



## **Council Meeting**

Council Chambers  
Municipal Building - Jubilee Centre  
9909 Franklin Avenue, Fort McMurray

Tuesday, January 23, 2007  
6:00 p.m.

### **Agenda**

#### **Call to Order**

#### **Opening Prayer**

#### **Adoption of Agenda**

#### **Minutes of Previous Meetings**

- A. Regular Meeting – December 12, 2006

#### **Delegations**

None Scheduled.

*(The Chair will provide an opportunity for those attending the meeting and wishing to address an item on the agenda to identify themselves and come forward to speak to Council. Consistent with all delegations, each presentation will be allowed a maximum of five minutes. This does not apply to Public Hearings or Bylaws for which a Public Hearing is required to be held, as the process for these items is regulated by the Municipal Government Act.)*

#### **Public Hearings**

None Scheduled

#### **Updates**

- A. Reporting of Councillors on Boards and Committees  
(Councillors Chadi, Slade, Vyboh, Wiltzen and Carbery)
- B. Mayor's Update

#### **Reports**

- A. Council Expense Report – Period Ending December 31, 2006
- B. Tender Award - Thickwood Heights Water Supply
- C. Highway 63 Eco Industrial Park Marketing Strategy
- D. Funding Source – Fort MacKay Sewage Pumping System Upgrade

#### **Bylaws**

- A. Bylaw 07-001 – Land Use Bylaw Amendment – Part of Lot 1, Block 17, Plan 052 3653 – Timberlea North Central Phase 7 (*1<sup>st</sup> Reading - Public Hearing to be held on February 13, 2007*)

#### **New and Unfinished Business**

#### **Adjournment**

# REGIONAL MUNICIPALITY OF WOOD BUFFALO COUNCIL REPORT

To:	Regional Council
From:	Legislative & Legal Services
Date:	January 23, 2007
Subject:	Council Expense Report – Period Ending December 31, 2006

## **ISSUE:**

To identify Council expenses submitted as of December 31, 2006.

## **REFERENCE:**

Elected Officials Compensation, Travel, Expense and Support Policy (LEG-050)

## **HISTORY:**

On April 24, 2001, Regional Council adopted the Elected Officials Compensation, Travel, Expense and Support Policy, which came into effect immediately following the 2001 General Municipal Election. The Policy requires that quarterly reports on expenditures for each Council Member be presented to Standing Committee for review.

## **ANALYSIS:**

In order to monitor expenditures, spreadsheets have been developed and expenses are recorded for each Member of Council. These expenses have been broken down into the following categories: registration fees, travel (mileage, airfare, taxi, bus, etc.).

A summary of expenses has been prepared and reflects all expenses submitted as of December 31, 2006. This summary also includes those expenditures resulting from participation on Provincial Boards/Committees and periods in which a Member of Council performed the duties of Deputy or Acting Mayor.

The 2006 Council Expense Summary for the period ending December 31, 2006 is within budget allowances.

## **ATTACHMENT:**

2006 Council Expense Summary

## **ADMINISTRATIVE RECOMMENDATION:**

THAT the Council Expense Report for the period ending December 31, 2006 be received as information.

**2006 COUNCIL EXPENSE SUMMARY**  
**Year to Date Expenses Submitted for the Period Ending December 31, 2006**

	Annual Budget	Registration Fees	Travel	Meals	Accom.	Other Expenses	Total	Percentage Expended	Other Committees	Deputy Mayor
Blake, Melissa - Expenses	35010	169.60	15,517.05	2,070.19	4,463.83	2,257.38	\$24,478.05	69.92%		
Blake, Melissa - Conference	4562	6,929.90	1,392.81	21.44	1,070.00	425.90	\$9,840.05	215.70%		
<b>BLAKE - TOTAL</b>	<b>39572</b>						<b>\$34,318.10</b>	<b>86.72%</b>		
Carbery, Jim - Expenses	1725						\$0.00	0.00%		
Carbery, Jim - Conference	5000	600.00	780.63	274.80	1,080.52	8.05	\$2,744.00	54.88%		
<b>CARBERY - TOTAL</b>	<b>6725</b>						<b>\$2,744.00</b>	<b>40.80%</b>		
Chadi, John - Expenses	22500		2,653.65		2,846.10		\$5,499.75	24.44%		
Chadi, John - Conference	5000	561.80	877.84	53.31	968.82	21.33	\$2,483.10	49.66%		
<b>CHADI - TOTAL</b>	<b>27500</b>						<b>\$7,982.85</b>	<b>29.03%</b>		
Clarkson, Sharon - Expenses	1725			40.00			\$40.00	2.32%	\$509.09	
Clarkson, Sharon - Conference	5000	595.35	1,247.24	150.50	1,115.85	52.36	\$3,161.30	63.23%		
<b>CLARKSON - TOTAL</b>	<b>6725</b>						<b>\$3,201.30</b>	<b>47.60%</b>		
Flett, Sonny - Expenses	22500		3,916.60	699.45	5,996.56		\$10,612.61	47.17%		
Flett, Sonny - Conference	5000	555.00	786.99	155.72	1,089.44		\$2,587.15	51.74%		
<b>FLETT - TOTAL</b>	<b>27500</b>						<b>\$13,199.76</b>	<b>48.00%</b>		
Germain, Sheldon - Expenses	1725						\$0.00	0.00%		
Germain, Sheldon - Conference	5000						\$0.00	0.00%		
<b>GERMAIN - TOTAL</b>	<b>6725</b>						<b>\$0.00</b>	<b>0.00%</b>		
Meagher, Phil - Expenses	1725						\$0.00	0.00%		
Meagher, Phil - Conference	5000	3,905.50	905.76		1,171.90		\$5,983.16	119.66%		
<b>MEAGHER - TOTAL</b>	<b>6725</b>						<b>\$5,983.16</b>	<b>88.97%</b>		
Rebus, Renee - Expenses	6000		1,440.90				\$1,440.90	24.02%		
Rebus, Renee - Conference	5000	636.00	508.05				\$1,144.05	22.88%		
<b>REBUS - TOTAL</b>	<b>11000</b>						<b>\$2,584.95</b>	<b>23.50%</b>		
Slade, Carolyn - Expenses	1725						\$0.00	0.00%		
Slade, Carolyn - Conference	5000						\$0.00	0.00%		
<b>SLADE - TOTAL</b>	<b>6725</b>						<b>\$0.00</b>	<b>0.00%</b>		
Vyboh, John - Expenses	1725						\$0.00	0.00%		
Vyboh, John - Conference	5000	979.00	2,010.95	443.37	1,588.90		\$5,022.22	100.44%		
<b>VYBOH - TOTAL</b>	<b>6725</b>						<b>\$5,022.22</b>	<b>74.68%</b>		
Wiltzen, Lorne - Expenses	10000						\$0.00	0.00%		
Wiltzen, Lorne - Conference	5000						\$0.00	0.00%		
<b>WILTZEN - TOTAL</b>	<b>15000</b>						<b>\$0.00</b>	<b>0.00%</b>		

# REGIONAL MUNICIPALITY OF WOOD BUFFALO COUNCIL REPORT

To:	Mayor and Council
From:	Planning and Development
Date:	January 23, 2007
Subject:	Tender Award - Thickwood Heights Water Supply

## **ISSUE:**

To award Tender No. QU1831 for Thickwood Heights Water Supply.

## **REFERENCE:**

1. 2007 Capital Budget

## **HISTORY:**

The Thickwood Heights Water Supply project was approved in the 2007 Capital Budget for nine hundred twenty six thousand, four hundred and seventy five dollars (\$926,475). The work involves supply and installation of 540 meter 600 mm PVC water main from Thicket Drive/Silin Forest intersection to Thickwood Boulevard. This will complete the upgrading of the water supply to Timberlea and the Highway 63 supply line.

Tenders were issued on November 21, 2006 and closed on December 14, 2006. Four bids were received.

The bids received were reviewed and evaluated by Administration and one bid was found not to be in compliance with the bid submission requirements. The other three bids are as follows:

Carmacks Enterprises Ltd.	\$ 735,060.00 (below budgeted amount)
H Wilson Industries Ltd.	\$ 827,010.00 (below budgeted amount)
BYZ Construction Inc.	\$1,233,000.00

## **ALTERNATIVES:**

1. Award the tender
2. Do not award the tender

## **ANALYSIS:**

The first alternative is considered to be the best option as the existing watermain is in excess of 25 years old and this contract will complete the upgrading of the water supply to Timberlea and the Highway 63 supply line.

**ATTACHMENTS:**

1. Location map

**ADMINISTRATIVE RECOMMENDATION:**

That Tender No. QU1831 - Thickwood Heights Water Supply be awarded to Carmacks Enterprises Ltd in the amount of \$735,060.00 (excluding GST).



### THICKWOOD HEIGHTS WATER SUPPLY LOCATION MAP

DRAWN BY: KCV

DATE: January 2007

SCALE: NTS



REGIONAL MUNICIPALITY  
OF **WOOD BUFFALO**

# REGIONAL MUNICIPALITY OF WOOD BUFFALO COUNCIL REPORT

To:	Mayor and Council
From:	Planning & Development
Date:	January 23, 2007
Subject:	Highway 63 Eco-Industrial Park Marketing Strategy

## **ISSUE:**

An equitable and transparent process is required for the marketing of lots in the Highway 63 Eco-Industrial Park and this report seeks Council approval for a proposed marketing strategy to undertake those sales.

## **REFERENCE:**

- Highway 63 North Area Structure Plan complete with Amendments
- Council Resolution 091/06 dated Mar 14, 2006 approving development of Highway 63 Eco-Industrial Park

## **HISTORY:**

In March 2006 Council directed Administration to proceed with development of Highway 63 Industrial Park in a sustainable manner, where financially and reasonably possible. Development managers were retained in August 2006 and design is currently underway. Subdivision and rezoning amendment applications have been made and land sales need to be completed in 2007 to offset project development costs associated with site servicing. A market appraisal has been completed and market value of the lots ranges from \$650,000 per acre to \$1,700,000 per acre depending on land use, highway exposure, and lot size. Other factors such as easements, geotechnical conditions, and amount of site grading/filling required could reduce these values.

Industrial land is limited within the urban service area and discussions are now underway with the Province to advance the next expected area for industrial development - near the intersection of Highways 881 and 63.

## **ALTERNATIVES:**

### **1. List on Open Market**

This strategy would set lot prices based on the market appraisal, list lots for sale, and deal with purchaser on a "first come first served" basis. Where multiple offers are received, counter-offers would be made and negotiations would continue, perhaps with multiple purchasers, until an agreement is reached with the best purchaser (likely offering the highest price/fewest conditions).

### **2. Highest Bidder**

This strategy would involve selling the lots by auction or through a sealed bid process. In both cases the land would be sold unconditionally to the purchaser offering the highest price.

**3. Highest Bidder with Performance Evaluation**

This strategy would involve selling the lots by auction or through a sealed bid process after a prequalification process. This would involve establishing criteria, receiving proposals, then allowing all that qualify to bid.

**4. Proposal Call with Established Price and Performance Evaluation**

This strategy would set prices based on the market appraisal and call for purchaser proposals or expressions of interest. The purchaser would state the lot(s) that they are interested in and what they would propose to develop on the lot. There would be a list of evaluation criteria developed to guide the purchasers in the development of their proposals. The successful proposal for each lot would be determined based on the highest score. Alternatively, those proposals meeting a minimum score could be placed in a lottery to determine the successful purchaser.

**ANALYSIS:**

**1. List on Open Market**

Pros - Very conventional

- Process well understood by market
- Process could be initiated almost immediately

Cons - Risk of precluding local/smaller existing businesses due to potential for bidding wars

- Very time consuming for multiple offers (expected)
- Process could result in complaints regarding fairness
- Limited opportunity for choosing more sustainable developments or selecting users that could enhance eco-industrial networking opportunities (although additional sustainability conditions could be required as part of sales agreement)

**2. Highest Bidder**

Pros - Likely to yield highest value in this market

- Quick process

Cons - Would likely preclude local/smaller existing businesses due to potential price escalation

- Potential for complaints from local/smaller existing businesses
- No opportunity for choosing more sustainable developments or selecting users that could enhance eco-industrial networking opportunities (although additional sustainability conditions could be required as part of sales agreement)

**3. Highest Bidder with Performance Evaluation**

Pros - Likely to yield high value in this market

- Ensure development meets that add sustainable, social, economic development or other benefits to the Municipality

Cons - Would likely preclude local/smaller existing businesses due to potential price escalation

- Potential for complaints from local/smaller existing businesses
- Process somewhat less understood by market
- Process slightly longer but within available timeframe



#### **4. Proposal Call with Established Price and Performance Evaluation**

- Pros
- Best potential to accommodate existing local businesses by developing appropriate evaluation criteria
  - Can choose proposals that add sustainable, social, economic development, or other benefits to the Municipality
  - Could add value to eco-industrial networking opportunities such as district heat or non-potable water use
  - Will achieve market value of lands
  - Consistent with other eco-industrial projects worldwide
- Cons
- Process somewhat less understood by market
  - Process slightly longer but within available timeframe

Established price, based on market appraisal dated December 2006 from Colliers International, will be a minimum of \$650,000 per acre for secondary industrial lots (closest to the river) to \$800,000 per acre for the primary industrial lots (closest to the highway frontage lots) to \$1,700,000 per acre for the highway frontage lots for an approximate total sales value of \$44,500,000 (compared with \$33,000,000 in the Council approved pro-forma).

Performance evaluation criteria will be structured to provide first priority to:

- Proposals that support existing/local businesses in the Municipality where tenure (leases) are not secure,
- Proposals that support existing/local businesses in the Municipality that can't expand their business because of lack of space,

with secondary priorities to include but not be limited to the following favourable considerations and preferences:

- Proposals that promote, demonstrate, or enhance both sustainability initiatives within their development beyond those required under the proposed zoning and development guidelines and eco-industrial networking opportunities between businesses within the Industrial Park.
- Proposals that enhance the business case for eco-industrial opportunities such as district energy systems, non-potable water use, district recycling, etc.

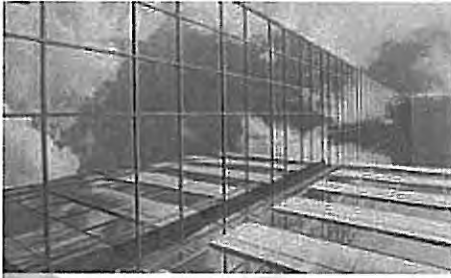
The Municipality reserves the right to limit the amount of land (or exclude land) to be marketed in this manner where such land is required for municipal use, such as exchange for lands necessary for the Clearwater Drive project.

#### **ATTACHMENT**

Draft Valuation Letter dated December 6, 2006 from Colliers International

#### **ADMINISTRATIVE RECOMMENDATION:**

That Administration be directed to develop a comprehensive strategy for the marketing of lots in the Highway 63 Eco-Industrial park that includes a request for proposals with an established price, and performance evaluation, which clearly documents the eligibility, performance criteria, evaluation process and selection criteria, and bring the strategy to Council for approval .



Valuation



**DRAFT COPY**

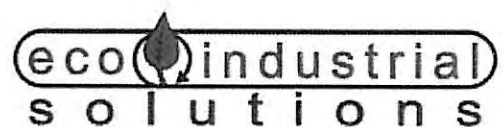


Fort McMurray Eco-Park  
Highway 63  
Fort McMurray, Alberta

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*Prepared for*



December 2006

Our File: 8397-06

December 15, 2006

Eco-Industrial Solutions Ltd.  
Suite 501, 318 Homer Street  
Vancouver, British Columbia  
V6B 2V2

**Colliers International  
Realty Advisors Inc.**  
10180 - 101 Street  
Suite 3555  
Edmonton, Alberta  
Canada T5J 3S4  
Telephone (780)425-0380  
Fax (780)424-7830

Dear Ms. Tracy Casavant, MES, P. Eng:

**RE: FORT MCMURRAY ECO-PARK, HIGHWAY 63, FORT MCMURRAY, ALBERTA**

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In accordance with your request, we have carried out a site inspection and completed the appropriate research in order to estimate the most achievable unit values for the various serviced industrial/commercial sites to be developed within the Fort McMurray Eco-Park. The report will also comment upon the estimated absorption period for the industrial and commercial lots and identify, where appropriate, any variances in value, which may arise out of the individual sites offering highway frontage and/or internal locations within the Park. In addition, we will also explore the suitability/demand for hotel development potential on the proposed commercial lots with Highway frontage.

Based upon our research and analysis, it is our opinion that the "Retail" market value of the fee simple interest in the serviced industrial and commercial sites as at the effective date of the appraisal, November 24, 2006, is as follows:

#### **Industrial Sites**

- Larger (3.9 to 6.2 acres) internally located sites - \$15.00 to \$16.00 per square foot
- Medium (2.1 to 2.7 acres) internally located sites - \$16.00 to \$17.00 per square foot
- Smaller (1.0 to 2.0 acres) internally located sites - \$17.00 to \$18.00 per square foot

#### **Commercial Sites**

- Larger (5.0 acres) site (highway exposure) - \$40.00 to 42.50 per square foot
- Smaller (2.3 to 3.1 acres) sites (highway exposure) - \$42.50 to \$45.00 per square foot

The unit value estimates are based upon the assumption that the industrial lots, referred to as the Fort McMurray Eco-Park, have been exposed to the market for a period of one to three months prior to the valuation date; this is a hypothetical condition required to meet the general accepted definition of market value used in this report.

Furthermore, in regards to a realistic absorption period, taking into consideration the number and size of the subject industrial lots, the proposed land use classifications, due diligence periods and the

market existing within the Regional Municipality of Wood Buffalo at this time, we feel that a realistic absorption period of one to three months would be warranted.

The Report outlines the methodology undertaken in support of the preceding conclusions and contains the pertinent data gathered in our investigation of the market. Should you have any questions or comments, we would be pleased to discuss the valuation further.

Yours very truly,

COLLIERS INTERNATIONAL REALTY ADVISORS INC.

Ryan Miller, AACI  
Senior Consultant

# REGIONAL MUNICIPALITY OF WOOD BUFFALO COUNCIL REPORT

To:	Mayor and Council
From:	Operations & Maintenance
Date:	January 23, 2007
Subject:	Funding Source - Fort McKay Sewage Pumping System Upgrade

## **ISSUE:**

Approve funding source for the Fort McKay Sewage Pumping System Upgrade.

## **REFERENCE:**

1. AEAL Engineering Design Memorandum Report dated August 2005
2. AEAL Engineering Letter of Recommendation dated January 17, 2006
3. Provincial Letter of Funding dated March 23, 2006
4. Fort McKay First Nation Agreement dated March 18, 2003

## **HISTORY:**

The need for upgrading the sanitary sewer lift station in Fort McKay was identified through an engineering review prepared by Associated Engineering. The study concluded that the existing sanitary sewer lift station and sewer force main do not have the capacity to service the current needs of the benefiting area. The study recommended that the facility be upgraded immediately.

Fort McKay First Nations and INAC initiated the project as Project Manager with construction commencing immediately. Project is now near completion and it is anticipated that the final cost for the project is within the Engineer's estimate.

Based on the Fort McKay First Nation (FMFN) agreement, the cost share of previous capital projects is 78% from FMFN supported by Indian and Northern Affairs Canada (INAC) and 22% from the Regional Municipality of Wood Buffalo (RMWB). Administration was successful in its application for provincial funding that will cover 75% of the municipality's 22% portion. The funding sources for the project therefore are as follows:

• INAC (78%).....	\$1,774,970
• RMWB (22%).....	\$ 500,632
○ Provincial Share (75%) -	\$375,474
○ RMWB Share (25%) -	\$125,158
Total Project Cost	<u>\$2,275,602</u>

**ALTERNATIVES:**

Funding alternatives for the Fort McKay Sewage Pumping System Upgrade:

- Emerging Issues Funding
- Capital Infrastructure Funding
- Operating Funding
- Debenture Borrowing

Review of funding sources was conducted by Finance.

**ADMINISTRATIVE RECOMMENDATION:**

THAT \$130,000 be allocated from the Capital Infrastructure Reserve for the Fort McKay Sewage Pumping System Upgrade project.

# REGIONAL MUNICIPALITY OF WOOD BUFFALO COUNCIL REPORT

To:	Mayor & Council
From:	Planning & Development
Date:	January 23, 2007
Subject:	Bylaw No. 07/001 - Land Use Bylaw Amendment – Part of Lot 1, Block 17, Plan 052 3653 - Timberlea North Central Phase 7

## **ISSUE:**

Rezoning of a portion of Lot 1, Block 17, Plan 052 3653, known municipally as Timberlea North Central Phase 7, to R2-1 – Modified Medium Density Residential to bring the property into compliance with the Timberlea Area Structure Plan.

## **REFERENCE:**

Municipal Government Act, R.S.A. 2000 c.M-26  
Bylaw No. 00.005 - Municipal Development Plan  
Bylaw No. 01/020 - Timberlea Area Structure Plan  
Bylaw No. 99/059 - Land Use Bylaw

## **HISTORY:**

The Timberlea area is the primary location for new housing in the urban service area, and has been developed in accordance with the Timberlea Area Structure Plan (ASP). The land identified for future housing under the ASP was initially zoned Urban Expansion (UE). As detailed plans of development are prepared, the appropriate and more detailed zoning is required.

## **ALTERNATIVES:**

1. Approve Council may adopt the proposed amendments.
2. Reject the proposed amendments.

## **ANALYSIS:**

Phase 7 is a small portion of the Timberlea North Central area. The ASP called for development of the area for Medium Density Residential. The detailed planning identified uses best regulated under the R2-1 district.

The rezoning will bring the lands into compliance with the Timberlea ASP's housing policies and detailed land use plans prepared for the overall area.

During a public meeting held on November 22, 2006 for the Area Structure Plan, there was no member of the community that voiced any objections to the proposal. A hearing specific to this change will occur during the bylaw process.

**ATTACHMENTS:**

1. Bylaw No. 07/001

**ADMINISTRATIVE RECOMMENDATION:**

THAT Bylaw No. 07/001, being a Land Use Bylaw Amendment to change the designation of a portion of Lot 1, Block 17, Plan 052 3653 from UE-Urban Expansion District to R2-1-Modified Medium Density Residential District, be read a first time.



**BYLAW NO. 07/001**

**BEING A BYLAW OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO AMEND LAND USE BYLAW NO. 99/059**

**WHEREAS** Section 639 of the Municipal Government Act, R.S.A., 2000, Chapter M-26 and amendments thereto authorizes Council to enact a bylaw adopting a municipal Land Use Bylaw.

**AND WHEREAS** Section 191(1) of the Municipal Government Act, R.S.A., 2000, Chapter M-26 and amendments thereto authorizes Council to adopt a bylaw to amend a municipal Land Use Bylaw.

**NOW THEREFORE**, the Council of the Regional Municipality of Wood Buffalo, in the Province of Alberta, in open meeting hereby enacts as follows:

1. THAT the Bylaw No. 99/059 is hereby amended by changing the designation of a portion of Lot 1, Block 17, Plan 052 3653, as shown on Schedule "A" attached hereto and forming part of this bylaw, from UE-Urban Expansion District to R2-1-Modified Medium Density Residential District.
2. THAT this bylaw shall be passed and become effective when it receives third reading and is signed by the Mayor and Chief Legislative Officer.

READ a first time in Council this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

READ a second time in Council this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

READ a third time in Council and passed this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

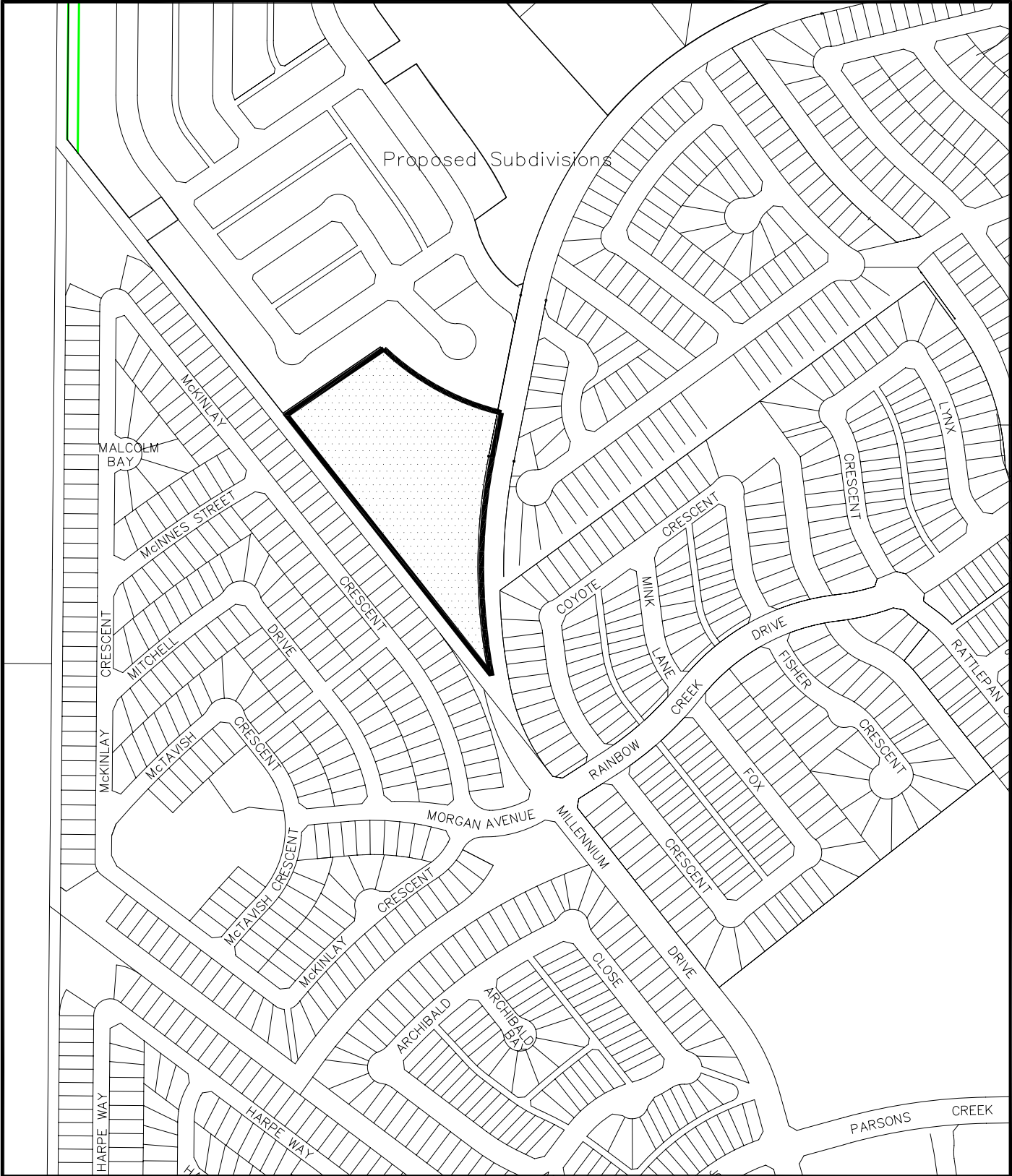
SIGNED and PASSED this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2007.

CERTIFIED A TRUE COPY

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CHIEF LEGISLATIVE OFFICER

\_\_\_\_\_  
CHIEF LEGISLATIVE OFFICER



 Land Use Bylaw Amendment



From UE (Urban Expansion) to R2-1 (Modified Medium Density Residential) District  
 Within Lot 1, Block 17, Plan 052 3653