



Council Meeting

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

Tuesday, May 13, 2008
6:00 p.m.

Agenda

Call to Order

Opening Prayer

Adoption of Agenda

Minutes of Previous Meetings

- A. Council Meeting – April 22, 2008

Delegations

None Scheduled.

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.

Bylaws

- A. Debenture Borrowing for 2008 Engineering Capital Projects (*two bylaws for 2nd and 3rd readings*)
 - Lower Townsite West Loop Road
 - Highway 63 Collector – Distributor Road Development Impacts
- B. Bylaw No. 08/033 – Amendment to Highway 63 North Water Supply Line Local Improvement Bylaw (*1st, 2nd and 3rd readings*)
- C. Bylaw No. 08/029 – 2008 Tax Rate Bylaw (*1st reading*)

Reports

- A. Appointments to Council Committees
- B. Funding and Support Request for the 2008 U-14 Boys and Girls Outdoor Provincial Soccer Championships

New and Unfinished Business

Updates

- A. Reporting of Councillors on Boards and Committees
(*Councillors Allen, Blair, Byron, and Clarkson*)
- B. Mayor's Update

Adjournment

REGIONAL MUNICIPALITY OF WOOD BUFFALO COUNCIL REPORT

To:	Mayor and Council
From:	Engineering
Date:	May 13, 2008
Subject:	Debenture Borrowing for 2008 Engineering Capital Projects - Bylaw No. 08/027 - Lower Townsite West Loop Road - Bylaw No. 08/028 - Highway 63 Collector – Distributor Road Development Impacts

ISSUE:

Approval of debenture borrowing is required in order to proceed with projects previously approved through the Capital Budget process.

REFERENCE:

1. Municipal Government Act Section 251(1)
2. 2008 Capital Budget

HISTORY:

The following projects were approved by Council in the 2008 Capital Budget and identified debenture borrowing as a source of funding:

Bylaw #	Project Name	Funding Sources	Description
08/027	Lower Townsite West Loop Road	Provincial Grant: \$17,258,132 Approved Reserve: \$7,344,984 Debenture: \$25,596,884 Total Cost - \$50,200,000	Extension of the Lower Townsite (LTS) East Loop Road (Clearwater Drive) from Alberta Drive to Morrison Street. Preliminary alignment to be determined in Stage 1 of the Transportation Master Plan. Requires land acquisition on both sides of Riedel Street and relocation of portions of the Edge Water Court development. Provides a corridor for the extension of the Lift Station 1B 750mm sanitary sewer forcemain, Lift Station 1A replacement 750mm sanitary sewer forcemain and LTS 900mm watermain loop. (Sewer force main & water main budgeted under separate submissions)

Bylaw #	Project Name	Funding Sources	Description
08/028	Highway 63 Collector – Distributor Road Development Impacts	Provincial Grant: \$34,800,000 Approved Reserve: \$68,200,000 Debenture: \$7,000,000 Total Cost - \$110,000,000	Alberta Infrastructure and Transportation has developed a Collector – Distributor roadway concept for the upgrading of Highway 63 through the Lower Townsite. The Collector - Distributor road will impact a number of facilities and utilities which must be either modified, replaced or relocated, e.g., modify Fire Hall No.1 site, relocate King Street booster pump house, remove trunk watermain along highway to a new alternate alignment, replace LTS reservoir feed lines/ control valves. Immediate impacts include the utilities crossing on the Steinhauer bridge and their approaches, e.g., replacing the 600mm trunk water main from Richard Street to the new bridge from the Highway corridor onto Franklin Avenue.

ANALYSIS:

The 2008 Capital Budget was approved on December 10, 2007 and identified debenture borrowing as a source of funding for the above-noted projects.

These bylaws are brought forward for Council consideration as the Municipal Government Act requires Council approval of any borrowing. Debenture funds are drawn down by the Municipality upon conclusion of the project or whenever significant costs have been incurred. No borrowing costs are incurred if the project is delayed or does not proceed.

As all the projects exceed five (5) years in duration, advertising is required in accordance with Section 251 of the Municipal Government Act.

ATTACHMENTS:

1. Bylaw No. 08/027 w/amortization schedule
2. Bylaw No. 08/028 w/amortization schedule

ADMINISTRATIVE RECOMMENDATIONS:

1. THAT the following debenture borrowing bylaws be read a second time:
 - Bylaw No. 08/027 - Lower Townsite West Loop Road
 - Bylaw No. 08/028 - Highway 63 Collector – Distributor Road Development Impacts

2. THAT the following debenture borrowing bylaws be read a third and final time:
 - Bylaw No. 08/027 - Lower Townsite West Loop Road
 - Bylaw No. 08/028 - Highway 63 Collector – Distributor Road Development Impacts

BYLAW NO. 08/027

BEING A BYLAW OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO AUTHORIZE THE COUNCIL OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO INCUR AN INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES IN THE AMOUNT OF TWENTY FIVE MILLION FIVE HUNDRED NINETY SIX THOUSAND EIGHT HUNDRED EIGHTY FOUR DOLLARS (\$25,596,884.00) FOR THE PURPOSE OF THE LOWER TOWNSITE WEST LOOP ROAD.

WHEREAS the Council of the Regional Municipality of Wood Buffalo has decided to issue a bylaw pursuant to Section 258 of the Municipal Government Act to authorize the financing, undertaking and completion of the Lower Townsite West Loop Road;

WHEREAS the Regional Municipality of Wood Buffalo has made plans, specifications and estimates for the project and confirms the total cost of the Lower Townsite West Loop Road is \$50,200,000.00.

WHEREAS in order to complete the said project, it will be necessary for the Regional Municipality of Wood Buffalo to borrow the sum of \$25,596,884.00, for a period not to exceed twenty (20) years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred in this bylaw.

WHEREAS the principal amount of the outstanding debt of the Regional Municipality of Wood Buffalo at December 31, 2006 is \$201,896,286.00 and no part of the principal or interest is in arrears;

WHEREAS the estimated lifetime of the project financed under this bylaw is equal to, or in excess of twenty (20) years;

AND WHEREAS all required approvals for the project have been obtained and the project is in compliance with all Acts and Regulations of the Province of Alberta;

NOW, THEREFORE, the Council of the Regional Municipality of Wood Buffalo, duly assembled, hereby enacts as follows:

1. That for the purpose of the Lower Townsite West Loop Road the sum of TWENTY FIVE MILLION FIVE HUNDRED NINETY SIX THOUSAND EIGHT HUNDRED EIGHTY FOUR DOLLARS (\$25,596,884.00) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Regional Municipality of Wood Buffalo at large, of which amount the full sum of \$25,596,884.00 is to be paid by the Regional Municipality of Wood Buffalo at large.
2. The proper officers of the Municipality are hereby authorized to issue debentures on behalf of the Municipality for the amount and purpose as authorized by this bylaw, namely the Lower Townsite West Loop Road.

3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest installments not to exceed twenty (20) years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed fourteen (14) percent.
4. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw shall become effective when it has received third reading and been signed by the Mayor and Chief Legislative Officer.

READ a first time this 8th day of April, 2008.

READ a second time this _____ day of _____, 2008.

READ a third and final time this _____ day of _____, 2008.

SIGNED and PASSED this _____ day of _____, 2008.

CERTIFIED A TRUE COPY

MAYOR

CHIEF LEGISLATIVE OFFICER

CHIEF LEGISLATIVE OFFICER

Debenture Schedule

Lower Townsite West Loop Road

Principal	\$25,596,884.00
Interest	6.00%
Term	20
Payments	\$2,231,652.99

Year	Beginning Balance	Interest	Payment	Principal	End Balance
					\$25,596,884.00
1	\$25,596,884.00	\$1,535,813.04	\$2,231,652.99	\$695,839.95	\$24,901,044.05
2	\$24,901,044.05	\$1,494,062.64	\$2,231,652.99	\$737,590.35	\$24,163,453.70
3	\$24,163,453.70	\$1,449,807.22	\$2,231,652.99	\$781,845.77	\$23,381,607.93
4	\$23,381,607.93	\$1,402,896.48	\$2,231,652.99	\$828,756.52	\$22,552,851.41
5	\$22,552,851.41	\$1,353,171.08	\$2,231,652.99	\$878,481.91	\$21,674,369.51
6	\$21,674,369.51	\$1,300,462.17	\$2,231,652.99	\$931,190.82	\$20,743,178.69
7	\$20,743,178.69	\$1,244,590.72	\$2,231,652.99	\$987,062.27	\$19,756,116.42
8	\$19,756,116.42	\$1,185,366.98	\$2,231,652.99	\$1,046,286.01	\$18,709,830.41
9	\$18,709,830.41	\$1,122,589.82	\$2,231,652.99	\$1,109,063.17	\$17,600,767.24
10	\$17,600,767.24	\$1,056,046.03	\$2,231,652.99	\$1,175,606.96	\$16,425,160.29
11	\$16,425,160.29	\$985,509.62	\$2,231,652.99	\$1,246,143.37	\$15,179,016.91
12	\$15,179,016.91	\$910,741.01	\$2,231,652.99	\$1,320,911.98	\$13,858,104.94
13	\$13,858,104.94	\$831,486.30	\$2,231,652.99	\$1,400,166.70	\$12,457,938.24
14	\$12,457,938.24	\$747,476.29	\$2,231,652.99	\$1,484,176.70	\$10,973,761.54
15	\$10,973,761.54	\$658,425.69	\$2,231,652.99	\$1,573,227.30	\$9,400,534.24
16	\$9,400,534.24	\$564,032.05	\$2,231,652.99	\$1,667,620.94	\$7,732,913.31
17	\$7,732,913.31	\$463,974.80	\$2,231,652.99	\$1,767,678.19	\$5,965,235.11
18	\$5,965,235.11	\$357,914.11	\$2,231,652.99	\$1,873,738.88	\$4,091,496.23
19	\$4,091,496.23	\$245,489.77	\$2,231,652.99	\$1,986,163.22	\$2,105,333.01
20	\$2,105,333.01	\$126,319.98	\$2,231,652.99	\$2,105,333.01	\$0.00
		Interest	Payment	Principal	
	Total	\$19,036,175.83	\$44,633,059.83	\$25,596,884.00	

BYLAW NO. 08/028

BEING A BYLAW OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO AUTHORIZE THE COUNCIL OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO INCUR AN INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES IN THE AMOUNT OF SEVEN MILLION DOLLARS (\$7,000,00.00) FOR THE PURPOSE OF THE HIGHWAY 63 COLLECTOR-DISTRIBUTOR ROAD DEVELOPMENT IMPACTS.

WHEREAS the Council of the Regional Municipality of Wood Buffalo has decided to issue a bylaw pursuant to Section 258 of the Municipal Government Act to authorize the financing, undertaking and completion of the Highway 63 Collector-Distributor Road Development Impacts;

WHEREAS the Regional Municipality of Wood Buffalo has made plans, specifications and estimates for the project and confirms the total cost of the Highway 63 Collector-Distributor Road Development Impacts is \$110,000,000.00.

WHEREAS in order to complete the said project, it will be necessary for the Regional Municipality of Wood Buffalo to borrow the sum of \$7,000,000.00, for a period not to exceed fifteen (15) years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred in this bylaw.

WHEREAS the principal amount of the outstanding debt of the Regional Municipality of Wood Buffalo at December 31, 2006 is \$201,896,286.00 and no part of the principal or interest is in arrears;

WHEREAS the estimated lifetime of the project financed under this bylaw is equal to, or in excess of fifteen (15) years;

AND WHEREAS all required approvals for the project have been obtained and the project is in compliance with all Acts and Regulations of the Province of Alberta;

NOW, THEREFORE, the Council of the Regional Municipality of Wood Buffalo, duly assembled, hereby enacts as follows:

1. That for the purpose of the Highway 63 Collector-Distributor Road Development Impacts the sum of SEVEN MILLION DOLLARS (\$7,000,000.00) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Regional Municipality of Wood Buffalo at large, of which amount the full sum of \$7,000,000.00 is to be paid by the Regional Municipality of Wood Buffalo at large.
2. The proper officers of the Municipality are hereby authorized to issue debentures on behalf of the Municipality for the amount and purpose as authorized by this bylaw, namely the Highway 63 Collector-Distributor Road Development Impacts.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect,

namely semi-annual or annual equal payments of combined principal and interest installments not to exceed fifteen (15) years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed fourteen (14) percent.

4. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.
6. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
7. This bylaw shall become effective when it has received third reading and been signed by the Mayor and Chief Legislative Officer.

READ a first time this 8th day of April, 2008.

READ a second time this _____ day of _____, 2008.

READ a third and final time this _____ day of _____, 2008.

SIGNED and PASSED this _____ day of _____, 2008.

CERTIFIED A TRUE COPY

MAYOR

CHIEF LEGISLATIVE OFFICER

CHIEF LEGISLATIVE OFFICER

Debenture Schedule

Highway 63 Collector-Distributor Road Development Impacts

Principal	\$7,000,000.00
Interest	6.00%
Term	15
Payments	\$720,739.35

Year	Beginning Balance	Interest	Payment	Principal	End Balance
					\$7,000,000.00
1	\$7,000,000.00	\$420,000.00	\$720,739.35	\$300,739.35	\$6,699,260.65
2	\$6,699,260.65	\$401,955.64	\$720,739.35	\$318,783.71	\$6,380,476.94
3	\$6,380,476.94	\$382,828.62	\$720,739.35	\$337,910.73	\$6,042,566.21
4	\$6,042,566.21	\$362,553.97	\$720,739.35	\$358,185.37	\$5,684,380.84
5	\$5,684,380.84	\$341,062.85	\$720,739.35	\$379,676.50	\$5,304,704.34
6	\$5,304,704.34	\$318,282.26	\$720,739.35	\$402,457.09	\$4,902,247.25
7	\$4,902,247.25	\$294,134.84	\$720,739.35	\$426,604.51	\$4,475,642.74
8	\$4,475,642.74	\$268,538.56	\$720,739.35	\$452,200.78	\$4,023,441.96
9	\$4,023,441.96	\$241,406.52	\$720,739.35	\$479,332.83	\$3,544,109.13
10	\$3,544,109.13	\$212,646.55	\$720,739.35	\$508,092.80	\$3,036,016.33
11	\$3,036,016.33	\$182,160.98	\$720,739.35	\$538,578.37	\$2,497,437.96
12	\$2,497,437.96	\$149,846.28	\$720,739.35	\$570,893.07	\$1,926,544.89
13	\$1,926,544.89	\$115,592.69	\$720,739.35	\$605,146.65	\$1,321,398.23
14	\$1,321,398.23	\$79,283.89	\$720,739.35	\$641,455.45	\$679,942.78
15	\$679,942.78	\$40,796.57	\$720,739.35	\$679,942.78	\$0.00
	Total	Interest	Payment	Principal	
		\$3,811,090.22	\$10,811,090.22	\$7,000,000.00	

Subject: Bylaw No. 08/033 – Amendment to Highway 63 North Water Supply Line Local Improvement Bylaw

APPROVALS:

Henk van Waas, General Manager
Rod Burkard, for Deputy Chief Administrative Officer - Corporate
Rod Burkard, Chief Administrative Officer

Administrative Recommendation(s):

1. **THAT** Bylaw No. 08/033 be read a first time.
2. **THAT** Bylaw No. 08/033 be read a second time.
3. **THAT** Bylaw No. 08/033 be considered for a third reading.
4. **THAT** Bylaw No. 08/033 be read a third and final time.

Summary:

Bylaw No. 03/052 “Highway 63 North Water Supply Line Local Improvement” came into existence in the year 2003. The purpose of the Bylaw was to supply and install a water main from the intersection of Memorial Drive and Confederation Way to the Tempo service station. This report presents an amendment to the Highway 63 North Water Supply Line Local Improvement Bylaw as a result of recent property subdivisions. Therefore, the assessable areas must be corrected which necessitates the re-allocation of local improvement charges.

Background:

Subsequent to approval of Bylaw No. 03/052 “Highway 63 North Water Supply Line Local Improvement,” several alterations have resulted to the assessed area of the local improvement. The required changes need to be incorporated in Schedule A of the Bylaw. Changes to the assessed area are a result of:

1. New property subdivisions, and
2. Correction in assessed areas:
 - a. Lot 3, Block 1, Plan 022 6729 – from 3.88 Hectares to 0 Hectares
Lot 5, Block 1, Plan 074 0469 – new subdivision – 1.820 Hectares.
Lot 6, Block 1, Plan 074 0469 – new subdivision – 2.060 Hectares.
 - b. Lot 1, Plan 012-0302 – from 17.38 Hectares to 0 Hectares
Lot 5, Block 1, Plan 072 2934 – new subdivision – 4.718 Hectares.

- Lot 6, Block 1, Plan 072 2934 – new subdivision – 9.206 Hectares.
- Lot 2, Block 2, Plan 072 2934 – new subdivision – 1.586 Hectares.
- Lot 3, Block 2, Plan 072 2934 – new subdivision – .936 Hectares.
- Lot 4, Block 2, Plan 072 2934 – new subdivision – .934 Hectares.

Rationale for Recommendations(s):

The Municipal Government Act requires that subsequent subdivisions or amalgamations of parcels which are subject to a local improvement tax must be reflected in the respective local improvement bylaw. Local Improvement Bylaw No. 03/052 which created the Highway 63 North Water Supply Line Local Improvement was amended in 2006 by Bylaw No. 06/018 which revised Schedule A. As a result of current new sub-divisions and correction to parcel sizes, Local Improvement Bylaw No. 06/018 must be amended by Bylaw No. 08/033 which again amends Schedule A.

As this is an administrative matter, combined with the fact that the changes must be reflected in the 2008 tax notices, Administration is requesting that the Bylaw be given all three readings.

Attachments:

1. Bylaw No. 08/033.

BYLAW NO. 08/033

BEING A BYLAW OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO AMEND DEBENTURE BYLAW NO 03/052

WHEREAS the Council of the Regional Municipality of Wood Buffalo wishes to amend Bylaw No. 03/052 authorizing the issuance of a debenture of THREE MILLION FOUR HUNDRED THOUSAND (\$3,400,000) DOLLARS in respect of the project known as “Highway 63 North Water Supply Line Local Improvement”;

AND WHEREAS pursuant to the Municipal Government Act, Chapter M-26, R.S.A. 2000, the Council of the Regional Municipality of Wood Buffalo may pass a Bylaw to amend or repeal a Bylaw;

NOW, THEREFORE, be it resolved that the Council of the Regional Municipality of Wood Buffalo, in the Province of Alberta, hereby enacts as follows:

1. THAT Bylaw No. 03/052 is amended by deleting the existing Schedule “A” and inserting the attached Schedule “A”.
2. THAT the Chief Administrative Officer shall be authorized to consolidate this Bylaw.
3. 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 this ____ day of _____, 2008.

READ a second time this ____ day of _____, 2008.

READ a third and final time this ____ day of _____, 2008.

SIGNED and PASSED this ____ day of _____, 2008.

MAYOR

CHIEF LEGISLATIVE OFFICER

SCHEDULE A**HIGHWAY 63 NORTH WATER SUPPLY LINE LOCAL IMPROVEMENT**

1.	<u>LOT</u>	<u>BLOCK</u>	<u>PLAN</u>	<u>ROLL #</u>	<u>ASSESSED PROPERTY</u>
	7	1	0422789	50583590	9.300 hectares
	3A	1	0427034	50589010	1.720 hectares
	4		9920757	50562720	1.370 hectares
	5		9920757	50562730	.690 hectares
	6		9920757	50562740	.750 hectares
	7		9920757	50562750	.540 hectares
	1		9122620	50559775	3.020 hectares
	2		9122620	50559780	1.870 hectares
	2		0123419	50567890	2.420 hectares
	1		9820898	50561810	2.710 hectares
	5	1	0740469	50527310	1.820 hectares
	6	1	0740469	50527320	2.060 hectares
	5	1	0722934	50513040	4.718 hectares
	6	1	0722934	50513050	9.206 hectares
	2	2	0722934	50513010	1.586 hectares
	3	2	0722934	50513020	.936 hectares
	4	2	0722934	50513030	.934 hectares
	5	1	0521834	50590600	1.420 hectares
	6	1	0521834	50590610	1.050 hectares
	7	1	0521834	50590620	1.050 hectares
	8	1	0521834	50590630	4.360 hectares
	2	1	0421281	50583460	2.020 hectares
	3	1	0421281	50583470	1.200 hectares
	4	1	0421281	50583480	1.400 hectares
	4	2	0225028	50574920	3.140 hectares
	4	1	0421423	50583490	2.760 hectares
			4-09-089-31-SE	50500394	7.000 hectares
			4-09-089-32-SW	50580180	2.190 hectares
	3	1	0421905	50583600	26.320 hectares
2.	Total Property				99.560 hectares
3.	Total Special Assessment against all properties				\$ 2,566,842.75
4.	Total Special Assessment per hectare				\$ 25,781.87
5.	Annual Unit Rate per hectare of property to be payable for a period of 20 years calculated at 5.175 %				\$ 2,084.49
6.	Total yearly assessment against all above properties				\$ 207,531.82

Subject: Bylaw No. 08/029 - 2008 Tax Rate Bylaw

APPROVALS: Henk van Waas, General Manager, Assessment & Taxation
Kevin Greig, Deputy CAO – Corporate
Rodney Burkard, Chief Administrative Officer

Administrative Recommendation(s):

1. THAT Bylaw No. 08/029, being the 2008 Tax Rate Bylaw, be read a first time.
2. THAT the 2008 Operating Budget be amended by increasing the amount to be allocated to the Capital Infrastructure Reserve by \$29 Million, subject to Tax Rate Bylaw 08/029 receiving third and final reading.

Summary:

In accordance with the *Municipal Government Act*, the Regional Municipality of Wood Buffalo is required, annually, to pass a Tax Rate Bylaw. The Bylaw establishes the rates at which various property classes are to be taxed and is calculated based on the total assessment value of all properties within each of the property classes throughout the Regional Municipality (Urban and Rural Service Areas).

Assessment valuation methods are prescribed by the Provincial Government and vary between property types. The tax levied on all residential and commercial properties is calculated by applying the tax rate against the individual property's market value assessment as of July 1 of the previous year. Machinery and equipment and linear property are assessed based on a regulated cost approach.

Property taxes are levied to raise revenue to fund Municipal expenditures and external requisitions from Alberta Education, Ayabaskaw House, and Rotary House. With respect to requisitions for Provincial Education and seniors' facilities, the requisitioning authority's tax rates are calculated based on the amounts they request. In imposing the necessary tax levy, it is important to note that the Municipality simply acts as a collector of the funds and Council has no authority to refuse or change the amount requested.

A typical residential property tax notice will consist of three components: a municipal levy, an Alberta Education requisition levy, and a levy for seniors' lodging. The total amount of property taxes paid will vary based on the actual assessment value, and the respective tax rate (Urban Residential, Rural Residential, or Non-Residential) applied against the various property classes.

Background:

In order to assist with the understanding of the following 2008 tax rate recommendations, the following clarifications are provided:

- Property tax remaining neutral simply means that the Municipality will collect the same overall tax revenue for the 2008 tax year as it did in the 2007 tax year on properties which existed in 2007. Market values in the residential property tax classes experienced differing market value increases due to factors such as locational influences. Although the Municipality is collecting the same revenue in 2008 from residential properties which existed in 2007, there will be both tax increases and decreases within the property classes.
- The overall total tax revenue collected for the residential property classes will increase as a result of new properties being taxed for the first time in the 2008 taxation year.

Administration has used the following approach to establish tax rates for the 2008 Tax Rate Bylaw:

- Urban Residential and Rural Residential property taxes (as a group) remain neutral, with additional taxes collected from first time new properties,
- Urban Other Residential property taxes (as a group) remain neutral, with additional taxes collected from first time new properties,
- Urban Non-Residential property taxes (as a group) be increased 5%, with additional taxes collected from first time new properties,
- Rural Non Residential property taxes (as a group) be increased 20%, with additional taxes collected from first time new properties.

In 2005 and 2006, our Mayor on behalf of Council presented two resolutions to both the Alberta Urban Municipalities Association and Alberta Association of Municipal Districts and Counties concerning machinery and equipment assessments. The resolutions called for the abolishment of the immediate 25% depreciation allowance and repealing *Municipal Government Act Section 354 (3.1)* which requires machinery and equipment to be taxed at the same rate as non-residential properties. These resolutions would enable the Municipality to fairly distribute taxes. Although supported unanimously by both associations and forwarded to the Provincial Government, to date there has been no positive government response.

In 2006, the Regional Municipality of Wood Buffalo intervened in three Alberta Energy and Utility Board hearings. The Board recognized that there is a need for immediate Federal and Provincial Government funding for the accelerated infrastructure growth in the Municipality. In 2006, the Radke Report recommended immediate substantial direct funding to the Municipality. Although funding has been made available from the Provincial Government, the amount is not sufficient to aid in funding the current extreme infrastructure costs facing the Municipality.

In 2007, Administration petitioned the Provincial Government to strike *Section 291* from the *Municipal Government Act*. This action would allow the Municipality to tax oil sand developments as they are being built, thereby financing infrastructure costs as the developments come on line. The Government has acknowledged it is time to start consultations with stakeholders in 2008. The entire process would entail three years before any recommendations are brought forward to the appropriate government Minister.

Currently there are unfunded capital projects worth \$154 Million and emergent capital costs estimated at \$30 Million, exceeding the original 2008 budget estimates.

Alternatives:

1. Proceed with the approved 2008 operating budget.
2. Raise additional taxes required for emerging capital projects through property taxation. Additional taxes raised to be allocated to the Capital Infrastructure Reserve Fund (estimated at \$29 Million).

Rationale for Recommendation(s):

One of the biggest challenges facing the Municipality is that without upfront senior government funding, the Municipality must invest in infrastructure and services to accommodate population growth arising from new oilsand projects well in advance of receiving any property tax revenue from those projects. While it is impossible for the Municipality to adequately respond without direct financial assistance from senior levels of government, the Municipality will still be required to make a very large financial commitment to capital projects in order to attempt to meet existing and expected servicing requirements. Most of this funding will come from municipal sources; a significant portion will be debt financing. A portion of the additional debt room created by the proposed tax increase has been allocated to the increased debt required to fund approved capital projects. Therefore, if the Tax Bylaw is not passed as presented, funding for the approved capital projects will need to be re-visited by Administration and amended by Council.

Administration proposed the following taxation strategy for the years 2008-2012:

Urban Residential and Rural Residential property taxes

- 2008 – 2010 (as a group) remain neutral, with additional taxes collected from first time new properties
- 2011 – 2012 (as a group) be increased 3%, with additional taxes collected from first time new properties

Urban Other Residential property taxes

- 2008 – 2010 (as a group) remain neutral, with additional taxes collected from first time new properties
- 2011 – 2012 (as a group) be increased 3%, with additional taxes collected from first time new properties

Urban Non Residential property taxes

- 2008 – 2012 (as a group) be increased 5%, with additional taxes collected from first time new properties

Rural Non Residential property taxes

- 2008 – 2010 (as a group) be increased 20%, with additional taxes collected from first time new properties

- 2011 – 2012 (as a group) be increased 10%, with additional taxes collected from first time new properties

Attachments:

1. 2008 Tax Rate Bylaw

BYLAW NO. 08/029

BEING A BYLAW OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO AUTHORIZE THE SEVERAL RATES OF TAXATION TO BE IMPOSED FOR THE RURAL AND URBAN SERVICE AREAS FOR THE 2008 FISCAL YEAR.

WHEREAS the operating expenditures for the Regional Municipality of Wood Buffalo as approved in the 2008 Operating Budget total \$319,195,655; and

WHEREAS Local Improvement Program levies total \$430,493 as approved in the 2008 Operating Budget; and

WHEREAS the operating revenues for the Regional Municipality of Wood Buffalo from sources other than taxation levies as approved in the 2008 Operating Budget total \$70,493,215; and

WHEREAS Section 357 (1) of the Municipal Government Act provides that the Municipal Tax Bylaw: “may specify a minimum amount payable as property tax.....” and the Regional Municipality of Wood Buffalo has resolved to establish a minimum tax;

WHEREAS the Alberta School Foundation has issued the following requisitions to the Regional Municipality of Wood Buffalo, namely:

- | | | |
|------|-------------------------------|---------------|
| (i) | for residential and farm land | \$ 12,005,642 |
| (ii) | for non-residential | \$ 15,636,368 |

WHEREAS the Fort McMurray R.C.S.S.D. #32 has made the following Requisitions to the Regional Municipality of Wood Buffalo, namely:

- | | | |
|------|------------------------------|------------|
| (i) | for residential and farmland | \$ 697,368 |
| (ii) | for non-residential | \$ 121,244 |

WHEREAS the Ayabaskaw House has made the following Requisition to the Regional Municipality of Wood Buffalo, namely:

- | | | |
|-----|------------------------|------------|
| (i) | for all property types | \$ 340,000 |
|-----|------------------------|------------|

WHEREAS the Rotary House Senior Lodge has made the following Requisition to the Regional Municipality of Wood Buffalo, namely:

- | | | |
|-----|------------------------|--------------|
| (i) | for all property types | \$ 1,542,000 |
|-----|------------------------|--------------|

WHEREAS Section 10 of the Order in Council No. 817-94 bringing about the amalgamation of Improvement District 143 and the City of Fort McMurray, which became effective on the 1st day of April, 1995, allows the Municipality, by Bylaw, to establish different rates of taxation for the Fort McMurray Urban Service Area and the Rural Service Area for each assessment class or sub-class referred to in Section 297 of the Municipal Government Act; and

WHEREAS the net annual tax levy requirements of the Regional Municipality of Wood Buffalo for the 2008 Fiscal Year are estimated to be:

MUNICIPAL PURPOSES \$248,271,947

WHEREAS the total Regional Municipality of Wood Buffalo Rural Service Area assessment of land, buildings, and improvements from which tax levy requirements may be raised total \$15,251,185,211; and

WHEREAS the total Regional Municipality of Wood Buffalo Urban Service Area assessment of land, buildings, and improvements from which tax levy requirements may be raised total \$10,226,084,352; and

WHEREAS it is deemed necessary to impose several rates of taxation for the 2008 Fiscal Year, as hereinafter set out, against those properties from which the tax levy requirements may be raised;

NOW THEREFORE, the Council of the Regional Municipality of Wood Buffalo, in the Province of Alberta, duly assembled, hereby enacts, pursuant to Sections 353 and 354 of the Municipal Government Act the following:

1. THAT the General Manager of Assessment and Taxation shall be authorized and required to levy the rates of taxation as shown following against the assessed value of all lands, buildings, and improvements as shown upon the Municipal Assessment Roll.

EDUCATION

- Alberta School Foundation Fund	
Rural and Urban Service Area	
- Residential and Farmland	0.0013669
- Non-Residential	0.0035654
- Fort McMurray R.C.S.S.D. # 32	
- Residential and Farmland	0.0013669
- Non-Residential	0.0035654

SENIORS' FACILITIES

- Ayabaskaw Home	0.0000134
- Rotary House	0.0000606

MUNICIPAL PURPOSES - RURAL SERVICE AREA

- Residential and Farmland	0.0018492
- Non-Residential	0.0140825

MUNICIPAL PURPOSES - URBAN SERVICE AREA

- Residential and Farmland	0.0030300
- Other Residential	0.0058892
- Non-Residential	0.0089672

2. THAT all properties not otherwise exempt from taxation subject to assessment shall be subject to a minimum tax of \$50.00. Where the application of the tax rates established by this Bylaw to the assessment of any taxable property would result in a total tax payable of less than \$50.00, the total tax shall be assessed at \$50.00, with the tax allocated to pay firstly the amount of Education, Ayabaskaw Home and the Rotary House tax payable, and the balance paid and deemed to the Municipal Tax payable.
3. 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 this _____ day of _____, A.D. 2008.

READ a second time this _____ day of _____, A.D. 2008.

READ a third and final time this _____ day of _____, A.D. 2008.

SIGNED and PASSED this _____ day of _____, A.D. 2008

MAYOR

CHIEF LEGISLATIVE OFFICER

Subject: Appointments to Council Committees**APPROVALS:**

Surekha Kanzig, Chief Legislative Officer
Kevin Greig, Deputy CAO – Corporate
Rodney Burkard, Chief Administrative Officer

Administrative Recommendation(s):

THAT the following appointments be approved, effective immediately:

- **Landlord and Tenant Advisory Board** – Christine Matthews, until December 31, 2008;
- **MacDonald Island Park Corporation** – Patrick Humphreys, until December 31, 2010; and
- **Regional Advisory Committee on Inclusion, Diversity and Equality** – Melanie Reddy, until December 31, 2008.

Summary:

Mid-term resignations have resulted in a need to appoint replacement members to fill vacant positions on Council Committees. Council is the approving authority for all Committee appointments.

Background:

The Regional Municipality of Wood Buffalo recently undertook a recruitment campaign to solicit applications from residents who are interested in serving on a municipal board or committee. The campaign resulted in far more applications being received than there were positions available. As such, the existing applications were reviewed by the Selection Committee, which is comprised of the Mayor and three Members of Council, on April 28, 2008 and recommendations have been made in keeping with the provisions of the respective municipal bylaws.

Rationale for Recommendation(s):

The appointment of replacement members to fill existing positions is necessary to ensure the continued viability of the various committees. The Selection Committee has made its recommendations based on a thorough assessment of each applicant's unique qualifications in relation to the Committee's mandate, and is also intended to complement the skill sets of existing Committee members.

**Subject: Funding and Support Request for the 2008 U-14 Boys and Girls
Outdoor Provincial Soccer Championships**

APPROVALS:

Glen Smith, General Manager
Susan Motkaluk, Deputy Chief Administrative Officer - Operations
Rod Burkard, Chief Administrative Officer

Administrative Recommendation(s):

THAT \$10,000.00 be allocated from the Joint Initiatives Fund for the Fort McMurray Youth Soccer Association in support of the 2008 U-14 Boys and Girls Outdoor Provincial Soccer Championships.

Summary:

The Fort McMurray Youth Soccer Association has requested funding and support from the Municipality, as per Attachment 1, for the 2008 U-14 Boys and Girls Outdoor Provincial Soccer Championships scheduled for August 15, 16 and 17.

Background:

Each year, the Fort McMurray Youth Soccer Association sends girls and boys teams to many locations around the province to compete in provincial soccer championships. This year the Regional Municipality of Wood Buffalo has been chosen to host the 2008 U-14 Boys and Girls Outdoor Provincial Soccer Championships. The championships will bring 24 provincial soccer teams as well as coaches, family members and supporters to our great community. It will allow our soccer players to play in front of a home crowd and at the same time host many first time visitors to our region.

In the past, under the authority of the Manager of the Parks and Outdoor Recreation Branch, field rental fees have been waived for special events. The Municipality is also providing Administrative support as outlined in Attachment 2.

Rationale for Recommendation(s):

The purpose of the Joint Initiatives Fund is to encourage the development of partnerships between the Regional Municipality of Wood Buffalo and community groups that will enhance the quality of life within the region.

This is a wonderful opportunity for the Municipality to welcome youth soccer players and enthusiasts from across the province. The 2008 U-14 Boys and Girls Outdoor Provincial Soccer Championships will be a first class sporting event which will enable our region to showcase the newly opened Syncrude Timberlea Athletic Park.

Attachments:

1. Fort McMurray Youth Soccer Association Letter of Request
2. Summary of Support Requirements

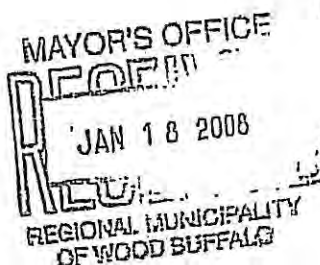


Fort McMurray Youth Soccer Association

PO Box 5912, Fort McMurray, Alberta T9H 4V9
 151 MacDonald Drive, Fort McMurray, AB. T9H 5C5
 Phone: (780) 791-7090 Fax: (780) 791-1446
 e-mail: fmyma@shaw.ca website: fmyma.ca

January 15, 2008

Mayor Blake
 Regional Municipality of Woodbuffalo
 9909 Franklin Ave
 Fort McMurray, AB T9H 2K4



Dear Mayor Blake,

Ft McMurray Youth Soccer Association has received the honor of host the 2008 U-14 Boys and Girls outdoor Provincial Soccer Championships. This will be a first for Ft McMurray and the Regional Municipality of Wood Buffalo. Until now, we have lacked the facilities to host and event of this magnitude. With the 2007 opening of the four soccer fields at the Timberlea Athletic Park, we are now able to do so. This is an excellent event and opportunity to showcase the Timberlea Athletic Park.

Every year in August, Ft McMurray Youth Soccer sends approximately eight teams of Boys and Girls to all corners of the province to compete in the Provincial Championships. The players compete in various age groups from U-12 to U-18. While we have had tremendous success in the past, our players have never had the opportunity to play in front of their family, friends and their community. The acceptance of our bid will give them that opportunity. It will also provide and opportunity for the younger soccer players of Ft McMurray to see Provincial competition at its best.

While we can spend all our time planning this event, the one thing we need first and foremost is the support of the local community and the Regional Municipality of Wood Buffalo. Without your support this championship will never happen. We have already secured the support of the local hotels, with commitments of 300 to 350 rooms for this event. Events of this magnitude don't come without an associated cost. We will be going out into the community in hopes of attaining some sponsorship money to ensure its success. The Regional Municipality of Wood Buffalo need events to happen to promote our community and leave a positive image for all of those who visit here. As the chair of the initial 2001 and 2002 Oilsands Novice Hockey Tournament which brought 16 hockey teams to our community, I saw the positive impact a sporting event can create for our community. We would like to make this an even bigger and better event and continue with the tradition of hosting first class events. The municipality came through for us then and we are asking you to do so now.

The 2008 tournament will bring 12 boys and 12 girl's teams along with their families and friends from across the province (approximately 1250 people). Teams will be coming from as far south as Medicine Hat and Lethbridge and as far north as Grand Prairie. Our whole province will be represented and Ft McMurray and the Regional Municipality of Wood Buffalo will be front and center. Preparations for the provincial Championships are well underway, as we are



Fort McMurray Youth Soccer Association

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Phone: (780) 791-7090 Fax: (780) 791-1446
e-mail: fmyma@shaw.ca website: fmyma.ca

arranging Oilsands tours, mini competitions, meals, hotels and family activities for all participants.

I would like to formally request \$10,000.00 from the Municipality for tournament associated costs (attached is our projected budget). We are also requesting support from the Community Services Department by waving the associated field fees, assisting with site set up and field preparation, a coordinator to liaison with our committee, and guidance and support where needed. Let's showcase our newest Outdoor Sport Facility with a "world class event".

I look forward to your thoughts and the possibility of sitting down and discussing this event with you at your earliest convenience.

Sincerely,

Kirk Sweetapple
Tournament Co-Chair
Home 780-743-1261
Work 780-790-7096
E-mail: ksweetapple@shaw.ca
Address: 281 Boisvert Place, T9K 1T2

Attachments: Organizational chart
Projected Budget

ks

**Summary of Support Requirements
2008 U-14 Provincial Soccer Championships
August 15, 16 and 17**

Recreation, Arts and Leisure

- 35 hours of support from the Recreation, Arts & Leisure Branch (liaison with other departments)
- Provide sound system for opening ceremonies

Parks and Outdoor Recreation

- Wave the field rental fee for the weekend
- Provide garbage cans and snow fencing
- Assist with set up of venue (including player benches, bleachers, garbage cans, tents)
- Provide suggestions on the set up of venue based on event needs (location of tents)
- Arrange construction/maintenance schedule to avoid the weekend event
- Assist with emptying garbage and recycle bins on a daily basis for the event
- Ensure the fields at the site are groomed, lined and in great shape for the event
- Work with the committee to ensure that Alberta Soccer Hosting Guidelines are met (see attached documents)

Communications

- Assist in promoting the event as a Showcase Event for the Timberlea Athletic Park (i.e. news release)
- Provide Regional Municipality of Wood Buffalo pins for all participants (24 teams x 20 players)

RCMP/BYLAW

- 1 RCMP member to attend opening ceremonies in Red Serge