made for the Company, in its name, any kind of contract which the Company may lawfully enter into and, save as hereinafter provided, generally may exercise all other powers and do all other acts and things as the Company is by its Memorandum of Association, the *Companies Act* or otherwise authorized to exercise and do. The powers and authority granted to the Board of Directors shall be subject to any limitations and directions imposed by the Members or by Council.

4.2 Delegation to the Chief Operating Officer

The Board of Directors may, by governance policy or by resolution, delegate selected responsibilities and decisions to the Chief Operating Officer. The Board may not delegate its responsibility for governance, risk management, or finance and audit to the Chief Operating Officer. The Board of Directors shall develop and approve a governance policy that specifies the respective accountabilities of the Board and Chief Operating Officer, one to the other.

4.3 Disposition or Pledging Assets

The Directors, by resolution of the Directors, shall have the authority to dispose of by sale or by lease any of the personal property of the Company. The Directors, with the consent of the Members, shall have the authority to dispose of by sale or by lease any real property of the Company and further, subject to receiving the consent or direction of Council, shall have the power to borrow money and to mortgage, pledge, or grant any security encumbering the real or personal property of the Company for the purposes of the Company.

ARTICLE 5 – INDEMNITIES OF DIRECTORS AND OTHERS

5.1 Indemnities

Every Director and Officer of the Company and their respective heirs, executors and administrators, and estates and effects, shall at all times be indemnified and saved harmless by the Company from and against:

- a. all costs, charges and expenses which such Director or Officers incurs or sustains resulting from any legal action, suit or proceeding arising from executing the duties of his or her office; and
- b. all other costs, charges and expenses relating to the Company's affairs.

A Director is not indemnified against costs, charges or expenses resulting from his own wilful neglect, default or misconduct.

5.2 Contract of Indemnity

The Board of Directors may cause the Company to enter into a contract to indemnify any Director, Officer, employee, agent or other person who has undertaken or is about to undertake any liability on the Company's behalf.

5.3 Insurance

The Board of Directors shall ensure that Directors' and Officers' errors and omissions and liability insurance coverage is maintained at all times.

ARTICLE 6 – OFFICERS AND THE CHIEF OPERATING OFFICER

6.1 Officers

The Officers of the Company shall be the Chair, Vice-Chair, Secretary, Treasurer, Chief Operating Officer and such other officers as the Board of Directors may by resolution determine (the “**Officers**”). Any two (2) or more offices may be held by the same person. The Officers, with the exception of the Chief Operating Officer, shall be Directors.

All Officers shall be appointed by resolution of the Board of Directors and shall hold office at the pleasure of the Board. Officers are eligible for reappointment.

6.2 Chair

The Chair shall preside at all meetings of the Members, the Board of Directors and any committees of which he or she is a member.

6.3 Vice-Chair

The Vice-Chair shall, in the absence of the Chair, perform the duties and exercise the powers of the Chair.

6.4 Secretary

The Secretary shall attend all meetings of the Members and all Board Meetings and act as clerk and record all votes and minutes of all proceedings in the books to be kept for that purpose. The Secretary shall give or cause to be given notice of all meetings of the Members and all Board Meetings when requested by the Chair or upon receipt of a requisition referred to in Article 7.4. The Secretary shall perform such other duties as

may be prescribed by the Board of Directors or Chair. The Secretary shall be custodian of the corporate seal. The Company may appoint a person to perform the recording and other clerical duties imposed by this Article 6.4.

6.5 Treasurer

The Treasurer shall cause to be kept proper accounting records as required by law. The Treasurer shall cause all funds received by the Company to be deposited into its bank accounts or accounts. The Treasurer shall, under the direction of the Board of Directors, supervise the safekeeping of securities and the disbursement of the funds of the Company. The Treasurer shall cause to be rendered to the Board, whenever required, an account of all transactions and the financial position of the Company, and the Treasurer shall perform such other duties as may from time to time be prescribed by the Board.

6.6 Chief Operating Officer

The Chief Operating Officer shall have such authority and shall perform such duties as are prescribed by the Board of Directors at the time of his or her appointment and as shall be prescribed from time to time by the Board.

The Board may fix the remuneration of the Chief Operating Officer by way of salary, commission, benefits, payment of a stated sum of money or otherwise as the Board may determine.

6.7 Variation of Duties

The Board of Directors may vary, add to or limit the powers and duties of any Officer.

6.8 Remuneration of Officers

Officers, except for the Chief Operating Officer, shall not be paid any remuneration for their services, but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

ARTICLE 7 – MEETINGS

7.1 Meetings

The Directors may meet in person, by teleconference, videoconference or by other satisfactory means of communication that enables all members to hear one another and to participate, subject always to these Articles. A Director participating in a meeting by electronic means shall be deemed to be present at that meeting.

- a. The Directors will meet at least once every three (3) months;
- b. All Board meetings shall be open to the public unless a matter to be discussed is within one of the exceptions to disclosure as set out in Part 1, Division 2 of the *Freedom of Information and Protection of Privacy Act* (Alberta); and

- c. All meetings (including meetings re-scheduled under this Article) shall be preceded by public notice. The Board may set a regular time and place for meetings for a fiscal period and issue a public notice at the beginning of the fiscal period to inform the public of the meeting schedule.

7.2 Chair

If the Chair is not present within thirty (30) minutes after the time appointed for the holding of the meeting, or if the Chair is unable to attend the meeting, the Vice-Chair shall be the Chair of that meeting. Failing the attendance of both the Chair and the Vice-Chair, the Board, if a quorum is present, may appoint a temporary Chair of that meeting or reschedule the meeting to a new date and time within ten days in consultation with the Chair.

7.3 Quorum

A quorum of the Board shall be a majority of Directors. If quorum cannot be achieved, the meeting cannot be called to order and must be rescheduled to a new date and time not sooner than three (3) days and not more than fifteen (15) days later in consultation with the Chair. All Directors shall be sent timely notice of the new date and time. At the second meeting scheduled to replace the meeting at which quorum was not achieved, the Directors present shall constitute a quorum whether or not they represent a majority of appointed Directors.

Directors that need to leave a meeting in progress may delegate by proxy their vote to another Director in attendance at that meeting regarding any matter they deem necessary without compromising quorum.

7.4 Requisition of Board Meeting

A meeting of Directors shall be called by the Secretary promptly upon receipt of a requisition for a meeting signed by three (3) or more Directors, or may be called at any time at the direction of the Chair.

7.5 Notice

Board meetings shall normally be scheduled in advance every month or as determined by the Board. Directors shall be provided at least ten (10) days' advance written notice of a Board meeting.

If the Board of Directors shall appoint a day or days in a month or months for its regular meetings, specific notice of such meetings will not be required, but each Director will be provided with an agenda and supporting material at least two (2) days before each meeting.

Subject to Article 7.1 (c), Directors may by unanimous consent in writing waive the notice period to convene a meeting and may give such waiver before the meeting.

7.6 Resolutions

Any Director, excluding the Chair of the meeting, shall be entitled to move or propose a resolution at a Board Meeting.

A resolution in writing signed by all the Directors shall be valid and effectual as if it had been passed at a Board Meeting duly called and constituted.

7.7 Voting

Each Director present at a Board meeting shall have one vote, including the Chair of the meeting. All votes shall be taken by a show of hands unless a resolution is passed to adopt a secret ballot.

The Chair of the meeting shall defeat any Motion where the vote is tied.

7.8 Deficiencies

No act or proceeding of the Directors is invalid because of a defect in the appointment of a Director or the disqualification of a Director.

7.9 Disclosure of Interest in Contracts

Every Director who has, directly or indirectly, any interest in any contract or transaction to which the Company is or is to be a party shall declare his or her interest in such contract or transaction at a Board meeting and shall, at that time, disclose the nature and extent of such interest. Such a Director shall absent himself or herself from the room during any discussions and the vote of the Directors on said matter.

ARTICLE 8 – COMMITTEES

8.1 Committees

Directors may create standing and *ad hoc* committees consisting of such Directors and for such purposes as the Directors may require.

The Chair of each committee created by the Board shall be a Director. Committee membership is not exclusive to Directors and may include other individuals. Committee members, including the committee Chair, shall be appointed by resolution of the Board. Each committee shall have a Terms of Reference or work plan consistent with the Company's governance policies.

The provisions relating to proceedings at Board Meetings set forth in Article 7 of these Articles shall apply to committee meetings except as otherwise specifically provided for in this Article 8. Committees shall conform to any additional rules as may be imposed by Board.

Committees shall provide a written or verbal report to the Board at every Board meeting. The Board shall take into consideration, but shall not be bound by, the recommendations of any committee.

8.2 Executive Committee

The Board of Directors shall establish an Executive Committee, which is a standing committee, comprised of the Chair, the Vice-Chair, the Secretary, the Treasurer, and one (1) additional Director appointed by the Board of Directors. The Chair shall be the Chair of the Executive Committee.

Meetings of the Executive Committee shall be held at any time and place to be determined by its members, provided that forty-eight (48) hours' notice of a meeting is given to each member of the Executive Committee by e-mail, telephone or fax. Otherwise, notice by mail shall be sent at least seven (7) days prior to the meeting. Three (3) members shall constitute a quorum for a meeting of the Executive committee.

8.3 Notice of Committee Meetings

No error or omission in giving notice of any meeting of any standing or *ad hoc* committee, including the Executive Committee, shall invalidate the meeting or make void any of its proceedings. Any member of a committee may at any time waive notice of any meeting and may ratify, approve and confirm any and all proceedings of that meeting.

8.4 Remuneration of Committee Members

Committee members shall not be paid any remuneration for their services, but shall receive reimbursement for all reasonable expenses necessarily incurred in fulfillment of their duties.

ARTICLE 9 – MEETINGS OF THE MEMBERS

9.1 Annual General Meeting

There shall be an annual general meeting of the Members which shall be held on such day and at such place as the Board of Directors shall determine.

9.2 Business of the Meeting

At every annual general meeting of the Members, in addition to any other business that may be transacted, the report of the Directors, the financial statements and the report of the auditors of the Company shall be presented and auditors appointed for the ensuing year. The Members may consider and transact any business, either special or general, at any meeting of the Members.

9.3 Notice

At least twenty-one (21) days prior written notice shall be given to the Members, the public and each Director of each Annual General Meeting of the Company.

ARTICLE 10 – CORPORATE SEAL AND EXECUTION OF DOCUMENTS

10.1 Corporate Seal

The Secretary shall be responsible for the corporate seal, which, along with all relevant corporate documents, shall be kept at the Company's Head Office:

The Directors shall pass a resolution regarding the execution of instruments and the use of the seal with respect to contracts, documents or instruments in writing not inconsistent with these Articles. All contracts, documents and instruments in writing so signed shall be binding upon the Company without any further authorization or formality.

The Directors may from time to time, by Resolution, appoint an Officer or Officers on behalf of the Company to sign a specific contract, document or other instrument in writing, with or without the corporate seal.

10.2 Execution of Documents

The Board of Directors shall ensure that Board meeting agenda packages, minutes, resolutions, notices, filings, corporate reports and any other documentation required by the *Companies Act*, other applicable legislation and these Articles, are secured in the Head Office.

Any of the documents specified above shall be made available to the public, with reasonable notice, during normal working hours.

10.3 Banking Authority

Directors shall by resolution designate the Chair and Treasurer or alternates as signing authorities for the Company's bank account or accounts.

ARTICLE 11 – FINANCIAL RECORDS, AUDIT AND ACCOUNTING

11.1 Records and Accounts

The Board of Directors shall ensure that proper accounting records for the Company are kept to enable accurate identification of the Company's financial position, operations, surplus, cash flow, deficits and liabilities, and every other transaction affecting the financial position of the Company. The accounting records of the Company shall be kept at the Company's Head Office. The accounting and financial records of the Company shall be available for the inspection of Directors and the Members at any time during normal business hours.

11.2 Fiscal Year

The Company's fiscal year begins on January 1st and concludes on December 31st in each year or such other date as the Members shall hereafter resolve.

11.3 Auditor

The Members shall appoint an auditor qualified as an auditor in the Province of Alberta. The Members shall forthwith fill any vacancy occurring in the office of the auditor. An auditor may be removed by the Members. No Director and no employee of the Company shall be auditor of the Company. The auditor may attend Board Meetings. The auditor shall audit the accounts of the Company and shall report to the Members at the Annual General Meeting.

It is expected that the Company's auditor will be the same auditor used for the Regional Municipality's annual audit and for all subsidiary corporations unless otherwise determined by the Members. The Company's auditor shall report its' results to the Board and the Board will report the results to the Regional Municipality and the Members.

11.4 Audited Financial Statements

The Directors shall at least once in every fiscal year cause financial statements of the Company to be prepared and audited. The financial statements shall be prepared in accordance with the Generally Accepted Accounting Principles as established by the Canadian Institute of Chartered Accountants.

Following the Board's approval, the audited financial statements shall be provided to the Regional Municipality.

11.5 Banking

The Directors shall cause an appropriate account or accounts to be established in a bank, trust company, credit union, Province of Alberta Treasury Branch or other like financial institution with respect to the funds of the Company (the "**Bank Accounts**") and shall ensure that appropriate controls are imposed on the Bank Accounts.

The same persons designated by resolution as required under Article 10.3 shall have signing authority on any Bank Account.

ARTICLE 12 – INVESTMENTS AND BORROWING

12.1 Investment Powers of the Board of Directors

The Board of Directors shall be restricted to securities permitted under the *Trustees Act* R.S.A. 2000 C.-8 as amended or repealed and replaced from time to time, to invest the Company's monies.

The Board may develop and approve governance policies dealing with investments.

12.2 Borrowing

The Board of Directors may, with the consent or approval of Council, borrow for operating or capital purposes, or to guarantee the debts or obligations of a third party.

ARTICLE 13 – NOTICES

13.1 Delivery of Notice

Any notice to be given pursuant to these Articles may be delivered to a Member or a Director either personally or by prepaid mail addressed to his last address as recorded in the records of the Company. A notice sent by mail shall be deemed to be delivered on the third (3rd) business day following the date of mailing. In the case of a postal strike or other disruption of service, only personal delivery by courier or otherwise shall be effective. A notice may also be given by fax transmission or e-mail where a Member or a Director provides a fax number or e-mail address to the Secretary, in which case service shall be deemed to have been effected at the time of the transmission as long as transmission receipt or delivery receipt is retained by the Secretary.

ARTICLE 14 – DISTRIBUTION OF ASSETS AND DISSOLUTION

14.1 Distribution of Assets upon Dissolution

Upon dissolution of the Company, after payment of all liabilities, the assets and property of the Company shall be paid and distributed in such manner as the Members shall determine but subject to the requirements of the *Companies Act*.

ARTICLE 15 – RELATIONS WITH NOMINATING ENTITIES AND THE PUBLIC

15.1 Public Notices

The Directors may from time to time cause to be published public notices with respect to the affairs of the Company.

ARTICLE 16 – PRIVATE COMPANY

16.1 Public Subscription

The Company prohibits any invitation to the public to subscribe for any debenture of the Company.

16.2 Number of Members

The Company has two (2) members: the Regional Municipality and the Chief Administrative Officer.

16.3 Restriction on Transfer of Interest

The transfer of a Member of any interest in the Company is prohibited with the exception that the Chief Administrative Officer, upon his or her departure from office as Chief Administrative Officer, shall transfer his or her membership interest to any successor Chief Administrative Officer or such other party as designated by the Mayor of the Regional Municipality, upon the CAO's departure from the employ of the Regional Municipality.

DATED the ____ day of _____, 2012 at Fort McMurray, in the Regional Municipality of Wood Buffalo, in the Province of Alberta.

Regional Municipality of Wood Buffalo
9909 Franklin Avenue
Fort McMurray, Alberta T9H 2K4

REGIONAL MUNICIPALITY OF WOOD BUFFALO

Per: _____
Melissa Blake, Mayor

Per: _____
Glen Laubenstein, Chief Administrative Officer

Subject: By-Election 2012: Joint By-Election with the Fort McMurray Public School District**APPROVALS:**

Glen Laubenstein, Chief Administrative Officer
Brian Makey, Deputy Chief Administrative Officer
Surekha Kanzig, Director/Chief Legislative Officer

Administrative Recommendations:

THAT the Returning Officer be authorized to enter into an agreement to conduct a joint by-election with the Fort McMurray Public School District No. 2833 for the 2012 By-Election.

Summary:

As a result of a resignation of a trustee on the Fort McMurray Public School Board (Public School Board), the School Act requires that the Public School Board hold a by-election to fill the vacant position. The Local Authorities Election Act allows Council to pass a resolution to enter into an agreement with another elected authority for the conducting of an election.

Background:

For the past several general elections, the Regional Municipality of Wood Buffalo has entered into an agreement with impacted school districts, including the Fort McMurray Public School District No. 2833, and conducted the vote for the election of school trustees on a cost-shared basis.

Budget/Financial Implications:

All costs associated with conducting a joint by-election will be reimbursed by the Public School Board.

Rationale for Recommendations:

Joint elections have been held successfully in previous years, enabling residents to vote for the various elected authorities at the same time and location. The joint agreement will be subject to the Public School Board being responsible for a portion of all costs associated with conducting a joint by-election.

