Appendix A to Ministerial Order No. A:001/21

Alberta Public Sector Disaster Assistance Guidelines

Effective upon signing of Ministerial Order No. A:001/21 until superseded by a subsequent version.

Alberta Government

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Ministry of Municipal Affairs, Government of Alberta

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Alberta Public Sector Disaster Assistance Guidelines

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ALBERTA PUBLIC SECTOR DISASTER ASSISTANCE GUIDELINES

In the event of a disaster, the Government of Alberta (GoA) may provide financial assistance to public sector applicants through a Disaster Recovery Program (DRP) administered by the AEMA.

These Alberta Public Sector Disaster Assistance Guidelines come into effect upon signing of Ministerial Order No. A:001/21.

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Introduction

The Alberta Emergency Management Agency (AEMA) has developed the Alberta Public Sector Disaster Assistance Guidelines (Guidelines) for the administration of disaster financial assistance through Alberta's Disaster Recovery Program (DRP). These Guidelines have the force of law under the Disaster Recovery Regulation, AR 51/94, when approved by Order of the Minister of Municipal Affairs.

These Guidelines are designed and developed to provide fair, consistent and transparent financial assistance to public sector applicants for uninsurable loss and damage caused by disasters. These Guidelines apply to public sector applicants, including local authorities, provincial government ministries, agencies, boards and commissions.

Separate guidelines are established for private sector applicants under the Alberta Private Sector Disaster Assistance Guidelines.

Assistance provided under these Guidelines may be reimbursed to the AEMA in part by the Government of Canada pursuant to the federal Disaster Financial Assistance Arrangements (DFAA). The DFAA is a federal grant program that allows for federal and provincial cost-sharing of disaster recovery programs. Any discrepancies between these Guidelines and the DFAA, or any other federal programs, have no legal effect: only Guidelines made under the Disaster Recovery Regulation apply to disaster assistance applications under Alberta's *Emergency Management Act*.

Many terms in these Guidelines are defined terms. Refer to Schedule 1 - Glossary, to find out what these terms mean. If you have not read these Guidelines before, read the Glossary first.

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Part 1 – Purpose and Principles

1.1 Interpretative Principles and Purpose

1.1.1 The purpose of disaster assistance is to:

(a) contribute to a ready and resilient Alberta;

(b) restore public property to its pre-disaster functional condition; but not be a full cost property replacement program, like some forms of insurance; and

(c) be a program of last resort.

1.1.2 The definitions contained in Schedule 1 apply to the interpretation of these Guidelines.

1.1.3 These Guidelines must be interpreted:

(a) consistently within the scope of the Minister's authority under section 2 of the Disaster Recovery Regulation, and

(b) in accordance with the *Interpretation Act*.

When navigating these Guidelines references to the largest headers are "Parts", the smaller headers are "Divisions", and then the points underneath are sections. E.g. Part 1, Division 1.1, Section 1.1.2.

1.1.4 Unnumbered text boxes are for information only and do not form part of these Guidelines.

1.2 Exclusions for Specified Events

1.2.1 No assistance may be provided under these Guidelines where a disaster or emergency event consists of or originates from:

(a) public or civil disorder including a riot, criminal or terrorist acts, or domestic or international armed conflict;

(b) construction or development deficiencies that result in damages to property not directly caused by a natural disaster; or

(c) forest, prairie, grass or another type of wildfire, except where the fire poses a threat to urban and commercial developments, and actions taken in response to the fire are primarily for pre-emptive actions, including evacuation, and damaged infrastructure restoration.

1.3 Assessment of Applications

1.3.1 The AEMA is responsible for determining eligibility for assistance under these Guidelines, including decisions of what costs for recovery of damage or losses may be compensated, and the limits on assistance that may be provided to an applicant.

1.3.2 The AEMA is responsible for determining the total amount of assistance that an applicant is eligible to receive under these Guidelines, including the determination that an applicant is not eligible for any assistance.

1.3.3 Where a DRP is established, no applicant is eligible for assistance if they are located outside of

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the affected geographical area or where the AEMA determines that damages and losses to property were not due to the disaster event described in the applicable Ministerial Order (MO) or for the disaster event in a localized disaster, if a MO is not required.

1.4 Disaster Recovery Program Approval

1.4.1 Pursuant to section 4(1) of the Disaster Recovery Regulation, the Minister responsible for the *Emergency Management Act* may approve a DRP, if the Minister is satisfied the disaster caused widespread damage to property, and the cause of the disaster was extraordinary.

1.4.2 A disaster event is considered widespread if the Minister responsible for the *Emergency Management Act* is satisfied that the disaster caused damage to property over multiple areas and/or jurisdictions, extending over a large area or number of people.

1.4.3 A disaster event relating to floods is considered extraordinary if it meets or exceeds the equivalent of a 1 in 25-year precipitation level in an urban area; a 1 in 50-year precipitation level in a rural area; or a 1 in 100-year stream flow for watercourses. This determination is made by the AEMA based on analysis of hydrological data.

1.4.4 When the Minister approves a DRP, the Managing Director administers the DRP in accordance with these Guidelines.

The AEMA monitors disaster events and conducts early damage assessments to verify cost estimates. The AEMA conducts recovery coordination activities to address issues regarding people, economy, reconstruction, environment and mitigation.

1.5 Localized Disaster

1.5.1 No applicant is eligible for assistance under section 5 of the Disaster Recovery Regulation unless the Director determines that:

(a) an event had a cause which was extraordinary;
(b) the event threatens the economic viability of the applicant, as determined under section 1.5.2; and
(c) the event caused the applicant to suffer damage or loss for which the applicant's property was uninsurable before the event occurred.

1.5.2 The Director must apply one of the following tests to determine whether an event described in section 1.5.1(a) has threatened a local authority applicant's economic viability:

(a) where the total amount of eligible assistance under these Guidelines, exceeds the amount of $25 per person living within the local authority applicant's boundaries; or
(b) the 15 per cent qualification test as described in section 1.5.3.

1.5.3 For the 15 per cent qualification test, the Director must determine that, over the average of the three fiscal years immediately prior to the disaster event, for any one of the following criteria, the total estimated damage in the local authority applicant's community meets or exceeds 15 per cent of one of the following indicators:

(a) the applicant's property taxes net of payable requisitions, as defined under section 326(1)(a)

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of the *Municipal Government Act*;

(b) the applicant's total reserve surplus; or

(c) the applicant's borrowing capacity based on the applicant's total debt limit.

1.5.4 To determine the population within the local authority applicant's boundaries, the AEMA uses population figures acceptable to the Director.

The disaster event start date and program approval date are different. See the glossary in Schedule 1 for definitions.

Part 2 – Application Process

2.1 Limit on Assistance

2.1.1 No applicant is eligible for assistance under these Guidelines if the applicant does not:

(a) apply for assistance in accordance with this Part;

(b) comply with the processes and requirements of this Part;

(c) meet the limitation periods established by this Part, subject to any applicable exceptions to limitation periods in this Part; and

(d) meet all of the eligibility criteria for assistance under these Guidelines.

2.1.2 No applicant is eligible for assistance under these Guidelines where assistance may be recovered from another source or under any other program, whether or not the applicant accessed the program. This is considered duplicate assistance and is subject to repayment under Division 3.3.

2.1.3 A corporation owned in whole or in part by a municipality or group of municipalities is not an eligible applicant for the purposes of these Guidelines.

2.1.4 Where a local authority applicant is eligible under these Guidelines for assistance, the amount payable to the applicant is limited to 90 per cent of the total amount of assistance deemed eligible by the AEMA.

2.2 Applications for Assistance

2.2.1 In the case of a widespread or a localized disaster, a local authority applicant must submit "Part 1 of the Public Sector Application for Assistance" form to the AEMA within 30 days from the disaster event start date.

Any references to "days" in these Guidelines are counted as calendar days.

2.2.2 In completing "Part 1 of the Public Sector Application for Assistance" form, a local authority applicant must provide a preliminary cost estimate of disaster response and recovery costs.

2.2.3 A local authority applicant must submit "Part 2 of the Public Sector Application for Assistance" form to the AEMA within 90 days from the disaster event start date.

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2.2.4 A local authority applicant must submit a "Project List" of planned projects to the AEMA within 90 days from the disaster event start date, which for each project must include:
(a) the project name or identifier;
(b) the project number;
(c) the project location (physical address);
(d) the description of the damage or loss; and
(e) cost estimates associated with the project.

2.2.5 A local authority applicant may amend a submitted "Project List" by submitting updates to the AEMA up to 24 months from the disaster event start date.

2.2.6 An applicant who is a Ministry of the Crown in Right of Alberta, or an agency, board or commission of the GoA must provide estimates of recovery and response costs through their designated ministry representative to the AEMA within 90 days from the program approval date.

2.2.7 The deadlines stated in sections 2.2.1, 2.2.3, and 2.2.6 do not apply if the Managing Director chooses to accept an application where:
(a) existing DRP policy changes impact the eligibility status of an applicant; or
(b) for any other reason for which the Managing Director is of the opinion would be just and reasonable in the circumstances.

2.2.8 The deadlines in sections 2.2.4 and 2.2.5 do not apply where the Director determines that there were exceptional circumstances in accordance with Division 2.8 and a further project should be included on the list.

2.2.9 Any extension to a deadline granted under this Division 2.2 may not exceed three years from the program approval date unless the program completion date is extended by the Managing Director.

2.3 Notification

2.3.1 When a DRP or a localized disaster is approved, the AEMA notifies the applicant.

2.3.2 When a DRP or localized disaster is approved, the local authority applicant must notify the impacted population within the local authority's boundary pursuant to the advertising requirements in section 606(2) of the *Municipal Government Act*.

Notification of program approval includes the type of DRP event, the geographic area it covers and the date(s) of the event.

2.4 Evaluation of Losses and Damages

2.4.1 The AEMA facilitates evaluations of losses and damages for which assistance may be eligible under the Disaster Recovery Regulation.

2.4.2 Where specialists may be required to evaluate losses or damages, only those professionals

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whom the AEMA determines to be qualified may provide evaluations to determine eligibility under these Guidelines.

2.4.3 On request from the AEMA, an applicant must provide all relevant records to determine the pre-disaster condition of any type of damaged property.

2.4.4 For the purposes of determining an applicant's eligibility for assistance, the AEMA has sole discretion to determine:

(a) the pre-disaster functional condition of property , and
(b) the state of the pre-disaster event property, including the degree of pre-existing event wear, tear, and damage to the property as compared to the property's replacement cost.

2.5 Reconstruction Permissions

2.5.1 Where a permit, authorization, or approval requires supporting documentation, including plans, drawings, technical reports and assessments, the applicant must determine and obtain all required permits, authorizations, and approvals necessary before carrying out repairs or restoration activities.

2.6 Supporting Documentation

2.6.1 An applicant shall submit documentation to the AEMA, which separates all records into response and recovery expenditures.

2.6.2 Upon request from the AEMA, an applicant must demonstrate that reasonable efforts were taken to prevent further damages to the applicant's property following the disaster event.

2.6.3 Supporting documents requested by the AEMA or otherwise required under these Guidelines must be submitted to the AEMA by the earlier of:

(a) three years from the disaster event program approval date, unless the program completion date is extended by the Managing Director, or
(b) the deadline for submission set by the AEMA.

2.6.4 Where an applicant seeks assistance for costs of goods or services relating to disaster response or recovery, the applicant must submit to the AEMA an invoice with proof of payment.

2.6.5 Where an applicant applies for assistance for the cost of repairing or replacing property, the applicant must submit records to the AEMA which verify:

(a) property ownership,
(b) the property existed, and that the work on the project was performed; and
(c) all of the costs, including the costs of applying for permits and approvals.

2.6.6 Where an applicant applies for assistance for multiple projects, the expenses must be identified and separated by project when submitted.

2.6.7 All applicants applying for assistance must:

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(a) include on each invoice and receipt submitted to the AEMA a unique project identifier or the project name;
(b) ensure that vendors and suppliers include the correct project identifier or project name on each invoice and receipt;
(c) ensure that each invoice and receipt clearly identifies the response or recovery activity being performed; and
(d) not submit documentation to the AEMA that includes costs for property maintenance or routine non-disaster related work, or if documentation for project work includes maintenance or routine non-disaster related work costs, then clearly identifies the cost as being excluded.

2.6.8 Where an applicant applies for assistance that allow the applicant to rebuild, repair or replace property to a condition that exceeds the pre-disaster functional condition of the property, the applicant must demonstrate to the AEMA that the higher degree of functionality or other enhancement is required by law.

2.6.9 The applicant is responsible for any cost to rebuild, repair or replace property to a condition, which exceed the pre-disaster functional condition of the property that is not required by law; assistance is only eligible for repairs and replacement up to a basic standard.

2.6.10 Where an applicant is a Ministry of the Crown in Right of Alberta, and initiates an infrastructure project in the immediate post-disaster period, where there is insufficient time to obtain detailed recovery cost estimates due to provincial government recovery priorities, the applicant must submit records to the AEMA which provide:
(a) damage estimates certified by a professional engineer or other qualified professional approved by the AEMA to represent only the cost to return the property to pre-disaster functional condition, unless enhancements must be made to the property as required by law;
(b) a broad estimate of the cost, including labour, materials and equipment;
(c) provide justification that commercially reasonable appropriate rates of labour, material and equipment were utilized by the applicant; and
(d) the actual cost records by project and location, which indicate labour, material, and equipment charges upon completion of the work.

2.6.11 A local authority applicant must submit records to the AEMA which:
(a) provide damage estimates certified by a professional engineer to represent only the cost of returning the works to pre-disaster functional condition, unless enhancements must be made to the property as required by law,
(b) clearly identify expenditures for the enhancement portion of the project; and
(c) provide justification that commercially reasonable appropriate rates of labour, material and equipment were utilized by the applicant.

Incrementally increased labour costs refer to costs, which are beyond normal operating expenses, where the increased cost in labour is directly related to the disaster event.

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2.6.12 Where an applicant applies for assistance under these Guidelines for incrementally increased labour costs, the applicant must provide to the AEMA all records of the increased labour costs, including re-assignments, and backfilled positions, number of persons employed, work performed, hours worked, and amounts paid to either employees or contract personnel, both before and after the disaster event.

2.7 Auditing Applications

2.7.1 Applicants must keep all records related to disaster event response and recovery costs in a manner consistent with generally accepted accounting principles, for not less than seven years from the disaster event program approval date.

2.7.2 Applicants must make accounts and records described in section 2.7.1 available to the AEMA upon request.

2.7.3 The AEMA is not bound by supporting documentation provided by an applicant, the AEMA may reject any information or documentation provided by an applicant where the AEMA determines the information or documentation is, or may be, insufficient or unreliable.

2.8 Determination of Exceptional Circumstances

2.8.1 Only the person holding the position of Director may determine whether an applicant's situation constitutes exceptional circumstances for the purposes of these Guidelines.

2.8.2 A determination that an applicant's situation constitutes exceptional circumstances is only applicable to the provisions of these Guidelines that the Director determines it applies to.

2.8.3 An applicant must provide any information requested by the AEMA for determining that exceptional circumstances apply.

Part 3 – Payment and Program Completion

3.1 Payment

3.1.1 An applicant may be paid assistance, only where:

(a) the applicant incurs, and provides an invoice and proof of payment for a cost that is eligible for assistance under these Guidelines,
(b) the applicant meets all of the eligibility criteria contained in these Guidelines, and
(c) no provisions in these Guidelines make the applicant ineligible for assistance apply.

3.1.2 Subject to the exceptions stated in this Division (3.1), the AEMA may make a payment to an applicant for eligible assistance only after the AEMA has reviewed the applicant's application and determined the appropriate amount of assistance eligible to be paid.

3.1.3 Upon establishment of a DRP, if requested by the applicant in writing, the AEMA may provide a

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local authority applicant with an advance payment of assistance representing up to 50 per cent of the amount of requested assistance for costs.

3.1.4 If an applicant submits a written request to the AEMA, AEMA has the discretion to approve or deny a rolling advance for eligible costs in accordance with the following principles:

(a) the AEMA may provide the applicant with an amount of money representing up to 50 per cent of the remaining costs of project cost estimate, in one or more advances;
(b) the applicant would then be eligible for 50 per cent of that estimate, less any amount from the original 50 per cent advance, which has not been supported with eligible invoices;
(c) the AEMA may pay assistance for an incomplete project submitted in accordance with section 2.2.4, where an applicant has already incurred the costs of the project.

3.1.5 If an applicant applies for a rolling advance, the applicant must provide the AEMA with an updated and detailed estimate of the cost of the remaining work for which each advance payment is to be made.

3.1.6 The AEMA may make a payment for eligible assistance directly to a third party excluding contractors and vendors, on behalf of an applicant, if the AEMA determines that exceptional circumstances in accordance with Division 2.8 apply.

3.2 Program Completion

3.2.1 The program completion date is the date that is the three-year anniversary of the disaster event program approval date.

3.2.2 An applicant is not eligible for assistance for a project:

(a) that is not completed on or before the program completion date; or
(b) where all documentation to support the application is not submitted to the AEMA before the program completion date.

3.2.3 Despite sections 3.2.1 and 3.2.2, an applicant may request an extension of the program completion date for the Managing Director to consider, accompanied by rationale for the extension and any other information required by the Managing Director.

3.2.4 A request under section 3.2.3 must be submitted to the Managing Director no later than the two-year anniversary of the program approval date, unless sections 2.2.7 or 2.2.8 apply.

3.2.5 Despite section 3.2.1, for a localized disaster where no MO is approved, the program completion date for applicants shall be established by the Director, but may not exceed more than two years from the date of the localized disaster event start date.

3.3 Repayment Requirements

3.3.1 All assistance payments are subject to being returned to the AEMA, if the AEMA determines an applicant was ineligible for, or otherwise paid an amount in excess of the assistance eligible

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under these Guidelines.

3.3.2 An applicant must inform the AEMA where any of the costs in their application for assistance is paid for by any other source.

3.3.3 Where an applicant receives assistance under these Guidelines, and receives duplicate assistance from another source, the AEMA may require the applicant to repay the amount of the duplicate assistance to the AEMA.

3.3.4 The limitation period for the AEMA to provide a written notice to an applicant that a repayment is required under this Division (3.3) is seven years from the program completion date.

Examples of duplicate assistance include, but are not limited to, insurance, payments of damages by court order or settlement agreement, other government programs, or a form of assistance from a non-governmental entity (including a charity or other non-profit organization).

Part 4 – General Program Eligibility Criteria

4.1 Insurance

4.1.1 Uninsurable means insurance coverage for a property that suffered damage or loss, from the peril that occurred in the disaster event, was not readily available in the area affected by the disaster event, at a reasonable cost prior to the event; uninsurable is determined by the AEMA.

4.1.2 Subject to these Guidelines, assistance for damage and loss is eligible for assistance only where the property was uninsurable at the time of the disaster event.

4.1.3 Section 4.1.2 applies to a situation where the applicant did not obtain sufficient insurance to cover the full costs of recovery of damage or losses to the property due to the disaster event (i.e., is underinsured).

4.1.4 Upon request by the AEMA, an applicant must provide records to demonstrate that prior to the disaster event the property damaged or lost in the disaster event was uninsurable, by the deadline set by the AEMA.

4.1.5 If an applicant is requested by the AEMA to demonstrate that a property was uninsurable, and the applicant fails to demonstrate that the property was uninsurable by the deadline, then the applicant is ineligible for assistance for the lost or damaged property.

4.1.6 Insurance policy premiums, deductibles, or both are not eligible for assistance.

4.2 Grant Agreements

4.2.1 The Director may determine that an assistance payment may only be made pursuant to the terms of a conditional grant agreement with the Minister.

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4.2.2 If the Director determines that a conditional grant agreement made under section 4.2.1 is required, the terms must be satisfactory to the AEMA, and if an applicant refuses to agree to the terms, no assistance is payable to the applicant who is otherwise eligible for assistance.

4.2.3 The terms of a conditional grant agreement made under section 4.2.1 require that the applicant return any assistance paid to the applicant in the event that the applicant contravenes the terms of the conditional grant agreement.

4.3 Consequences of Providing False Information

4.3.1 No applicant is eligible for assistance where the applicant provided false information to the AEMA, including where the information was provided by fraud, willful blindness, recklessness, or negligence.

4.3.2 No applicant is eligible for assistance where the applicant did not provide to the AEMA information relevant to the determination that would have had the effect of reducing the applicant's amount of eligible assistance.

4.3.3 Where an applicant is otherwise eligible for assistance under these Guidelines, the applicant is disqualified from eligibility for any assistance under these Guidelines whatsoever by the applicant's provision of false information to the AEMA or failure to provide relevant information to the AEMA.

4.3.4 The AEMA may in its sole discretion waive the application of section 4.3.2 only where the applicant unintentionally provided false or incomplete information to the AEMA, and upon discovery that the information was false or incomplete, immediately advised the AEMA and provided correct and complete information.

4.4 Pre-emptive Actions

4.4.1 Where due to the disaster event, a danger to life, property or the environment reasonably appeared to be imminent, and where instructions or orders were made by a public authority to the applicant to take one or more pre-emptive actions, the applicant's cost of taking those pre-emptive actions is eligible for assistance.

Albertans are expected to take reasonable measures, and absorb reasonable costs, to protect themselves and their property.

Examples of eligible pre-emptive measures include material costs for sandbagging in the event of a flood and measures taken to protect life and property when a forest fire threatens an urban area.

4.4.2 Activities performed as a normal part of preparations to avoid or reduce the effects of a disaster are not eligible for assistance.

4.4.3 Despite section 4.4.1, the cost of a pre-emptive action is not eligible for assistance, if a DRP is not approved for the disaster event.

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Part 5 –General Program Administration

5.1 Definitions

5.1.1 In Parts 5 and 6,

(a) "incremental administrative activities" means

i. backfilling existing permanent employee positions with temporary staff and where these existing permanent employees are re-assigned to disaster administration activities or disaster response activities;

ii. providing information to the public relating to the disaster event response and recovery;

iii. leasing temporary facilities and equipment to support regular administrative work of the applicant, disaster administration activities or disaster response activities; and

iv. recruiting and hiring contractors or temporary employees to perform disaster administration activities, disaster response activities, or activities described in clauses (i) to (iii).

(b) "temporary" means a period of no more than 12 months' duration.

5.2 Personnel Costs

5.2.1 This Division (5.2) applies to the costs of salaries, wages and other expenses associated with an applicant's employees, and the applicant's costs of contractors' labour.

5.2.2 The regular personnel costs, including salaries, wages and other expenses associated with the applicant's employees, are not eligible for assistance.

5.2.3 An applicant's cost of disaster administration activities and disaster response activities are eligible for assistance, including overtime and related employee expenses, which have been paid to the employees, unless those activities are performed by the applicant's own employees in the normal course of their duties and for the employees' regular salary or wages.

5.2.4 The amount of eligible assistance for an applicant's cost of overtime wages and related expenses of an applicant's employees must not exceed the maximum rates under the applicant's applicable employment contracts and may be subject to limits determined by the AEMA.

5.2.5 Where an employee is promoted on a temporary basis to deal with disaster administrative activities, disaster response activities or incremental administrative activities, then the incremental pay difference between the employee's normal salary and the employee's promoted salary is eligible for assistance, but the employee's base pay is not eligible for assistance unless the base position has been backfilled by a temporary employee.

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An example of an eligible backfilling cost is where a local authority transfers an employee from their regular position to conduct disaster recovery activities. The local authority then hires a temporary employee to carry out the duties of the regular position that is vacant due to the transfer. The wage paid to the temporary employee is then eligible subject to documentation requirements in these Guidelines.

5.2.6 Subject to the rates determined by the AEMA to be typical for the type of contractor, wages of contractors, including overtime, paid in accordance with applicable contracts, are eligible for assistance where the contractors perform disaster administration activities, disaster response activities or incremental administrative activities.

5.2.7 Despite sections 5.2.4 and 5.2.6, an applicant is not eligible for assistance for employee or contractor overtime where the overtime is banked and later taken as leave; the overtime must have been paid out to the employee or contractor to be eligible for assistance.

5.2.8 Subject to the rates determined by the AEMA to be typical for the type of employee or contractor, the cost of wages paid to temporary employees and temporary contractors to perform eligible disaster related activities are eligible for assistance.

5.2.9 Section 5.2.8 does not restrict the applicant from being eligible for assistance for the cost of retaining contractors to perform activities described in other portions of these Guidelines.

5.2.10 If requested by an applicant, the Director may extend the temporary term for the applicant's cost of employees and contractors performing disaster administration activities where exceptional circumstances under Division 2.8 occur.

5.2.11 Where an applicant applies for assistance for incremental labour costs, the applicant must provide to the AEMA all records related to the increased labour costs, including re-assignments, backfilled positions, temporary hires, number of persons employed, work performed, hours worked, and proof of amounts paid to either employees or contract personnel, both before and after the disaster event.

5.3 Intergovernmental Costs

5.3.1 Contracted intergovernmental costs (e.g., mutual aid) are generally considered eligible.

5.3.2 Intergovernmental costs must be submitted to the AEMA by the local authority applicant with the applicable contract agreement or memorandum of understanding.

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5.3.3 The applicant's cost for the deployment of military personnel and equipment for disaster administration activities and disaster response activities are eligible for assistance.

When a MO is approved for a disaster event, only the impacted local authority submits an application. If supporting communities incur costs assisting a different local authority impacted by disaster, for example, by hosting evacuees at reception centres; these costs are submitted to the impacted local authority for reimbursement. The supporting community must maintain accurate records to submit costs to ensure that costs incurred for hosting evacuees are submitted to the correct impacted local authority for reimbursement. The impacted local authority submits costs to the AEMA according to these Guidelines.

Impacted local authority applicants are responsible for reimbursing supporting communities' costs, ensuring that appropriate records are included with their submissions to the AEMA. If extraordinary circumstances are determined to exist, then the AEMA may consider directly reimbursing the supporting community's eligible costs.

5.4 Public Sector Equipment

5.4.1 An applicant is not eligible for assistance for the cost of renting equipment, including contracting equipment operator labor and expenses, unless the applicant uses their own equipment and resources to the fullest extent practical prior to renting.

5.4.2 Subject to sections 5.4.1 and 5.4.3, an applicant is eligible for the cost of operating their own equipment at an amount that may not exceed 50 per cent of the rate for renting the equipment under the most recent publication of the Alberta Roadbuilders and Heavy Construction Association Equipment Rental Rates Guide, plus the actual hourly operator costs paid by the applicant for activities defined in section 5.1.1.

5.4.3 No applicant is eligible for assistance as described in section 5.4.2 unless the applicant submits to the AEMA the time sheets confirming the total hours of use of the equipment and the operators' time spent operating and otherwise managing the equipment during disaster response activities, recovery activities and administration activities.

5.4.4 The cost of intra-governmental rental and assistance charged by one department or agency to another department or agency where both departments or agencies are part of the same government authority, is not eligible for assistance except to the extent that the department or agency renting or assisting the other department or agency is eligible for assistance under section 5.4.2.

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For example, a local authority has a transportation department that owns heavy equipment, and the local authority has an emergency response agency. During a disaster event, the local authority's emergency response agency asks the transportation department to use its heavy equipment to clear roads that were made impassible by the disaster event. As an accounting practice the transportation department sends a bill to the emergency response agency. Section 5.4.4 state the local authority's internal bill is not eligible for assistance under the Guidelines. However, the transportation department may be eligible for assistance for its costs of clearing roads under section 5.4.2.

5.4.5 The cost for equipment purchased and retained for eligible activities is not eligible for assistance unless the applicant demonstrates to the AEMA that it was either not possible to rent the equipment, or it was more cost effective to purchase the equipment than it was to rent.

5.4.6 Where the applicant purchases equipment in circumstances described in section 5.4.5, only the difference between the original purchase price and residual market value determined by the AEMA is eligible for assistance. This may be subject to limits set by the AEMA.

Part 6 – Response

6.1 General Principles

6.1.1 Costs associated with disaster response activities listed below are not eligible for assistance unless otherwise determined by the AEMA to be the applicant's incrementally increased costs due to the disaster event:

(a) budgeted operating expenses, including maintenance;
(b) emergency services related to routine incident management;
(c) medical services delivered through regular health infrastructure and resources (including hospitals, public clinics and ambulances);
(d) health protection and treatment exceeding six months; and
(e) services that exceed basic essential needs, as determined by the AEMA's Provincial Operations Centre as not necessary for the response.

6.1.2 Subject to this Part (6), the costs of an applicant's disaster response activities incurred within six months of the disaster event start date, but not after that, are eligible for assistance.

6.1.3 If requested by an applicant, in writing to the Director, the time limit in section 6.1.2 may be extended for a period of up to one year from the disaster event start date, when the Director determines under Division 2.8 that the applicant's situation constitutes exceptional circumstances.

6.2 Response Costs

6.2.1 This Division (6.2) applies to costs other than the salaries, wages and other expenses associated with an applicant's employees, and the applicant's costs of contractors' labour (including professional rates).

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6.2.2 To the extent that the cost was necessary for the applicant's disaster response activities, the following costs are eligible for assistance:
(a) obtaining means of transportation;
(b) providing materials and supplies;
(c) acquiring equipment, including rentals;
(d) leasing temporary spaces; and
(e) paying expenses and stipends for volunteer responders during the disaster event response and immediately thereafter.

6.2.3 An applicant's eligibility for assistance respecting the costs of equipment obtained for the purposes of disaster response activities is subject to the equipment provisions in Division 5.4.

6.2.4 The cost of renting or temporarily acquiring informatics equipment, including geographic information system equipment, and off-the-shelf software necessary to deal with administrative and operational aspects of disaster response activities is eligible for assistance.

6.2.5 Despite section 6.2.4, an applicant's cost of developing software is not eligible for assistance.

Part 7 – Recovery

7.1 Eligible Recovery Costs General Principles

7.1.1 Subject to these Guidelines, the applicant's recovery expenditures for damage and loss of property owned by the applicant due to the disaster event, from the disaster event start date to the program completion date, are eligible for assistance.

7.1.2 The following recovery costs are eligible for assistance under section 7.1.1:
(a) the cost of remediation of an applicant's property;
(b) for property that consists of infrastructure and related equipment owned by the Crown in Right of Alberta or a local authority, the cost of returning the property to its pre-disaster functional condition;
(c) the cost of restoration, replacement, or repairs to infrastructure directly related to the provision, distribution and treatment of potable water and sanitary sewage disposal;
(d) the cost of appraising and estimating damage, if the cost is in addition to the work carried out by the applicant's employees, and occurs within six months of the disaster event start date;
(e) the cost of hiring contractors for damage assessment and recovery cost appraisals, including related professional service costs; and
(f) the cost of making safe any public infrastructure and public facilities, including, but not limited to, beaches, zoos and parks, which constitute a threat to public safety, including removal of trees and tree limbs.

7.1.3 Where an applicant demonstrates to the AEMA that landscaping is an essential element of the function of a facility, such as a public recreation facility, it is eligible for assistance.

7.1.4 Where an applicant demonstrates to the AEMA's satisfaction that an item is essential to the

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everyday operation of the applicant, the replacement, repair or remediation cost of the item is eligible for assistance.

7.1.5 An applicant's cost of repair and restoration of previously existing, constructed riverbank stabilization works, including wooden bulwarks, rock gabions, placed-boulder embankments, rip-rap and similar protection works, revetments and concrete walls, are eligible for assistance.

7.1.6 The cost of clearance of debris, wreckage and major silting, caused by the disaster event, from channels of rivers and streams, intake and outlet points of sewer and storm drains, and water supply reservoirs, where the debris, wreckage and silting had the potential to amplify the effects of the disaster event, are eligible for assistance.

7.1.7 Despite section 7.1.6, an applicant's cost of mitigation "scalping" of gravel beds is not eligible for assistance unless the applicant demonstrates to the AEMA's satisfaction that there was an unusually heavy, disaster event-related deposit on the gravel bed that required removal to preserve navigable channels of waterways.

7.2 Eligible Costs for Road Restoration

7.2.1 Costs associated with restoring roads, including associated guardrails, signage, signaling devices, sidewalks, bridges, tunnels, overpasses, underpasses, causeways, culverts, verges and drainage systems to their pre-disaster functional condition are eligible for assistance in the following categories:

(a) roads and highways owned by the Crown in Right of Alberta or maintained by a provincial government department;
(b) roads and highways owned or maintained by a local authority; and
(c) multiple-use, privately constructed industrial roads (e.g., forestry, petroleum or mining) used by both the industry and the general public.

7.2.2 An applicant may be required to demonstrate to the AEMA that it is eligible for assistance for the restoration of roads described in section 7.2.1(c) where either the Crown in Right of Alberta or a local authority formally undertook to maintain the road by agreement with the industry operator on a long-term or permanent basis after the industry operator intends to cease using the road.

7.2.3 The cost of clearing debris on roads deposited by or during the disaster event is eligible for assistance to the extent the debris makes the road impassible to potential users of the road surface, shoulder and adjacent pedestrian pathways.

7.3 Innovative Recovery Solutions

7.3.1 An "innovative recovery solution" means a repair, rebuild or replacement of a property with a different design or version of the property, or with one or more new features of the property, that exceeds the pre-disaster functional condition, where the different design, version or new feature is likely to reduce the risk of or entirely prevent recurrence of damage or loss in a future disaster event.

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7.3.2 The costs of an innovative recovery solution, up to an equivalent of the cost of repair, rebuilding or replacement of original damaged or lost property may be eligible for assistance at the sole discretion of the AEMA. Such solutions may include relocation assistance to less disaster-prone areas, or permanent removal of structures on vulnerable properties.

7.3.3 An applicant who proposes an innovative recovery solution of equal cost must provide information respecting the cost of both property restoration options (the innovative recovery solution and a rebuild to original functional condition) to the AEMA.

7.4 Costs Ineligible for Assistance

7.4.1 The following costs incurred by an applicant are not eligible for assistance:

(a) loss of income, profits and/or revenue, loss of production or productivity, loss of opportunity, inconvenience, loss of asset market value, loss of market share, reduction or loss of yield (e.g., crops, livestock or wood), loss of rent revenue, rent obligations, utility charges, taxes, and normal enterprise operating expenses;
(b) losses or damages that are an ordinary or normal risk of a trade, calling or enterprise;
(c) legal and other costs associated with the settlements of estates due to disaster fatalities;
(d) damage awards by courts, including punitive damages, or out-of-court claim settlements;
(e) grants or assistance to local authority business ventures, including tax forgiveness;
(f) financial assistance for any costs originating outside of the area affected by the disaster event;
(g) interest on loans obtained for financing of recovery activities or any other purpose;
(h) late payment fees and interest owing to contractors;
(i) costs associated with damage or losses to land due to erosion or channel course changes;
(j) post-event inquiries, commissions or other studies, other than those conducted by the AEMA;
(k) decorative or ornamental landscaping to property;
(l) damages or loss of rental or leased items;
(m) theft or vandalism of any assets (e.g., equipment, tools) owned by the applicant; and
(n) any other expenditures, which in the opinion of the AEMA, were not reasonably or prudently incurred.

7.4.2 An applicant's costs to repair, rebuild or replace property are ineligible for assistance to the extent that a cost is incurred for the purposes of giving the property a particular form that has no bearing on the substance of the property, including an architectural form or design solely for aesthetic purposes.

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Schedule 1 - Glossary

In these Guidelines,

(a) "AEMA" means the Alberta Emergency Management Agency as set out in section 3.1(1) of the *Emergency Management Act*;

(b) "applicant" means a public sector applicant who is a local authority, an Indian Band within the meaning of the *Indian Act* (Canada), Ministries of the Crown, and agencies, boards and commissions established by provincial law or other public authority;

(c) "assistance" means compensation by payment or in another form for damage or loss caused by a widespread or a localized disaster, or a payment for costs incurred by a local authority or the Government of Alberta in conducting emergency operations as defined in Section 1(a) of the Disaster Recovery Regulation;

(d) "Crown" means Her Majesty the Queen in Right of Alberta;

(e) "Director" means a person holding the position titled Director in the Recovery Branch of the AEMA;

(f) "disaster event" means either an event that led to the issuance of a MO, or an event described in section 1.5.1(a), where the Director determines that the three clauses in section 1.5.1 apply, whichever is applicable;

(g) "disaster event start date" means either the disaster event start date determined by the AEMA and stated in the applicable MO, or the date on which the event described in section 1.5.1(a) began, where the Director determines that the three clauses in section 1.5.1 apply, whichever is applicable;

(h) "disaster administration activities" mean:

i. assessment of damage and losses to property due to a disaster event;
ii. making and registering applications under these Guidelines;
iii. evaluating, reviewing and adjusting applications under these Guidelines;
iv. creation and maintenance of auditable records required by these Guidelines;
v. giving advice to the public;
vi. coaching of applicants during and after a disaster event;
vii. issuing payments for costs;
viii. monitoring and enforcing criteria established or allowed under these Guidelines; and
ix. public visibility during response and recovery involving announcements and advertisements made in full partnership and participation with the AEMA.

(i) "disaster response activities" mean:

i. delivery of emergency services to persons affected by the disaster event, including rescue, transportation, temporary relocation, shelter, food, prescribed medication, potable water, clothing, and related social and information sharing services;

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ii. providing emergency medical care, treatment and evacuation to persons affected by the disaster event, and return of evacuees following a disaster;
iii. exceptional efforts necessary for sustaining the operability of essential public services and public property, including infrastructure;
iv. providing short-term security measures in the area affected by the disaster event;
v. assessing the safety of structures, including assessment by a structural engineer;
vi. obtaining equipment, facilities and services on a temporary basis;
vii. setting-up and operating temporary emergency operations centres;
viii. organizing volunteers registered with a recognized response agency in the response and initial recovery phases;
ix. registering displaced persons;
x. providing mental and physical health counseling services to persons affected by the disaster or its response, including post-disaster critical incident stress management, counseling and other immediate post-incident psychological and health interventions;
xi. providing financial counseling services to those affected by the disaster or its response;
xii. making public access and exit routes, previously designated by the Crown in right of Alberta or local authority, safe for use; and
xiii. any other activity recognized by the AEMA as being an appropriate disaster response activity.

(j) "local authority" means a local authority as defined in the *Emergency Management Act* and a public authority as referred to in the federal Disaster Financial Assistance Arrangements;

(k) "Managing Director" means the person holding the position titled Managing Director of the AEMA;

(l) "private sector applicants" means applicants for disaster assistance who are homeowners, residential tenants, small business owners, landlords, agricultural operations, condominium associations and not-for-profit organizations and cooperatives;

(m) "program approval date" means the date the MO for the disaster event is approved or if there is no MO, the date determined by the Director;

Under the *Emergency Management Act*, municipal councils, Metis Settlement councils, a park superintendent of a national park and the band council of an Indian band are examples of local authorities. A park superintendent and a band council of an Indian band are only local authorities if the province has entered into an agreement with the Government of Canada under section 9(b) of the *Emergency Management Act*.

(n) "program completion date" means the date that is the three-year anniversary of the disaster event program approval date.

(o) "third party" means any individual, corporation, or other form of organization that is neither an applicant nor bound by contract with the AEMA, but was hired or otherwise retained by an applicant to provide a service to assist them with eligible disaster related activities;

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(p) “recovery” means activities that are intended to bring the applicant’s property to its pre-disaster functional condition, and includes remediating, repairing, rebuilding, replacing and otherwise restoring property;

(q) “response” means the early coordination of resources and support to stabilize an incident, alleviate suffering and limit further impacts to people, property, the economy and environment.

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