

# RMA Fall 2018 Endorsed Resolutions

- 1-18F Provincial Contribution to Investing in Canada Infrastructure Program (*Mackenzie County*)
- 2-18F Annual Release Date of Assessment Year Modifiers (*Mountain View County*)
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## Provincial Contribution to Investing in Canada Infrastructure Program

Mackenzie County

*Carried*

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### Advocacy Target: Alberta Infrastructure, Alberta Municipal Affairs

WHEREAS the Municipal Sustainability Initiative (MSI) has allowed municipalities to undertake critical projects of benefit to all Albertans; and

WHEREAS MSI plays a major role in providing infrastructure renewal for communities throughout Alberta; and

WHEREAS municipalities across Alberta have come to rely on MSI funding to pay for critical infrastructure projects annually; and

WHEREAS the Government of Alberta has entered into an agreement with the Government of Canada to provide funding through the Investing in Canada Infrastructure Program (ICIP); and

WHEREAS the Government of Alberta has recently announced that municipalities must use MSI funds as the provincial share of the ICIP when applying for funds through the program;

**THEREFORE, BE IT RESOLVED that RMA advocate to the Government of Alberta to provide additional funding to municipalities for the provincial contribution of Investing in Canada Infrastructure Program funding.**

### Member Background

Under the Government of Canada's [Investing in Canada Infrastructure Plan](#) (ICIP),

Alberta will receive \$159.7 million for rural and northern community projects over the next 10 years.

Rural and remote communities with populations of 100,000 or fewer can apply for funding to support projects that improve food security, local road or air infrastructure, broadband connectivity, efficient and reliable energy sources, and improved education and/or health facilities.

The federal government will cost share for eligible projects up to the following:

- 50% for provincial projects; or for municipalities with populations more than 5,000 and not-for-profit partners
- 60% for municipalities with populations less than 5,000

Mackenzie County applied for funding for a \$24 million project, of which ICIP funding would cover \$9,200,000 or 40%. Mackenzie County is left with the remaining \$6,134,100 or 27% as the municipal cost-share contribution as well as an expectation that Mackenzie County's Municipal Sustainability Initiative (MSI) funding allocation cover the remaining \$7,665,900 or 33% provincial contribution. Mackenzie County's MSI allocation is needed to fund core operations such as roads, graders, etc. leaving Mackenzie County with 60% of total cost to address the potential ICIP project. This will create strain on the county's daily necessary operations, further increasing the municipal infrastructure deficit. With additional funding, new infrastructure will be made possible in order to stimulate growth and industry in this area. As outlined on the Government of Alberta website:

The Municipal Sustainability Initiative (MSI) helps support local infrastructure priorities and build strong, safe and resilient communities. Municipal Affairs has allocated almost \$9.6 billion to municipalities since the program launched in 2007. This has meant communities across Alberta have been able to build and rehabilitate their roadways and bridges, water and wastewater systems, public transit facilities, and recreation and sport facilities, and address other key local priorities.

### RMA Background

RMA has no active resolutions directly related to this issue.

## **Annual Release Date of Assessment Year Modifiers**

Mountain View County

Carried

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### **Advocacy Target: Alberta Municipal Affairs**

WHEREAS Alberta Municipal Affairs sets the assessment year modifiers at no set timeline; and

WHEREAS the *Municipal Government Act* requires municipalities to pass a balanced budget; and

WHEREAS many rural municipalities receive significant revenue from linear properties; and

WHEREAS there has been volatility in linear assessment values in recent years; and

WHEREAS other types of funding have become more uncertain and the need for more timely assessment year modifier information has become more critical to ensure realistic budgets; and

WHEREAS municipalities are often required to develop budgets based on assessment year modifier estimates when final modifier figures are not yet available; and

WHEREAS if the final modifier figures vary from the estimates, the municipality's budget can be significantly impacted; and

WHEREAS many municipalities pass budgets prior to January 1<sup>st</sup> of the budget year;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta to set the annual date of release of assessment year modifiers at September 15<sup>th</sup> or the nearest business day afterwards to allow municipalities to be properly informed when making budget decisions.**

### **Member Background**

Assessment year modifiers are mechanisms to adjust the base assessment value of linear and other property types up or down to reflect present costs. Alberta Municipal Affairs sets the assessment year modifiers for valuation on an annual basis. The Minister of Municipal Affairs usually proclaims them in the preceding December of the tax/municipal budget year. Many rural municipalities' property tax base consists of a large portion of linear tax. This assessment class has experienced large swings and surprises that have made budgeting more difficult especially when the modifiers are released in December. This issue is compounded by the fact that the large swings have been negative in terms of their impacts on assessment and therefore indirectly property tax. 2017's linear modifiers are an example of this. The Ministry released preliminary numbers indicating a double-digit growth in both pipeline and well head modifiers which are both sub-classes of linear property. However, the modifiers later approved by the Minister were zero. As well, starting with 2019 budgets, there is a new requirement for municipalities to prepare three-year operating statements. Having the information earlier would allow municipalities more time to ensure that they have their revenues in place when passing their balanced budgets.

### **RMA Background**

1-18S: Request for Implementation of the 2018 Assessment Year Modifier for Well and Pipeline Assessments

THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) lobby the Government of Alberta to immediately implement the 2018 assessment year modifier to well and pipeline assessments as identified in the draft calculation.

DEVELOPMENT: RMA has not yet received a government response to this resolution.

## Federal and Provincial Funding of Municipal Broadband Projects

Clearwater County

*Carried*

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### **Advocacy Target: Service Alberta, Alberta Treasury Board and Finance, Canadian Radio-television and Telecommunications Commission, Innovation, Science and Economic Development Canada**

WHEREAS the Canadian Radio-television and Telecommunications Commission (CRTC) deems broadband a “basic” or “essential” service for Canadians; and

WHEREAS the current CRTC targets and federal funding programs do not specifically address the many rural, remote, and northern communities in Canada that continue to be unserved or underserved by internet service providers (ISP); and

WHEREAS broadband service in rural, remote and northern communities is slower, with less capacity (bandwidth) and significantly more cost than services in urban centres; and

WHEREAS connecting to the Government of Alberta’s fibre-optic infrastructure backbone (the SuperNet) is cost-prohibitive to ISPs and municipalities; and

WHEREAS access to high-speed/capacity broadband is vital to municipal sustainability, economic development and diversification, and overall community and social development; and

WHEREAS municipalities across Canada are initiating broadband projects to leverage network-based technologies in order to strategically improve services to rural, remote and northern communities and their residents and businesses, thereby enhancing social capacity, retaining knowledge workers and allowing businesses the opportunity to compete globally;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the governments of Alberta and Canada to provide direct funding to municipalities to support rural, remote and northern communities’ development of high speed (50 megabits per second and faster) community broadband, with federal government grants matching municipal and provincial investment in broadband network infrastructure.**

### **Member Background**

Rural Canada requires accessible, affordable and reliable high-speed internet.

Over the past decade, municipalities from across Canada have initiated dialogue with federal and provincial governments, as well as incumbent telecom and internet service providers (ISP), to voice the need to enhance broadband and mobility services in rural, remote and northern communities.

Access to broadband allows Canadians to fully participate in the digital economy and take advantage of quality of life services, including telehealth, e-learning and access to government and social services.

Access to broadband enhances community viability, economic competitiveness and the ability to attract and retain business and industry. In order to survive in a global economy, rural communities need access to broadband services to be able to innovate, develop and retain a knowledge workforce, and to gain ‘digital equality’ with their urban municipal counterparts.

Currently, the Canadian Radio-television and Telecommunications Commission (CRTC) targets 50 Mbps download/10 Mbps upload for fixed broadband services (by 2021, 90% of homes/businesses); an unlimited data option for fixed services; and, the latest mobile wireless technology available to all homes and businesses, and along major Canadian roads. A funding regime is being developed by an ‘arm’s length’ third-party, with \$750 million over the first five years for projects that complement existing and future private investment, in underserved areas.

Despite many federal and provincial programs aimed at supporting broadband development and access, rural communities remain unserved or underserved. High capital costs due to geography and population densities means low return on investment, limiting the ability for private sector investment in rural Canada even with federal and provincial grant programs and incentives. The business case for private sector

investment simply does not exist in rural Canada, and this financial challenge has resulted in 'final mile' areas not being serviced or not serviced well, nor likely to ever be serviced by the private sector.

Broadband is now considered an essential service because it is a required social and community development tool. It is important for communities to plan wisely and be future ready, as with Canadian populations shifting toward urban centres, rural communities more than ever need to focus on community development and revenue diversification to remain viable. Broadband access remains the single largest barrier to digital advancement for rural communities.

Partnerships and government funding are critical to achieving broadband access for all Canadians. Federal and provincial governments' principle focus must be on improving broadband standards in low-density rural, remote and First Nation communities, before any further funding is dedicated to upgrading already-served urban centres.

## **RMA Background**

3-17S: National Broadband Strategy

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) request that the governments of Alberta and Canada declare broadband an essential service; and

FURTHER BE IT RESOLVED that the AAMDC request that the governments of Alberta and Canada provide direct funding and support to rural, remote and northern communities to ensure affordable access to, or the development of, high speed (100 Mbps and faster) community network infrastructure; and

FURTHER BE IT RESOLVED that the AAMDC urge the Government of Canada to develop a national broadband strategy; and

FURTHER BE IT RESOLVED that rural municipalities, internet service providers, education and health professionals, public safety organizations, and research and economic development authorities be actively involved in preparing the National Broadband Strategy.

**DEVELOPMENT:** The Government of Alberta response indicates broad support of the resolution's call for increased action on the part of government and industry in enhancing rural broadband availability and quality. RMA is pleased with the direction that the Government of Alberta has taken to this point in prioritizing rural final mile connectivity in their development of a new operating agreement. The Government of Alberta is currently in the process of developing a rural broadband strategy, and has convened an inter-ministerial working group to do so. In early 2018, RMA assisted Service Alberta in promoting a survey to members to gather baseline information on rural broadband service delivery. Unfortunately, RMA has received no indication that it, or any member municipalities, will be invited to participate in the working group.

At the federal level, RMA is pleased with the 2016 Canadian Radio-television and Telecommunications Commission (CRTC) that declared broadband as a basic telecommunications service, which is the telecommunications equivalent of an essential service, and empowers the CRTC to implement programs, policies, regulations and initiatives to improve broadband in underserved areas. One such initiative being undertaken in relation to the basic service declaration is a \$750 million fund to enhance broadband in rural areas, to be funded by industry. RMA has submitted input to the CRTC on how the fund should be structured, and the CRTC is expected to release these details by mid-2018. A second aspect of the CRTC's declaration of broadband as a basic service was to increase the threshold for underserved areas from those with service below 5mbps download / 1mbps upload to 50mbps download / 10mbps upload. In their 2018 budget, the Government of Canada also announced that \$100 million over five years has been dedicated to the Strategic Innovation Fund, will mainly be used to advanced low earth orbit satellite technology to improve broadband service in rural and remote communities.

Despite the positive progress made recently by the provincial and federal governments related to enhancing rural broadband, RMA is unaware of any federal initiative to develop a national broadband strategy. Therefore, this resolution is assigned a status of **Accepted in Part** due to the federal declaration of broadband as a basic telecommunications service, which meets the intent of part of the resolution.

## **Enabling High-Speed Internet Access for Rural Alberta**

MD of Taber

*Carried*

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### **Advocacy Target: Service Alberta**

WHEREAS the Canadian Radio-television and Telecommunications Commission (CRTC) regulates all Canadian broadcasting and telecommunications activities and enforces rules it creates to carry out the policies assigned to it; and

WHEREAS as per Telecom Regulatory Policy CRTC 2016-496, the CRTC recognizes that a well-developed broadband infrastructure is essential for Canadians to participate in the digital economy and has mandated that Canadians have access to broadband Internet speeds of at least 50 Mbps for downloads and 10 Mbps for uploads, with an unlimited data allowance by 2021; and

WHEREAS the CRTC recognizes that, while most Canadians today have access to CRTC mandated service levels, many rural and remote regions in Canada do not share this access due to a lack of suitable infrastructure; and

WHEREAS the CRTC maintains that a combination of a CRTC funding mechanism, private investments, other government funding, and public-private partnerships will be sufficient to meet its mandated service offerings by the end of 2021; and

WHEREAS Service Alberta plans to deliver a rural broadband strategy that realizes the path forward for all residents of rural Alberta to achieve the CRTC mandated service levels; and

WHEREAS for many rural Albertans, accessing high-speed Internet remains either exceptionally costly, impractical or outright unattainable; and

WHEREAS given the CRTC's and Service Alberta's acknowledgment that access to high-speed Internet access is a crucial factor in economic prosperity, as well as the persistent issues with accessing high-speed broadband service offerings from local internet service providers (ISPs) in rural areas, rural Albertans are justifiably concerned that their welfare and the future economic well-being of their communities is at risk; and

WHEREAS Canada has a competitive disadvantage in deploying infrastructure in comparison to international competitors because of geographical and demographic realities, but still must find efficient means of remaining at the leading edge of infrastructure advances;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) urge the Government of Alberta to deliver a comprehensive rural broadband strategy that realizes the path forward for all residents of rural Alberta to achieve the CRTC's universal service objective targets of 50 Mbps download and 10 Mbps upload for fixed broadband services; and**

**FURTHER BE IT RESOLVED that RMA emphasize to the Government of Alberta that, for economic, political, and social concerns, the completed strategy should be made available to the public in the shortest possible time; and**

**FURTHER BE IT RESOLVED that such a strategy should include the following components to best serve the interests of rural Albertans and to facilitate the effective implementation of the strategy in pursuit of its goals.**

- I. **That the Government of Alberta should mandate (where legally permissible) and advocate for (where not within the scope of their authority) common carrier/shared access laws to allow for the more efficient deployment of infrastructure.**
- II. **That the Government of Alberta should incent partnerships and cooperation between municipalities, the Province, and private industry to develop rural broadband infrastructure, providing matching funds for qualified infrastructure deployments.**

- III. **That the Government of Alberta should enable significantly more affordable access to the Supernet for Albertans, through their relationship with Bell Canada, to provide backhaul access for local network solutions.**
- IV. **That the strategy should enhance competitive access to the broadband industry in Alberta for more businesses and should promote an increasingly competitive business environment.**

### **Member Background**

Access to high-speed broadband Internet access has become a necessity for Canadians. Communities with broadband access experience a wide array of economic, educational, and social advantages. However, while most Canadians today have access to high-speed Internet, many rural and remote regions in Canada do not share this access due to a lack of suitable broadband infrastructure. This growing gap in access to high-speed broadband Internet is often referred to as the 'Digital Divide'.

At the federal level, the Canadian Radio-television and Telecommunications Commission (CRTC) has officially recognized that a well-developed broadband infrastructure is essential for Canadians to participate in the digital economy. It has mandated that Canadian homes and businesses have access to broadband Internet speeds of at least 50 Mbps for downloads and 10 Mbps for uploads, as well as the option to subscribe to a service offering with an unlimited data allowance.

To facilitate the creation of suitable infrastructure for Canadians not meeting its mandated service levels, the CRTC maintains that a combination of a CRTC funding mechanism, private investments, other government funding, and public-private partnerships will be sufficient to meet its mandated service offerings by the end of 2021.

However, for many rural Albertans who continue to lack high-speed broadband Internet access, the prospect of receiving the CRTC mandated service levels by 2021 seems unlikely. Several factors contribute to this view. Almost all wireless Internet service offerings do not meet CRTC mandated service levels. Furthermore, local ISPs in Alberta have proven to be unwilling or unable to invest in the broadband infrastructure required for many rural Albertans to access the CRTC mandated Internet service offerings. Lastly, there is the perception among Albertans of anti-competitive behaviour among local ISPs regarding ownership of broadband infrastructure.

As a result, for many rural Albertans, accessing high-speed Internet service offerings has become either exceptionally costly, impractical or outright unattainable.

Ensuring high-speed broadband Internet access for rural Albertans will be a challenge. Canada's low population density, diverse geographic terrain, and its regulatory framework have made it difficult for the private sector to offer mandated service levels at an affordable price.

Investing in rural broadband infrastructure also has numerous economic payoffs. The advent of the connected farm is upon us, with boundless possibilities for productivity and efficiency growth as new technology spurs agricultural innovations. With the global demand for food set to nearly double by 2050, prioritizing rural broadband deployments to enable productivity growth in the coming years would be a wise decision.

Additionally, the monopolistic-style control of broadband infrastructure that currently exists in Canada has a stifling effect on expansion and innovation within the industry. The barriers to access for small companies is very high, and when or if they enter into competition with the incumbents, they operate at a significant disadvantage that stifles industry growth and innovation. Policy decisions that facilitate shared access to existing infrastructure in order to move the industry away from facilities-based competition and towards service-based competition would help provide a more competitive environment in which businesses can thrive.

In the early 1900's, the provincial government partnered with local municipalities and industry in Southern Alberta to embark on an ambitious project of canal and irrigation building. The foresight of government and industry leaders in building this network enabled a century of economic prosperity, innovation, and created an economic environment that continues to provide a high quality of life for the people of southern Alberta. Today, the Province has a chance to embrace an even grander project. Bold policy decisions today that enable the rapid expansion of broadband infrastructure throughout rural Alberta will yield immeasurable dividends in the decades to come. Alberta's rural municipalities stand ready to partner on this project.



Sources:

Broadcasting Act (S.C. 1991, c. 11)

Telecom Regulatory Policy CRTC 2016-496,

Haight, Michael; Quan-Haase, Anabel; Corbett, Bradley A (2014). Revisiting the digital divide in Canada: the impact of demographic factors on access to the Internet, level of online activity, and social networking site usage (Report). Information, Communication & Society.

Sciadas, George (2001). "The Digital Divide in Canada" Statistics Canada.

## **RMA Background**

### 3-17S: National Broadband Strategy

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) request that the governments of Alberta and Canada declare broadband an essential service; and

FURTHER BE IT RESOLVED that the AAMDC request that the governments of Alberta and Canada provide direct funding and support to rural, remote and northern communities to ensure affordable access to, or the development of, high speed (100 Mbps and faster) community network infrastructure; and

FURTHER BE IT RESOLVED that the AAMDC urge the Government of Canada to develop a national broadband strategy; and

FURTHER BE IT RESOLVED that rural municipalities, internet service providers, education and health professionals, public safety organizations, and research and economic development authorities be actively involved in preparing the National Broadband Strategy.

DEVELOPMENT: The Government of Alberta response indicates broad support of the resolution's call for increased action on the part of government and industry in enhancing rural broadband availability and quality. RMA is pleased with the direction that the Government of Alberta has taken to this point in prioritizing rural final mile connectivity in their development of a new operating agreement. The Government of Alberta is currently in the process of developing a rural broadband strategy, and has convened an inter-ministerial working group to do so. In early 2018, RMA assisted Service Alberta in promoting a survey to members to gather baseline information on rural broadband service delivery. Unfortunately, RMA has received no indication that it, or any member municipalities, will be invited to participate in the working group.

At the federal level, RMA is pleased with the 2016 Canadian Radio-television and Telecommunications Commission (CRTC) that declared broadband as a basic telecommunications service, which is the telecommunications equivalent of an essential service, and empowers the CRTC to implement programs, policies, regulations and initiatives to improve broadband in underserved areas. One such initiative being undertaken in relation to the basic service declaration is a \$750 million fund to enhance broadband in rural areas, to be funded by industry. RMA has submitted input to the CRTC on how the fund should be structured, and the CRTC is expected to release these details by mid-2018. A second aspect of the CRTC's declaration of broadband as a basic service was to increase the threshold for underserved areas from those with service below 5mbps download / 1mbps upload to 50mbps download / 10mbps upload. In their 2018 budget, the Government of Canada also announced that \$100 million over five years has been dedicated to the Strategic Innovation Fund, will mainly be used to advanced low earth orbit satellite technology to improve broadband service in rural and remote communities.

Despite the positive progress made recently by the provincial and federal governments related to enhancing rural broadband, RMA is unaware of any federal initiative to develop a national broadband strategy. Therefore, this resolution is assigned a status of **Accepted in Part** due to the federal declaration of broadband as a basic telecommunications service, which meets the intent of part of the resolution.

## **Alberta Energy Regulator Requirements for Acquiring and Holding Energy Licences and Approval**

MD of Taber

*Carried*

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### **Advocacy Target: Alberta Energy, Alberta Energy Regulator**

WHEREAS the Alberta Energy Regulator (AER) recently released Bulletin 2017-21, announcing the “New Edition of Directive 067: Eligibility Requirements for Acquiring and Holding Energy Licenses and Approvals”; and

WHEREAS the changes to Directive 067 included requiring additional information at the time of application, increased discretion regarding the rejection of applications where an applicant possesses a risk, and requirements for keeping corporate structure information up to date; and

WHEREAS the changes to Directive 067 did not include any requirements or consideration of the status of municipal property taxes towards an application/transfer of license or liability rating, and the AER continues to transfer licenses of properties that have outstanding property taxes; and

WHEREAS the collection of outstanding oil and gas property taxes continues to a large challenge for many municipalities; and

WHEREAS the *Municipal Government Act* has provisions to collect such debts, but the methods have been largely unsuccessful in practice, and have led to lengthy legal proceedings in an effort to collect such unpaid taxes;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate that the Alberta Energy Regulator (AER) be required to ensure that there are no outstanding municipal property taxes before licenses are transferred, including licensed properties declared as “Orphan Sites”; and**

**FURTHER BE IT RESOLVED that outstanding property taxes form part of the liability rating for oil and gas companies; and**

**FURTHER BE IT RESOLVED that oil and gas companies be required to post deposits in the amount of all outstanding municipal property taxes before they can apply for a license or transfer, and that these deposits are forwarded to the municipality from the AER upon the approval of the license or transfer.**

**Member Background**

# Public Statement

**Calgary Head Office**  
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## **Facing the liability challenge in Alberta: AER president and CEO Jim Ellis**

[www.aer.ca](http://www.aer.ca)

*For immediate release.*

*Calgary, Alberta (August 8, 2018)*...The business of regulating oil and gas is a complex undertaking. Every day, Alberta Energy Regulator (AER) employees make countless decisions.

We do our best to make sure our rules reflect the social and economic realities of the day, that our processes are not unnecessarily burdensome, and that we have accurate and up-to-date information to make reasonable, well-informed decisions.

However, sometimes there are situations beyond our control. When this happens, it is our responsibility to identify and address any gaps in our requirements. Earlier this year, Sequoia Resources Corp. (Sequoia) informed us that it planned to cease operations without properly decommissioning more than 4,000 wells, pipelines, and facilities. As a result, we ordered the company to address its end-of-life obligations.

But how did Sequoia get to this point? What happened that caused them to be in this position?

This is where a gap in the system has been identified.

The AER has limited legislated authority to oversee corporate transactions. This is important to note because corporate transactions can result in AER licences changing hands without having to go through the scrutiny of our transfer process. Unfortunately, this can be used by some companies to avoid their responsibility, potentially leaving millions of dollars of liability for the Orphan Well Association.

This is what happened after a corporate transaction between Sequoia and Perpetual Energy (Perpetual), allowing Perpetual to pass licences, and all liability, for many unprofitable and unwanted assets to Sequoia.

Sequoia has since claimed bankruptcy, and a trustee has been working to better understand what happened to the company. The trustee has raised concerns that Sequoia took on significant liabilities that were not in the best interest of the company or its stakeholders. If these allegations are proven in court, it is most concerning – but we'll leave that for the court to determine.

For the AER, this situation has exposed a gap in the system and raised questions with respect to how we better manage liability in the future. In some cases, our governing legislation did not provide us the

necessary flexibility to do what is needed, while in other cases our own requirements and processes were limiting. We are working to fix both.

We now require considerably more information from companies applying for licences through our revised [Directive 067](#) and can reject applications we believe are a risk to public safety or the environment.

Companies are also required to inform us of material changes, which includes corporate transactions, within one month of the change taking place. With this information, we are better able to assess the risk associated with the change and limit the company's eligibility to hold licences to avoid situations like this in the future. Where our authority may be limited, we work with a trustee, which may have more power, to support their investigation any way we can.

We know we must strike the right balance between being protective without controlling a company's day-to-day business decisions. But we also know we must protect public safety and the environment while holding companies accountable.

The last few years have been incredibly hard on Alberta's energy sector as sustained weak commodity prices have left their mark. Since the [Redwater](#) decision first allowed receivers and trustees to walk away from unproductive energy sites, we've been working in a different environment, one that requires a different approach.

No matter what the Supreme Court of Canada decides on the Redwater case, we know we have to do things differently. That commitment is embedded into the [AER's new strategic plan](#), which prioritizes liability management over the next five years.

We have already begun a plan to update liability management, reviewing our processes to better understand what is working well and what needs to change. While we don't have all of the details yet, we have already begun work on a number of initiatives. For example, we are using more than the liability management ratings to assess risk, including using financial, behavioural, and inventory risk factors to identify which companies might be unable to meet their obligations. We are also developing a program, known as area-based closure, to encourage companies to work together to reduce inactive wells and infrastructure. This is new territory for the AER that has required us to expand our analytic capacity and skill sets to examine complex financial transactions.

Like other jurisdictions around the world, Alberta is faced with struggling companies, bankruptcies, and infrastructure left with no owner to manage it. We are working with other regulators to share information and get a better understanding of how we might apply learnings from elsewhere to what is happening in Alberta. And we are working with the Government of Alberta on their liability management review and will implement any policy changes that may occur as a result.

I'm confident that we're up to the challenge. We will continue to adapt to protect what matters to Albertans, public safety, the environment and economic benefit from the development of our energy resources.

Jim Ellis  
Chief Executive Officer  
Alberta Energy Regulator

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**PS2018-03**

# Directive 067

Release date: December 6, 2017

Effective date: December 6, 2017

Replaces previous edition issued July 11, 2005

## Eligibility Requirements for Acquiring and Holding Energy Licences and Approvals

The Alberta Energy Regulator has approved this directive on December 6, 2017.

*<original signed by>*

Jim Ellis

President and Chief Executive Officer

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## 1 Introduction

Acquiring and holding a licence or approval for energy development in Alberta is a privilege, not a right. This new edition increases the scrutiny the AER applies to ensure that this privilege is only granted to responsible parties. Changes include requiring additional information at the time of application, increased discretion regarding the rejection of applications where an applicant poses a risk, and requirements for keeping corporate information up to date.

## 2 Business Associate Codes

The *Oil and Gas Conservation Act* and *Pipeline Act* require that a person (which includes a corporation) must hold a subsisting identification code in order to apply to the AER for a licence or approval under those acts. The AER has referred to these as business associate (BA) codes. The AER no longer issues BA codes. These are issued through Petrinex.

Any party that seeks to apply for and hold AER licences or approvals must first apply for and obtain a BA code through Petrinex ([www.petrinex.ca](http://www.petrinex.ca)). Parties who hold a BA code are not permitted to hold AER licences or approvals unless the AER has determined they are eligible to do so.

## 3 Licence Eligibility Types

There are three eligibility types:

- 1) No Eligibility
  - Not eligible to acquire or hold licences to drill/construct wells, facilities, or pipelines.
- 2) General Eligibility
  - Eligible to hold licences for all types of wells, facilities, and pipelines.
- 3) Limited Eligibility
  - Eligible to hold only certain types of licences and approvals, or eligibility is subject to certain terms and conditions.

The AER may grant licence eligibility with or without restrictions, terms and conditions, or it may refuse to grant licence eligibility.

## 4 Process for Obtaining General Licence Eligibility

Once a person has a BA code, they may apply to the AER for licence eligibility by submitting schedule 1 and, if applicable, schedule 2. Upon review of the information provided, the AER may request additional information. The AER may audit the information provided for accuracy and completeness at any time before or after granting eligibility.

Requests for licence eligibility that do not contain all the information required will be summarily closed.

Basic requirements are as follows:

- Applicant is an individual or a corporation that meets the requirements of section 20 of the *Oil and Gas Conservation Act* or section 21 of the *Pipeline Act*.
- Applicant is a resident of Alberta or has appointed an AER-approved agent that is a resident of Alberta.
- Applicant has provided proof of adequate insurance.
- Applicant has paid the required fee.
- Applicant has signed a declaration attesting to the truth and completeness of the application, consenting to the release and collection of compliance information regarding the applicant from other jurisdictions and regulators as applicable, and attorning to the jurisdiction of Alberta.
- In the AER's opinion, the applicant does not pose an unreasonable risk.

In assessing whether the applicant poses an unreasonable risk, the AER may consider any of the following factors:

- the compliance history of the applicant, including its directors, officers, and shareholders, in Alberta and elsewhere, including in relation to any current or former AER licensees that are directly or indirectly associated or affiliated with the applicant or its principals;
- the compliance history of entities currently or previously associated or affiliated with the applicant or its directors, officers, and shareholders;
- experience of the applicant, including its directors, officers, and shareholders;
- corporate structure;
- the financial health of the applicant;
- outstanding debts owed by the applicant or current or former AER licensees that are directly or indirectly associated or affiliated with the applicant or its directors, officers, or shareholders;
- outstanding noncompliances of current or former AER licensees that are directly or indirectly associated or affiliated with the applicant or its directors, officers, or shareholders;
- involvement of the applicant's directors, officers, or shareholders in entities that have initiated or are subject to bankruptcy or receivership proceedings or in current or former AER licensees that have outstanding noncompliances; and



- naming of directors, officers, or shareholders of current or former AER licensees under section 106 of the *Oil and Gas Conservation Act*.

The AER will assess the information provided in the application, along with any other relevant information, and will determine whether the applicant meets the eligibility requirements for acquiring and holding AER licences or approvals.

The AER may refuse to grant licence eligibility or may grant licence eligibility with or without restrictions, terms, or conditions.

Restrictions, terms, and conditions may include

- the types of licences or approvals that may be held,
- the number of licences or approvals that may be held,
- additional scrutiny required at time of application for or transfer of a licence or approval,
- requirement to provide full or partial security at time of application for or transfer of a licence or approval,
- requirements regarding the minimum or maximum working interest percentage permitted, or
- a requirement to address outstanding noncompliances of current or former AER licensees that are directly or indirectly associated with the applicant or its directors, officers, or shareholders.

## **5 Fee**

For most licence eligibility types, a fee is required. The amount of the fee is prescribed in the *Oil and Gas Conservation Rules* and may be waived or varied by the AER if circumstances warrant (section 17.010).

Applications that do not include the required fee will be summarily closed.

## **6 Insurance**

At the time of applying for licence eligibility, applicants must have and maintain comprehensive general liability insurance with minimum coverage of \$1 000 000. Applicants must submit a certificate of proof of insurance or a statement of the insurer describing the coverage, effective date, and termination date of the insurance.

Should eligibility be granted, you must maintain reasonable and appropriate insurance coverage for the operations of the company. Such coverage must include pollution coverage sufficient to cover the cost of removal and cleanup operations required as a result of an incident. Sufficient coverage for loss or damage to property or bodily injury caused during operations must also be maintained.

A certificate of insurance must be provided to the AER upon request. Notice of cancellation of insurance must be provided within 30 days. Unless otherwise authorized, you must have insurance issued from a company registered in Alberta to provide insurance in Alberta.

Upon request, information regarding coverage and content of the insurance must be provided. The AER may require the licensee to obtain additional insurance; at all times the licensee is solely responsible for maintaining appropriate levels of insurance given the nature and scope of operations.

## 7 Residency Requirements

An applicant must either

- be resident in Alberta, as defined in section 1.020(2.1) of the *Oil and Gas Conservation Rules* and section 1(6) of the *Pipeline Rules*;
- appoint an agent that is resident in Alberta (schedule 2) and have that appointment approved by the AER, as required by section 91 of the *Oil and Gas Conservation Act* (section 91) and section 19 of the *Pipeline Act*; or
- be exempt from the resident/agent requirement (granted under specific circumstances set out in section 1.030 of the *Oil and Gas Conservation Rules* and section 1.1 of the *Pipeline Rules*).

For these purposes, “resident” means,

- in the case of an individual, having his or her home in and being ordinarily present in Alberta or,
- in the case of a corporation, having a director, officer, or employee that has his or her home in and is ordinarily present in Alberta and is authorized to make decisions about the licensing and operating of the well, pipeline, or facility and about implementing the directions of the AER regarding the well, pipeline, or facility.

If an applicant does not meet this definition of resident, then the applicant must appoint an agent. Schedule 2 must be completed and submitted and the appointment must be approved by the AER before it is in effect.

Both the applicant and the agent must meet all the licence eligibility requirements set out in this directive.

## 8 Requirements for Existing Holders of Licence or Approval

All existing licence or approval holders must meet licence eligibility requirements on an ongoing basis and ensure that the information the AER has on file is kept accurate. An updated schedule 1 must be provided within 30 days of any material change and may result in the AER revoking

eligibility or restricting eligibility by imposing terms and conditions where, in its opinion, the change has resulted in an unreasonable risk.

Material changes include

- changes to legal status and corporate structure;
- addition or removal of a related corporate entity;
- amalgamation, merger, or acquisition;
- changes to directors, officers, or control persons<sup>1</sup>;
- appointment of a monitor, receiver, or trustee over the licensee's property;
- plan of arrangement or any other transaction that results in a material change to the operations of the licensee;
- the sale of all or substantially all of the licensee's assets; or
- cancellation of insurance coverage.

Before effecting a material change, licensees may request an advance ruling on whether the AER would consider the change an unreasonable risk.

## **9 Restriction of Licence Eligibility**

There are three main circumstances in which the AER may revoke or restrict licence eligibility:

- 1) failure to provide complete and accurate information and ensure that information remains complete and accurate by advising the AER of material changes within 30 days;
- 2) after consideration of the factors in section 4, a finding by the AER that, as a result of a material change or compliance history, the licensee poses an unreasonable risk; or
- 3) the licensee fails to acquire or hold licences or approvals within one year following granting of licence eligibility.

If a party already holds licences or approvals, licence eligibility will be restricted. If the party had general eligibility, this will be changed to limited eligibility, and additional terms or conditions may be imposed. The party will not be permitted to acquire additional licences or approvals unless general licence eligibility is reacquired or the terms and conditions are lifted.

If a party does not hold licences or approvals, licence eligibility will be revoked and the party will have no eligibility. The party will have to reapply under this directive for licence eligibility.

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<sup>1</sup> A "control person" means any person or company, or combination of persons and companies, that hold or control more than 20% of the outstanding voting securities of the licensee or approval holder.

## **10 Application for Amendment to Eligibility**

Application to amend licence eligibility will require reapplication under this directive, including payment of an additional fee, and may result in the imposition of restrictions, terms, or conditions.

## RMA Background

### 5-17F: Alberta Energy Regulator – Amendment to Transfer Approval Process

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) requests the Government of Alberta amend the *Municipal Government Act* (MGA), and other provincial legislation, regulations and policies, including AER Directive 006: Licensee Liability Rating (LLR) Program and Licence Transfer Process to:

- broaden the tax recovery power of municipalities to collect linear property taxes, Alberta housing foundation requisitions and Alberta school requisitions owing on oil and gas operations, and
- provide the Alberta Energy Regulator (AER) the ability to include municipal tax compliance as part of the specified list of AER requirements before license transfers will be considered;

FURTHER BE IT RESOLVED that the AAMDC request that Alberta Energy direct the AER that prior to refunding any security deposits, check with all municipalities in which the company requesting the refund had leases in, to ensure property taxes are current.

DEVELOPMENT: RMA appreciates the recognition and the multiple steps being taken by the Government of Alberta to address the challenges faced by municipalities as a result of oil and gas operators who have not paid property taxes. At this moment, however, there has been only limited improvements for municipalities through the Provincial Education Requisition Credit (PERC) program which only applies to the education property tax portion of the unpaid linear oil and gas property taxes. Until the amendments listed in the resolution are made, or more substantial improvements to the overall liability management system are provided, this resolution is assigned a status of Intent Not Met.

### 4-17S: Collection of Outstanding Taxes for Education Requisitions from the Province of Alberta

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that the Government of Alberta develop new tools or utilize existing mechanisms to ensure that municipalities that are unable to collect education property taxes through the tax recovery process be exempted from forwarding those uncollectible tax amounts to Alberta Education, or have the uncollectible amount refunded.

DEVELOPMENT: In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund's net asset fund.

At this point, PERC extends to the 2019 tax year, and is capped at \$10 million per year. As of March 2018, 37 applications had been processed and approximately \$3 million of credits had been issued.

This resolution is assigned a status of **Accepted**, and the RMA will continue to work with the Government of Alberta to support the long-term viability of the PERC program and develop other mechanisms to address unpaid linear property taxes.

### 3-16S: Recovery of Linear Property, Commercial Property, and Education Requisition Tax Arrears

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) request the Government of Alberta to amend the *Municipal Government Act* (MGA), and other provincial legislation to broaden the tax recovery power of municipalities to collect linear property taxes by granting a lien in favour of the municipality as follows:

A lien equivalent to that granted to the Alberta Energy Regulator (AER) by s. 103 of the *Oil and Gas Conservation Act* (OGCA) that being: "on the debtor's interest in any well, facilities, and pipelines, land or interests in land, including mines and minerals, equipment and petroleum substances" and the power to garnish funds owed to the debtor;

A lien which ranks in priority (or equivalent) to the lien granted in favour of the AER by s. 103(2) of the OGCA;

FURTHER BE IT RESOLVED that the AAMDC requests the Government of Canada to amend the federal *Bankruptcy and Insolvency Act* to recognize municipal linear property taxes and other municipal non-property taxes as a secured interest in priority to other unsecured interests;

FURTHER BE IT RESOLVED that the AAMDC request the Government of Alberta to provide a credit reimbursement to compensate for the education property taxes that become uncollectable due to linear and commercial property bankruptcy.

DEVELOPMENT: In 2016, Alberta Municipal Affairs had convened an inter-ministry working group consisting of representatives from Municipal Affairs, Energy, Treasury Board and Finance, Education, and the AER. The purpose of this working group was to address the concerns identified in resolution 3-16S and resolution 5-15F. More specifically, the working group explored how the suite of tools available to municipalities to recover unpaid linear property taxes could be expanded, as well as possible legislative or regulatory solutions to relieve or exempt municipalities from paying provincial education property tax requisitions on linear properties in which the municipality has not been able to gather tax revenues from the property owner.

Early in 2017, the working group completed their research and Government of Alberta staff internally developed options for the Minister of Municipal Affairs based on the working group's findings. In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties, may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund's net asset fund.

At this point, PERC extends to the 2019 tax year, and is capped at \$10 million per year. As of March 2018, 37 applications had been processed and approximately \$3 million of credits had been issued. The creation of PERC meets the request in the third operative clause of this resolution.

#### 5-15F: Recovery of Linear Property Tax Arrears

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) requests the Government of Alberta to amend the *Municipal Government Act* (MGA), and other provincial legislation to broaden the tax recovery power of municipalities to collect linear property taxes by granting a lien in favour of the municipality as follows:

- a) A lien equivalent to that granted to the Alberta Energy Regulator (AER) by s. 103 of the *Oil and Gas Conservation Act* (OGCA) that being: "on the debtor's interest in any well, facilities, and pipelines, land or interests in land, including mines and minerals, equipment and petroleum substances" and the power to garnish funds owed to the debtor;
- b) A lien which ranks in priority (or equivalent) to the lien granted in favour of the AER by s. 103(2) of the OGCA; and

FURTHER BE IT RESOLVED that the AAMDC requests the Federation of Canadian Municipalities to request the Government of Canada to amend the federal *Bankruptcy and Insolvency Act* to recognize municipal linear property taxes and other municipal non-property taxes as a secured interest in priority to other unsecured interests;

FURTHER BE IT RESOLVED that the AAMDC request the Province of Alberta to provide a credit reimbursement to compensate for the Education Property Taxes that becomes uncollectable due to linear property bankruptcy.

DEVELOPMENT: In 2016, Alberta Municipal Affairs had convened an inter-ministry working group consisting of representatives from Municipal Affairs, Energy, Treasury Board and Finance, Education, and the AER. The purpose of this working group was to address the concerns identified in resolution 3-16S and resolution 5-15F. More specifically, the working group explored how the suite of tools available to municipalities to recover unpaid linear property taxes could be expanded, as well as possible legislative or regulatory solutions to relieve or exempt municipalities from paying provincial education property tax requisitions on linear properties in which the municipality has not been able to gather tax revenues from the property owner.

Early in 2017, the working group completed their research and Government of Alberta staff internally developed options for the Minister of Municipal Affairs based on the working group's findings. In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties, may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund's net asset fund.

At this point, PERC extends to the 2019 tax year, and is capped at \$10 million per year. As of March 2018, 37 applications had been processed and approximately \$3 million of credits had been issued. The creation of PERC meets the request in the third operative clause of this resolution.

The Government of Alberta has not amended the *Municipal Government Act* (MGA) to broaden the tax recovery powers of municipalities, and municipal powers to seize assets to account for unpaid linear property taxes continues to rank lower in priority than that of the AER and other organizations.

Similarly, RMA has received no indication from the Government of Canada of a willingness to amend the federal *Bankruptcy and Insolvency Act* to place municipal interests above other non-secured interests.

RMA assigns this resolution a status of **Accepted in Part** and will continue to advocate on all aspects of this resolution.

## Securing Municipal Property Taxes in the Event of Bankruptcy or Insolvency

MD of Opportunity

Carried

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### Advocacy Target: Alberta Municipal Affairs, Alberta Energy, Alberta Energy Regulator

WHEREAS the *Municipal Government Act* (MGA) requires municipalities to collect an Education Property Tax from property owners on behalf of the Government of Alberta and submit that amount regardless of whether the municipality is able to collect these taxes from property owners; and

WHEREAS this requirement has resulted in financial challenges for many municipalities throughout the province; and

WHEREAS across rural Alberta, a significant amount of unpaid requisitions are owed by several taxpayers that were in insolvency or receivership in respect to outstanding taxes including linear taxes; and

WHEREAS in a recent case, a court considered the municipality as an unsecured creditor when a court application was made to determine how the court-appointed receiver should distribute the proceeds from the sale of the taxpayer's assets; and

WHEREAS Section 348 of the MGA stipulates that property taxes, local improvement taxes, business taxes or community revitalization levies take priority over the claims of every person except the Crown; and

WHEREAS the Court's directive it very unlikely that a municipality will receive any payment in respect to the outstanding taxes under the current order as the proceeds of the sale are less than the total amount of all the secured claims; and

WHEREAS the issue of whether taxes including linear property taxes constitute a secured claim, in priority to other secured claims such as banks' claims, has not been fully resolved; and

WHEREAS even if an appeal of the Court's earlier decision in this matter is unsuccessful, such a negative result would provide a significant basis to lobby the Government of Alberta to make necessary legislative amendments to re-assert the secured status of taxes owed to the municipality;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta partner with Alberta Urban Municipalities Association to advocate to the Government of Alberta to amend section 348 and other relevant sections of the *Municipal Government Act* to ensure that municipal property taxes are legally assured a status as a secured claim in the event that the property owner enters bankruptcy or receivership.**

### Member Background

Over the years, the MD of Opportunity has experienced that a number of commercial and industrial taxpayers have become insolvent and the MD has been unable to recover the significant amount of taxes and other levies from them. As a result, the MD suffered financial losses. The municipality made mandatory remittances of various levies such as school and seniors' housing levies out of the MD's operating budgets, even though the MD was unable to collect all such taxes from a number of delinquent taxpayers. This has caused a financial shortfall and challenge to meet the local community service expectations. The exposure for the MD stood in millions of dollars in recent years.

In case of bankruptcy, courts have considered the municipality as an unsecured creditor in determining how the court-appointed receiver should distribute the proceeds from the sale of the taxpayer's assets. As the property taxes do not constitute a secured claim, the courts take the view that the property taxes should therefore be paid out only after all other secured claims (such as banks') have been paid in their entirety. As the proceeds of the sale are less than the total amount of all the secured claims, it is very unlikely that a municipality like the MD will receive any payment in respect to the outstanding taxes.

The MD of Opportunity is currently involved in an appeal to see whether a court's earlier decision in this matter is overturned. Even if an appeal is unsuccessful, a negative result might benefit the municipalities in that it would provide a significant basis to lobby the Province to make necessary legislative amendments to reassert the secured status of taxes owed to the municipality.



Section 348 of the *Municipal Government Act* (MGA) stipulates that property taxes, local improvement taxes, business taxes or community revitalization levies take priority over the claims of every person except the Crown. However, the courts have not upheld this section as intended in the MGA.

Other municipalities, including Lamont County, Vulcan County and Northern Sunrise County together with the MD of Opportunity are challenging the earlier court decision in Calgary Court of Appeal to reverse the lower court decision.

## **RMA Background**

### 4-17S: Collection of Outstanding Taxes for Education Requisitions from the Province of Alberta

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that the Government of Alberta develop new tools or utilize existing mechanisms to ensure that municipalities that are unable to collect education property taxes through the tax recovery process be exempted from forwarding those uncollectible tax amounts to Alberta Education, or have the uncollectible amount refunded.

DEVELOPMENT: In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund's net asset fund.

At this point, PERC extends to the 2019 tax year, and is capped at \$10 million per year. As of March 2018, 37 applications had been processed and approximately \$3 million of credits had been issued.

This resolution is assigned a status of Accepted, and the RMA will continue to work with the Government of Alberta to support the long-term viability of the PERC program and develop other mechanisms to address unpaid linear property taxes.

### 3-16S: Recovery of Linear Property, Commercial Property, and Education Requisition Tax Arrears

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FURTHER BE IT RESOLVED that the AAMDC requests the Federation of Canadian Municipalities to request the Government of Canada to amend the federal *Bankruptcy and Insolvency Act* to recognize municipal linear property taxes and other municipal non-property taxes as a secured interest in priority to other unsecured interests;

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Early in 2017, the working group completed their research and Government of Alberta staff internally developed options for the Minister of Municipal Affairs based on the working group's findings. In fall 2017, the Government of Alberta announced the Provincial Education Requisition Credit (PERC) program, under which municipalities who have no choice but to remit requisitions to the Government of Alberta for unpaid education property taxes on linear oil and gas properties, may apply to receive a credit equivalent to the amount of the requisition. PERC is funded through the Alberta School Foundation Fund's net asset fund.

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The Government of Alberta has not amended the *Municipal Government Act* (MGA) to broaden the tax recovery powers of municipalities, and municipal powers to seize assets to account for unpaid linear property taxes continues to rank lower in priority than that of the AER and other organizations.

Similarly, RMA has received no indication from the Government of Canada of a willingness to amend the federal *Bankruptcy and Insolvency Act* to place municipal interests above other non-secured interests.

RMA assigns this resolution a status of **Accepted in Part** and will continue to advocate on all aspects of this resolution.

## Municipal and Privately-Owned Protected Areas Inventory

Mackenzie County

Carried

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### Advocacy Target: Alberta Environment and Parks

WHEREAS in 2010, the Convention on Biological Diversity (CBD) adopted the Strategic Plan for Biodiversity, which included 20 global biodiversity goals, known as the Aichi Targets; and

WHEREAS in response to the Aichi Targets, Canada adopted a suite of national targets, known as the 2020 Biodiversity Goals and Targets for Canada; and

WHEREAS Canada and Alberta's co-led Pathway to Canada Target 1 project focuses on the protection of 17% of terrestrial areas and inland waters and 10% of coastal and marine areas across Canada; and

WHEREAS Alberta Environment and Parks has also committed to achieving the protection of 17% of terrestrial areas and inland waters within Alberta by 2020; and

WHEREAS at the end of 2016, the Government of Canada recognized that 10.5% of terrestrial areas and inland waters, and 0.96% of coastal and marine areas were protected; and

WHEREAS in June 2018, Alberta Environment and Parks recognized that 12.54% of Alberta is protected, through 8.24% federally and 4.3% provincially protected areas; and

WHEREAS the International Union for Conservation of Nature recommends that all privately-owned protected areas that satisfy all international standards should be recognized as protected areas by all levels of government; and

WHEREAS the *Municipal Government Act* provides municipalities with land-use planning tools, such as environmental reserves, to permanently protect parcels of land to conserve natural features including: natural drainage courses, flood plains, waterbodies, and riparian areas from future development; and

WHEREAS Alberta Environment and Parks has yet to announce that municipal and privately-owned protected areas would be recognized in their assessment to achieve their target of 17% terrestrial areas and inland waters protection;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) urge the Government of Alberta to recognize municipal and privately-owned protected areas in their reporting towards Alberta's 17% protection of terrestrial areas and inland waters target if they satisfy international standards for protected areas or Other Effective Area-based Conservation Measures (OECMs); and**

**FURTHER BE IT RESOLVED that the RMA partner with the Alberta Urban Municipalities Association to compile an inventory of all municipal and privately-owned protected areas in Alberta, for the purpose of providing Alberta Environment and Parks with a complete inventory of candidate protected areas and OECMs, for their 2020 17% terrestrial areas and inland waters protection target.**

### Member Background

Canada's *2020 Biodiversity Goals and Targets for Canada* was released in 2015. Canada and Alberta's co-led *Pathway to Canada Target 1* project, is based upon the Convention on Biological Diversity's *Aichi Target 11*.<sup>1</sup>

In 2017, the governments of Canada and Alberta established a National Advisory Panel to advise governments on achieving Canada's international commitment to the Convention on Biological Diversity.<sup>2</sup>

Canada and Alberta's co-led *Pathway* project also established a National Steering Committee, an Indigenous Circle of Experts and a Local Government Advisory Group, who make up the *Pathway* Team.<sup>3</sup> However, the Local Government Advisory Group is yet to be formalized.<sup>4</sup>

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<sup>1</sup> Source: <http://www.conservation2020canada.ca/the-pathway/>

<sup>2</sup> Source: <https://www.newswire.ca/news-releases/federal-and-provincial-governments-create-national-advisory-panel-on-canadas-biodiversity-conservation-initiative-627230281.html>

<sup>3</sup> Source: <http://www.conservation2020canada.ca/the-pathway/>

<sup>4</sup> Source: <http://www.conservation2020canada.ca/who-we-are/>

In 2016, Alberta Environment and Parks (AEP) committed to achieving the protection of 17% of terrestrial areas and inland waters by 2020, in the province of Alberta.

AEP's 2016-17 annual report describes the potential for privately-owned and municipal protected areas to qualify for reporting towards AEP's 17% target. Outlining how Alberta will identify these areas if they meet international standards for protected areas or Other Effective Area-based Conservation Measures (OECMs), pending international OECMs guideline development.<sup>5</sup>

In January 2018, the International Union for Conservation of Nature released *Guidelines for Recognizing and Reporting Other Effective Area-based Conservation Measures*. These guidelines recognize that municipal and privately-owned protected areas can provide OECMs benefits, which can meet international reporting standards.<sup>6</sup>

AEP's 2017-18 annual report does not mention identifying other areas, including municipal and privately-owned protected areas or OECMs in their reporting, towards their 17% target.<sup>7</sup>

Although the intention of environmental reserves, under the *Municipal Government Act*, is to prevent the development of hazardous lands, avoidance of natural drainage features and pollution prevention in wetlands and other waterbodies, many municipalities create environmental reserves for other intentions, including environmental significance. The co-benefits of designating environmental reserves can include the protection of wildlife habitat and habitat connectivity, protected areas for biodiversity and safeguarding the hydrological functionality of wetlands and waterbodies.<sup>8</sup> These benefits could be considered as OECMs under international standards.

AEP is working to achieve their 17% target, through multiple initiatives including caribou range planning. AEP's *Draft Provincial Woodland Caribou Range Plan* (2017) provides the scope of Canada and Alberta's co-led *Pathway*, and states that conservation areas designated as part of range planning may contribute to their 17% target.<sup>9</sup>

Through caribou range planning, AEP have proposed to permanently protect approximately 1.3 million hectares of land in Mackenzie County for the Bistcho, Yates and Caribou Mountains herds; these areas would qualify and report towards AEP's 17% target.<sup>10</sup> 1.3 million hectares equates to approximately 15.8% of Mackenzie County's geographic land-base.

AEP's *Business Plan 2018-21* describes how municipal and privately-managed areas that may meet the definition of a protected area or an OECM, are currently excluded as data is incomplete. AEP estimates that municipal and privately-owned protected areas represent less than 0.25% of the 17% provincial target.<sup>11</sup>

Over the next two years, other RMA member municipalities could see proposals for an increase in provincial protected spaces to achieve AEP's 17% target. Additional protected spaces have the ability to impact municipal service capacities and operating budgets.

A complete inventory of all municipal and privately-owned protected areas will help AEP to assess and include all areas which qualify, for reporting towards their 17% target.

#### **Other References:**

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<sup>5</sup> Source: <https://open.alberta.ca/dataset/40c2fab1-e757-49f1-b403-e42c0239158a/resource/b77f22fa-e83e-4b6b-bd8b-e74868ef9547/download/2016-17-aep-annual-report-20170623.pdf>

<sup>6</sup> Source:

[https://www.iucn.org/sites/dev/files/content/documents/guidelines\\_for\\_recognising\\_and\\_reporting\\_oecms\\_-\\_january\\_2018.pdf](https://www.iucn.org/sites/dev/files/content/documents/guidelines_for_recognising_and_reporting_oecms_-_january_2018.pdf)

<sup>7</sup> Source: <https://open.alberta.ca/dataset/40c2fab1-e757-49f1-b403-e42c0239158a/resource/d50a12fa-15b3-4471-a6be-6b41bc6361d1/download/aep-annual-report-2017-2018.pdf>

<sup>8</sup> Source: <https://www.communityconserve.ca/wp-content/uploads/2017/05/Environmental-Reserve-in-Alberta-A-Discussion-Paper.pdf>

<sup>9</sup> Source: <http://aep.alberta.ca/fish-wildlife/wildlife-management/caribou-range-planning/documents/DRAFT-CaribouRangePlanAndAppendices-Dec2017.pdf>

<sup>10</sup> Source: <http://aep.alberta.ca/fish-wildlife/wildlife-management/caribou-range-planning/documents/DRAFT-CaribouRangePlanAndAppendices-Dec2017.pdf>

<sup>11</sup> Source: <https://open.alberta.ca/dataset/503f5c97-1fc9-4d72-b1ab-f32eafd9dd7f/resource/492414c7-cc8d-4154-abff-bb81081f0644/download/environment-and-parks.pdf>

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### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Restricting the Consumption of Cannabis based on Regulations for Liquor Consumption**

Thorhild County

*Carried*

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### **Advocacy Target: Alberta Justice and Solicitor General, Alberta Gaming, Liquor and Cannabis Commission**

WHEREAS Bill 26, *An Act to Control and Regulate Cannabis*, received Royal Assent on December 15, 2017; and

WHEREAS Bill 26 has amended the *Gaming and Liquor Act* to the *Gaming, Liquor and Cannabis Act*; and

WHEREAS Bill 26, Section 90.28 states “no person may smoke or vape cannabis in any area or place where that person is prohibited from smoking under the Tobacco and Smoking Reduction Act or any other Act or the bylaws of a municipality”; and

WHEREAS secondhand cannabis smoke can harm nonusers; and

WHEREAS consumption of cannabis will have similar effects as consumption of alcohol; and

WHEREAS the consumption of cannabis should be prohibited in areas frequented by the general public and especially by children; and

WHEREAS Alberta Health Services recommends that municipalities implement regulations banning consumption in public places, as well as for public intoxication; and

WHEREAS the Government of Canada has implemented an advertisement slogan (“#don't drive high”) which amplifies the issue of the consumption of cannabis while driving;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta amend Section 90.28 (a) of *An Act to Control and Regulate Cannabis* to reflect that no person may smoke or vape cannabis in any area or place where that person is prohibited from consuming liquor under the *Gaming, Liquor and Cannabis Act* or any other Act or the bylaws of a municipality.**

### **Member Background**

1. Based on Provincial legislation, Albertans will be allowed to consume cannabis in their homes and in some public spaces where smoking tobacco is allowed, but use will be banned in cars.

In an effort to protect children and limit second-hand exposure, public smoking or vaping of cannabis in Alberta will be prohibited from any place where tobacco is restricted, and in the following places:

- on any hospital property, school property or child care facility property in or within a prescribed distance from:
  - a playground
  - a sports or playing field
  - a skateboard or bicycle park
  - a zoo
  - an outdoor theatre
  - an outdoor pool or splash pad
- from any motor vehicles, with the exception of those being used as a temporary residences, such as a parked RV

There will also be no consumption of cannabis at any cannabis retail outlets.

Legislation will establish provincial offenses for public consumption infractions and consumption of cannabis in vehicles.

Municipalities may create additional restrictions on public consumption using their existing authorities

(Source: Government of Alberta web-site)

2. "The cannabis enforcement mirrors what we do with alcohol"

"Other jurisdictions have seen an increase in impaired driving when cannabis has become legal," Mason said, adding the province will roll out a public education campaign. "The real risk here is that people don't feel cannabis is quite as bad or ... is impairing a substance as alcohol. Nothing could be further from the truth."

(Source: Brian Mason, Minister of Transportation- Edmonton Journal article dated November 15, 2017)

3. "Ban consumption in areas frequented by children"

(Source: Alberta Health Services Recommendations - Municipal Cannabis Regulations - February 20, 2018)

4. Under Bill C-46 (the amendment to the *Alberta Traffic Act*), a driver would face a maximum of a \$1,000 fine if their blood tests positive for two to five nanograms per milliliter of tetrahydrocannabinol (THC).
5. For drivers with more than five ng/ml of THC detected on a first impaired driving offence, a minimum \$1,000 fine would be imposed, with increasingly harsher penalties such as jail time for subsequent offences. The rules also impose penalties for combined alcohol cannabis use of 2.5 ng/ml of THC with a blood alcohol level of .05.
6. THC is the main psychoactive compound in cannabis.

Crashes involving alcohol and/or drugs are a leading criminal cause of death in Canada. On average, approximately four people are killed each day in crashes involving alcohol and/or drugs. In 2013, there were a total of 2,430 crash deaths on public roads, involving at least one highway vehicle (e.g. passenger cars, vans, trucks, or motorcycles).

Based on testing of fatally-injured drivers, it may be estimated that 1,451 (59.7%) of these deaths involved drivers who had some alcohol and/or drugs in their system.

369 deaths, or 15.2%, occurred in crashes involving drivers who were positive for alcohol alone.

683 deaths, or 28.1%, occurred in crashes involving drivers who were positive for drugs alone.

399 deaths, or 16.4%, occurred in crashes involving drivers who were positive for both alcohol and drugs.

The statistics reflect the growing incidence of driving after drug use, which now exceeds that for driving after alcohol use. Cannabis, the most commonly-found drug, is present in almost half of the drug positive fatal crashes.

Further information on the risks associated with public cannabis consumption can be found in *AHS Recommendations on Cannabis Regulations for Alberta Municipalities*, a document prepared by Alberta Health Services intended to support municipalities in making cannabis policy decisions that will promote public health. The report can be accessed at: <http://rmalberta.com/wp-content/uploads/2018/05/Webinar-recording-Cannabis-and-Public-Health-AHS-Cannabis-Information-Package-for-Municipalities.pdf>. A summary of the report's recommendations is as follows:

## SUMMARY OF RECOMMENDATIONS

### *Overall*

Where evidence is incomplete or inconclusive, AHS is advising that a precautionary approach be taken to minimize unintended consequences. This approach is consistent with the recommendations of Federal Taskforce on the Legalization and Regulation of Cannabis (Government of Canada, 2016).



### *Business Regulation & Retail*

- Limit the number of cannabis stores, and implement density and distance controls to prevent stores from clustering, while also keeping buffer zones around well-defined areas where children and youth frequent.
- Consider requirements for cannabis education and community engagement as part of the business licensing approval process.
- Limit hours of operation to limit availability late at night and early morning hours. • Restrict signage and advertising to minimize visibility to youth.

### *Consumption*

- Ban consumption in areas frequented by children.
- Align the cannabis smoking regulations with the Tobacco and Smoking Reduction Act and/or with your municipal regulations, whichever is more stringent.
- Ban smoking, vaping and water pipes in public indoor consumption venues.

### *Home growing*

- Design a process to ensure households and properties are capable of safely supporting home growing.

### *Multi-Unit Housing*

- Health Canada (2017) has recommended a ban on smoking in multi-unit housing. AHS recognizes that there are potential health risks associated with second-hand smoke within multi-unit housing environments and therefore recommends municipalities consider bylaws that ban smoking in multi-unit housing.

### *Research and Evaluation*

- Ensure mechanisms to share data across sectors and levels of government are established, and appropriate indicators are chosen to monitor the impacts of policy implementation on communities.

## **RMA Background**

### 14-17F: Cannabis Act

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties advocate that the Government of Alberta oppose the legalization of cannabis for recreational use in the Province of Alberta until a complete understanding of the implications that the legalization of cannabis will have on the health of individuals and on community safety is publicly available.

DEVELOPMENT: While RMA appreciates that the Government of Alberta has conducted extensive public engagement, with input from health, law enforcement and other subject area experts to understand the impacts of cannabis legalization, the fact remains that there are significant gaps in academic, government and industry research efforts related to the impacts of legalized cannabis on public health and community safety. RMA acknowledges that there is a stark difference between understanding concerns from stakeholders and understanding actual implications gleaned from empirical research in communities in which cannabis is legalized. RMA recognizes that this issue is not well researched, however, staff have been actively assisting municipalities in adapting to these changes by providing workshops and information as it becomes available. This resolution is assigned a status of **Intent Not Met**. RMA will continue to advocate that the Government of Alberta lead social and health impact assessments once cannabis has been legalized.

## **Impact of the Alberta Wetland Policy on the Cost of Maintaining Public Road Infrastructure**

Wheatland County

*Carried*

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### **Advocacy Target: Alberta Environment and Parks**

WHEREAS the Alberta Wetland Policy and the *Water Act* require costly environmental studies as a component of the application process for wetland impacts; and

WHEREAS the Alberta Wetland Policy and the *Water Act* require wetland replacement for impacts to all wetlands greater in permanence than ephemeral; and

WHEREAS rural municipalities are not currently in a position to perform permittee-based wetland replacement, and therefore must pay in-lieu compensation where road maintenance activities on existing roads impact applicable wetlands; and

WHEREAS rural municipalities manage the majority of Alberta's public road infrastructure; and

WHEREAS roads require consistent maintenance and/or re-building to support a growing province, in order to ensure public safety, accommodate increased use including extra weight and more traffic, and to upgrade roads to current standards; and

WHEREAS municipal roads requiring maintenance occur in existing right of ways, and were historically planned and built prior to the requirements of provincial wetland regulations; and

WHEREAS the re-building and maintenance of roads are causing municipalities increasing financial burden due to the requirement for environmental studies and compensation payments associated with the Alberta Wetland Policy; and

WHEREAS municipalities have limited opportunity to generate revenue to accommodate the increasing cost of re-building and maintaining roads except to transfer the costs to local ratepayers; and

WHEREAS the consequences of not completing road maintenance as required could include putting public safety in jeopardy due to a lack of upgraded roads, and loss of transportation routes for industry and the public due to road bans or road closure;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta urge the Government of Alberta to modify the Alberta Wetland Mitigation Directive to allow all wetland impacts as a result of municipal road maintenance or re-building of existing roads to utilize a one to one ratio, or D to D value wetland replacement; and/or consider exempting all wetland impacts in road right of ways that are smaller than one hectare in size.**

### **Member Background**

The Alberta Wetland Policy was proclaimed in 2013, with implementation ongoing, beginning in the White Area in June of 2015. The Policy, in conjunction with the *Water Act*, requires that all activities that impact natural or restored wetlands be subject to the requirement for an approval under the *Water Act*, and further that all impacts to applicable wetlands that cannot be avoided or mitigated be subject to replacement requirements.

The process for obtaining *Water Act* approvals for wetland impacts includes an assessment of permanence for *Public Lands Act* Ownership, and a Wetland Assessment and Impact Report (or Form) which includes a number of environmental studies supporting the application. This work is followed by an application submission to Alberta Environment and Parks that includes evidence of use of the Policy's Wetland Mitigation Hierarchy. Where wetland impacts are determined to be unavoidable, a wetland replacement plan is required which can currently take one of two forms. One is a permittee-based wetland restorative replacement option whereby the applicant submits design and monitoring plans and completes the work for restored wetlands to offset proposed losses. The second is a compensation payment in-lieu of wetland restoration, currently paid to Ducks Unlimited Canada. The cost associated with environmental studies required for the approval process, and cost of compensation required for wetland replacement, is a significant issue for rural municipalities.

Municipalities are responsible for road maintenance, re-building, and the construction of new roads. When planning for the construction of a new road, municipalities have the option to not build the road, or build the road in such a way that it does not impact surrounding wetlands. The wetland mitigation hierarchy as described by the Alberta Wetland Policy is therefore possible to accommodate for new construction, although it may still result in important access routes not being built due to increased costs. It is not possible for municipalities to apply the wetland mitigation hierarchy in the case of road maintenance.

Municipal roads require consistent maintenance and occasional re-building to ensure public safety, accommodate increased use including extra weight and more traffic, and to upgrade to current standards. Such roads occur in existing right of ways and were historically built through many wetlands, prior to the requirements of any provincial wetland regulation. Since upgrades usually require some widening of the road, municipalities are unable to avoid impacts to wetlands where road maintenance is required, and end up subject to substantial costs under the Alberta Wetland Policy and *Water Act* as a component of compliance.

Since January 2016, Wheatland County has completed **six** road maintenance projects requiring *Water Act* approvals for wetland impacts. The environmental studies required for *Water Act* application submissions associated with these impacts cost a cumulative total of **\$172,590**. As Wheatland County is not currently prepared to perform permittee-based wetland restorative replacement, in order to proceed with the road maintenance works a cumulative total of **\$219,902** has been paid to Ducks Unlimited Canada in in-lieu fees. This compensation value would rise to **\$336,545** if a sixth project receives final approval. The values given do not include other environmental components of the projects such as erosion and sediment control, borrow pit assessments, bird nest sweeps, and costs of materials such as silt fence or silt curtains to protect wetlands and waterways.

While private developers and industries may incorporate the cost of environmental studies and wetland replacement into their business models, municipalities are limited in their ability to generate funds in a similar fashion. The requirements therefore place an additional burden on the municipal ratepayer as the cost of road maintenance rises.

To relieve this burden and resolve the discrepancy between the economic abilities of municipalities as compared to other entities which impact wetlands, it is requested that the Government of Alberta recognize existing impacts to wetlands within existing right of ways by assigning a “blanket” value of D to all wetlands currently impacted by roads. This would reduce the extent of environmental studies required by eliminating the need for an Alberta Wetland Rapid Evaluation Tool (ABWRET) assessment, and significantly reduce the amount of in-lieu compensation owed, effectively reducing the costs borne by municipalities for road maintenance and re-building. Under this proposed model, Wheatland County’s compensation payment obligations to date on six road projects would have fallen by **61%**; a noteworthy benefit to our road program while still recognizing the importance of Alberta’s Wetland Policy (new total for six projects: \$130,594). If the Government of Alberta were to additionally consider exempting impacts less than one hectare in size, Wheatland County’s compensation payments to date would have fallen by a total of **76%** (two road projects of six qualify, new total: \$79,559.50). In addition, the cost of environmental studies would be reduced, as ABWRET assessments would no longer be necessary to determine wetland value.

A. Table of Wheatland County Wetland Impact Costs

Road Project	Environmental Studies Cost	Compensation Payment Cost	Hectares of Wetlands Impacted
Rg. Rd. 245	\$9,728	\$71,780	0.97 (Replaced with 3.88)
Duck Lake Road – Rg. Rd. 183 Phase 2	\$20,667	\$44,250	0.64 (Replaced with 2.5)
Rg. Rd. 201	\$55,457	\$48,020	0.90 (Replaced with 2.71)

Rg. Rd. 270	\$24,714	\$48,822	2.03 (Replaced with 2.64)
Rg. Rd. 254	\$17,460	\$7,030	0.32 (Replaced with 0.38)
Duck Lake Road – Rg. Rd. 183 Phase 1	\$44,564	*\$116,643	*2.37 (Replaced with 6.59)
<b>Totals</b>	<b>\$172,590</b>	<b>\$219,902</b> *\$336,545	<b>4.86 ha impacted</b> (*7.228) 12.1 ha replaced (*18.702)

\*Values have not yet been paid, approval not complete on date of report\*

#### B. Constructed Road Example – Wetland Policy Preventing Road Building

Wheatland County wanted to construct a road on a right of way for landowner access and had two options. The first was one-half mile off of a range road going west, the second was one mile off of a township road going north. Both would impact wetlands along the existing right of way. It was determined that the one-half-mile option would cost \$43,930 for environmental studies, and a minimum of \$28,851 for compensation payment. The one-mile option would cost \$53,315 for environmental studies and a minimum of \$7,611 for compensation payment. The compensation could have cost as much as \$230,808 for the first option and \$60,888 for the second option if the wetlands had been “A” value. It was decided to not go ahead with the project, and as a result the landowner does not have access to their parcel.

#### C. Wetland Policy Prior to the Current Alberta Wetland Policy

Alberta’s *Wetland Management in the Settled Area of Alberta, An Interim Policy* was approved in 1993. The Policy “set out a no net loss formula/hierarchy for slough/marsh wetlands in the White Area of the province” (Kwasniak, 2015). Under this Policy, similar to the current Alberta Wetland Policy, compensation ratios were developed in 2007 to address wetlands that were authorized to be depleted or degraded. A minimum replacement of three to one was commonly used, but could change according to site-specific circumstances and the approval of Alberta Environment (Kwasniak, 2015). The Interim Policy was replaced by the Alberta Wetland Policy in 2015.

D. Table of Environmental Costs for Wheatland County Road Projects

Road	Year	Wetland Assessments Cost	Erosion and Sediment Control Plan Cost	Borrow Pre-Disturbance Assessment	Bird Sweep	Compensation Cost (excluding GST)	Hectares of Wetland Impacted
RR 183 Duck Lake Phase 1	2016	\$38,188	\$0	\$0	\$0		
	2017	\$6,274	\$0	\$0	\$0		
	2018	\$102	\$0	\$0	\$0	\$116,643 - *Not yet paid	*2.37 (replacement area 6.59 ha)
RR 183 Duck Lake Phase 2	2016	\$14,500	\$0	\$0	\$0		
	2017	\$3,152	\$0	\$0	\$0		
	2018	\$3,015	\$0	\$0	\$0	\$44,250	0.64 (replacement area 2.5 ha)
RR 270	2016	\$12,422	\$0	\$0	\$0		
	2017	\$8,027	\$0	\$0	\$0		
	2018	\$4,265	\$8,605	\$7,089	\$2,741	\$48,822	2.033 (replacement area 2.639 ha)
RR 254	2016	\$2,515	\$0	\$13,998	\$0		
	2017	\$8,083	\$0	\$2,553	\$0		
	2018	\$6,862	\$0	\$410	\$0	\$7,030	0.32 (replacement area 0.38)
RR 201	2016	\$15,217	\$0	\$0	\$0		
	2017	\$36,172	\$0	\$791	\$0		
	2018	\$4,068	\$9,139	\$4,900	\$1,255	\$48,020	0.895 (replacement area 2.713 ha)
RR 245	2016	\$5,154	\$0	\$0	\$0		
	2017	\$2,853	\$0	\$0	\$0		
	2018	\$1,721	\$11,115	\$0	\$0	\$71,780	0.97 (replacement area 3.88 ha)
<b>Total Costs</b>		<b>\$172,590</b>	<b>\$28,859</b>	<b>\$29,741</b>	<b>\$3,996</b>	<b>\$219,902</b>	<b>4.86 (replacement area 12.11 ha)</b>
				Total Compensation In-Lieu with Unpaid Costs		\$336,545	7.23 (replacement area 18.70 ha)

The table above shows that wetland assessments make up the majority of costs for environmental studies associated with road construction. Erosion and Sediment Control Plans, Borrow Pit Pre-Disturbance Assessments, and Bird Sweeps, are completed to meet other regulatory requirements aside from the Alberta Wetland Policy and achieve industry best practice. A limitation of the data is that wetland assessment costs are not divided into components such as wetland delineation, ABRWET assessments to determine wetland value, and Wetland Assessment and Impact Reports to show the percentage of costs represented by each step, and thus the percentage that could be saved if ABRWET assessments were no longer required.

RR 183 Phase 1 has not received approval and therefore in-lieu fees have not been paid as of the date of this report. Wetland studies have been completed and the compensation payment has been calculated to show the additional cost impact if the project had been paid for.

E. Relevant Excerpts from the Alberta Wetland Mitigation Directive

The Wetland Replacement Matrix					
		Value of Replacement Wetland			
		D	C	B	A
Value of Lost Wetland	A	8:1	4:1	2:1	1:1
	B	4:1	2:1	1:1	0.5:1
	C	2:1	1:1	0.5:1	0.25:1
	D	1:1	0.5:1	0.25:1	0.125:1

\*Ratios are expressed as area of wetland

**Figure 2. Wetland Replacement Matrix**

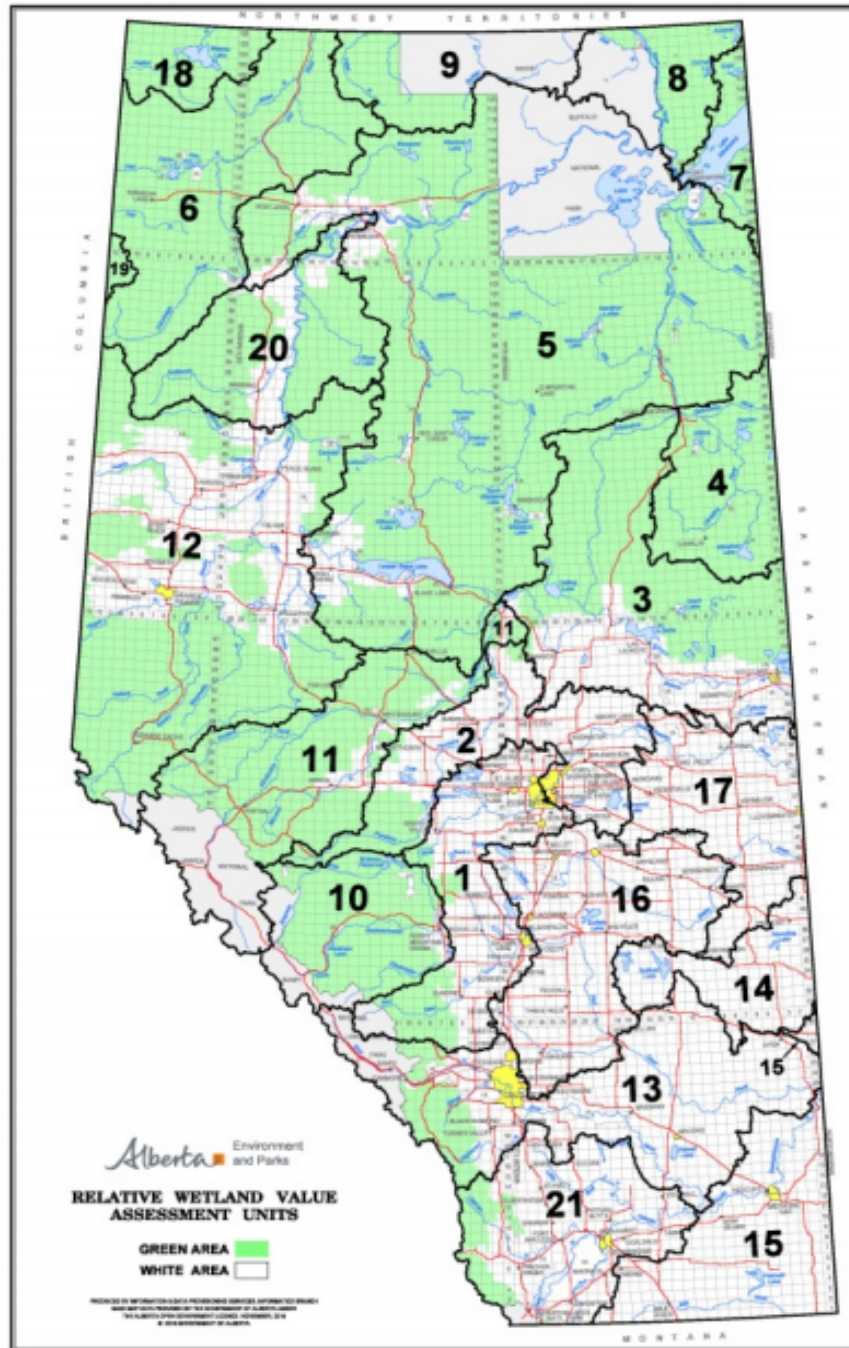
To the extent possible, wetland replacement must occur in the following geographic order of priority:

1. Within the same municipal boundary as the site of permanent wetland loss

If there are no restoration options available within the same municipality, replacement priority should be given:

2. Within the same watershed<sup>4</sup>, upstream of the municipal boundary where the municipality will continue to derive benefits from wetland replacement
3. Within the same Relative Wetland Value Assessment Unit (RWVAU, Figure 3)
4. Within the same natural region<sup>5</sup>
5. In areas of high historical wetland loss<sup>6</sup> within the Province

**Excerpt 1:** From page 8 of the Alberta Wetland Mitigation Directive. This resolution is asking that impacted (lost) wetlands in road right of ways always be given a value of D. Since replacement wetlands are blanket-valued at D, this would result in a constant 1:1 ratio for in-lieu compensation payments.



**Figure 3. Relative Wetland Value Assessment Units (RWVAU)**

**Excerpt 2:** The dollar value of in-lieu compensation payments is dependent on where a project falls on the Relative Wetland Value Assessments Units map (from page 9 of the Alberta Wetland Mitigation Directive). Wheatland County projects fall in either unit 13 or unit 16.

## Schedule 2: Wetland Replacement *In-Lieu* Fee Rates

*In-lieu* rates in Table 2 are based on the following:

- Average land values within each RWVAU, per hectare (except for Public Lands in the Green Area)
- The cost per hectare for materials and labor to restore a previously existing wetland that has been drained
- The cost of monitoring a restored wetland
- An administrative fee

**Table 2. *In-lieu* Fee Rates per Hectare**

	Relative Wetland Value Assessment Unit	<i>In lieu</i> Rate (\$/ha)
Public Lands <sup>7</sup> (in the Green Area)	Units 1-12 and 18-21	10,300
Public Lands (in the White Area)	1	19,100
	2	19,400
	3	19,100
	4	19,100
	5	18,400
	6	18,200
	7	18,400
	8	18,400
	9	18,400
	10	19,100
All other lands <sup>8</sup> (province-wide)	11	19,400
	12	18,500
	13	17,700
	14	18,200
	15	17,300
	16	18,500
	17	18,600
	18	18,200
	19	18,200
	20	18,200
	21	17,700

**Excerpt 3:** From page 12 of the Alberta Wetland Mitigation Directive, the above information explains how values are derived per Relative Wetland Value Assessment Unit. In Wheatland County, projects that fall in Unit 16 multiply the replacement area in hectares by \$18,500 to determine value of compensation paid. In Unit 13, the replacement area in hectares is multiplied by \$17,700 to determine value of compensation due. The replacement area in hectares is currently subject to a multiplier in accordance with the ratios in excerpt 1. Requesting that all wetlands in road right of ways be granted a D value eliminates the multiplier, significantly reducing the value of in-lieu compensation due.

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## **RMA Background**

### 4-17F: *Water Act* Approvals for Municipal Projects on Municipal Land

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to relax the requirement for formal approvals on all road construction on municipal right of ways less than 40 metres wide and consider alternate strategies for protecting water resources.

DEVELOPMENT: Though the response from the Government of Alberta recognizes the challenges faced by municipalities who are subject to relatively short construction seasons and extensive infrastructure networks, the response does not indicate any change in process or regulation to the extent outlined in the resolution. This resolution is assigned a status of **Intent Not Met**.

### 1-16F: Alberta Environment and Parks Approvals for Construction Projects

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties requests that consideration be given to safety concerns related to delayed environmental approval processing and supports the creation of a process for municipalities to receive timely approvals from Alberta Environment with regard to construction projects.

DEVELOPMENT: The Government of Alberta response acknowledges the challenges that municipalities are facing in receiving timely approvals of works related to wetlands. The RMA is encouraged that Alberta Environment and Parks has identified this as a problem and is in the process of developing an updated regulatory process for road works impacting wetlands which will balance provincial and municipal needs regarding regulatory compliance and timeliness. The Government of Alberta has indicated that an Alberta Wetland Construction Directive and Alberta Wetland Construction Guide are forthcoming but have been delayed as of April 2018. The RMA assigns this resolution a status of **Accepted in Principle**, and will monitor progress made.

## **Community Peace Officer Access to the Canadian Police Information Centre**

Mountain View County

*Carried*

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### **Advocacy Target: Alberta Justice and Solicitor General, Royal Canadian Mounted Police**

WHEREAS rural municipalities employ Community Peace Officers (CPO) (Level 1 and Level 2) under the *Peace Officer Act*, and

WHEREAS rural municipalities are responsible for ensuring the safety of CPOs; and

WHEREAS Canadian Police Information Centre (CPIC) access was made available to CPO Level 1 in 2013; and

WHEREAS CPIC access is not available to CPO Level 2; and

WHEREAS uptake and usage of CPIC is available to CPOs only after initial contact and approach of a subject; and

WHEREAS employers are responsible for drafting policy that prohibits a CPO from attending a location alone where there is a known threat and must maintain a list of known local threats for reference by dispatchers and CPOs;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that Alberta Justice and Solicitor General work with the Canadian Police Information Centre, and any other Ministry necessary, to provide direct, mobile and timely Canadian Police Information Centre access to Community Peace Officers that can be used as a proactive and preventative tool within defined guidelines.**

#### **Member Background**

The Canadian Police Information Centre (CPIC) is a computerized system that provides tactical information about crimes and criminals. It is an integral part of the RCMP's National Police Services (NPS) as it is the only national information-sharing system that links criminal justice and law enforcement partners across Canada and internationally. CPIC is responsible for the storage, retrieval and communication of shared operational police information to all accredited criminal justice and other agencies involved with the detection, investigation and prevention of crime.

CPIC has been operational since 1972 and is located at the RCMP Headquarters complex in Ottawa, Ontario. It allows for law enforcement officers to connect to the central computer system within police departments, RCMP detachments, and federal and provincial agencies across the country (1).

CPIC access was made available to Community Peace Officers (CPO) in 2013. CPOs are able to receive the following information from CPIC:

- Vehicles: Stolen license plates, validation tags or vehicles; stolen vehicles, abandoned or wanted in connection to a crime.
- Persons: Persons wanted by the police or accused persons; persons on probation or parole; persons against whom prohibition orders have been placed (e.g. driving, possession of firearms); missing persons, including children;
- Criminal Record Synopsis: Condensed version of criminal records supported by fingerprints maintained by the RCMP's Information and Identification Services.

Currently, CPIC information is obtained through the Sheriffs Online Communications Center (SOCC) which requires a CPO to provide a reason for any requested query and provides a cumbersome approach to acquiring information on outstanding warrants. The time from request to final response is typically lengthy and becomes ineffective for day to day CPO operations. This often leads to CPO's entering potentially dangerous situations without notice and forces them to act reactively to situations, rather than proactively. In comparison, the RCMP have access to CPIC information quickly and can obtain such information prior to initial contact.

Employers provide CPOs with tools such as Registries Online Access Delivery System portal to Moves Law Enforcement that provides motor vehicle information, ownership information, license information and a history of moving violations. As technology progresses and health and safety programs become more robust, a request for improved access to CPIC should be considered.

Granting enhanced and timely access to CPIC for CPOs would provide municipalities added flexibility to determine their internal processes and protocols for CPOs when dealing with the public. It would provide a potential for increase in safety of employees as well as operational efficiencies of the organization.

The Rural Municipalities of Alberta (RMA) has been advocating for “the formation of a working group comprised of the Ministry of Justice and Solicitor General, the Royal Canadian Mounted Police “K” Division, the Alberta Association of Community Peace Officers (AACPO), and potentially other organizations” (2) to pursue options for direct, timely and mobile access to CPIC for CPOs. It is the intent of this resolution to provide additional support to their efforts to have this issue resolved for the safety of all CPOs in Alberta.

#### **References**

1. Alberta Justice and Solicitor General (December 2012) Public Security Peace Officer Program CPIC Policy
2. Rural Municipalities of Alberta, (May 31, 2018) Letter Re: Community Peace Officer Access to the Canadian Police Information Centre

#### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Rural Municipalities of Alberta Represents Municipalities on *Water Act* Approvals**

Rocky View County

Carried

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### **Advocacy Target: Alberta Environment and Parks**

WHEREAS municipalities share the Government of Alberta's objective of serving the public good through proper implementation of the *Water Act*, and

WHEREAS rural municipalities constitute the largest land base in Alberta, and therefore have multiple interactions with Alberta Environment and Parks as they seek *Water Act* approvals as part of the process to improve infrastructure in their municipalities; and

WHEREAS improving the *Water Act* approval process will ensure that public dollars are more efficiently applied to the protection and stewardship of water systems in the province while balancing the need for critical upgrades to infrastructure; and

WHEREAS Rural Municipalities of Alberta (RMA) members have previously submitted resolutions requesting Alberta Environment and Parks to reduce the approval timelines associated with *Water Act* approvals; and

WHEREAS at the Spring 2018 RMA convention, the Minister of Environment and Parks discussed the ongoing review of the *Water Act* approval process;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta work with Alberta Environment and Parks to provide the rural perspective and input related to streamlining and improving the *Water Act* approval process.**

### **Member Background**

The Minister and senior officials from Alberta Environment and Parks (AEP) have recognized the need to streamline and improve the *Water Act* approval process. At the Spring 2018 Rural Municipalities of Alberta (RMA) convention, Minister Phillips indicated the Ministry is undertaking a review of its approval process.

It is important that rural municipalities provide insight and perspective on the approval process and work with the Ministry to test its systems improvements. Rocky View County proposes that the RMA represents all rural municipalities in this process review. The intent is that the RMA and AEP work together to meet the purpose of the *Water Act* to "support and promote the conservation and management of water," while recognizing the impact of approval delay on the financial and social interests of all Albertans.

### **RMA Background**

4-17F: *Water Act* Approvals for Municipal Projects on Municipal Land

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to relax the requirement for formal approvals on all road construction on municipal right of ways less than 40 metres wide and consider alternate strategies for protecting water resources.

DEVELOPMENT: Though the response from the Government of Alberta recognizes the challenges faced by municipalities who are subject to relatively short construction seasons and extensive infrastructure networks, the response does not indicate any change in process or regulation to the extent outlined in the resolution. This resolution is assigned a status of **Intent Not Met**.

1-16F: Alberta Environment and Parks Approvals for Construction Projects

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties requests that consideration be given to safety concerns related to delayed environmental approval processing and supports the creation of a process for municipalities to receive timely approvals from Alberta Environment with regard to construction projects.

DEVELOPMENT: The Government of Alberta response acknowledges the challenges that municipalities are facing in receiving timely approvals of works related to wetlands. The RMA is

encouraged that Alberta Environment and Parks has identified this as a problem and is in the process of developing an updated regulatory process for road works impacting wetlands which will balance provincial and municipal needs regarding regulatory compliance and timeliness. The Government of Alberta has indicated that an Alberta Wetland Construction Directive and Alberta Wetland Construction Guide are forthcoming but have been delayed as of April 2018. The RMA assigns this resolution a status of **Accepted in Principle**, and will monitor progress made.

## **Multi-Stakeholder Committee to Work at Reducing the Use of Potable Water by the Oil and Gas Industry in Alberta**

Brazeau County

*Carried*

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### **Advocacy Target: Alberta Energy**

WHEREAS there is a concern about the enormous waste of fresh water by the oil and gas industry through hydro-fracking and water injection processes; and

WHEREAS injection of 32 million cubic meters (the current total of licenses held by the oil and gas industry in Alberta) of fresh water is permanently removed from the aquatic cycle; and

WHEREAS free and easy access to fresh water for enhanced oil recovery acts as a disincentive for oil and gas companies to pursue alternate methods such as carbon dioxide injection, light oil hydro-fracking or to drill deeper to locate and pipe non-potable water for injection purposes; and

WHEREAS rural municipalities are concerned with the amount of potable water used in the fracking and water injection process;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta to immediately strike a multi-stakeholder committee to work at reducing the use of potable water and explore alternate options for use by the oil and gas industry in Alberta.**

### **Member Background**

A reliable water supply for a sustainable economy is one of the key goals of Water for Life, Alberta's Strategy for Sustainability. The Advisory Committee on Water Use Practices and Policy was formulated in 2003 to examine the use of fresh water for underground injection. The Government of Alberta working, in partnership with industry, interest groups and non-government organizations, developed the Water Conservation and Allocation Policy for oilfield injection, with a goal to reduce or eliminate the allocation of non-saline water for deep well injection. Applications for the use of fresh water for injection continue to be filed with the Alberta Energy Regulator, and are approved on the basis that there is no economical alternative (saline water or carbon dioxide) that is available or because the diversion of ground water was previously approved through the licensing process.

Currently the oil industry holds licenses for up to 32 million cubic meters of ground water diversion. The suggestion that use of non-saline ground water for enhancing oil field production is the most economical means is found on the premise that ground water has no dollar value. Such is not the case for those communities in Alberta that must pipe water to support residents. With the ever-increasing drought conditions across the Prairie provinces, ground water is becoming a scarce resource that must be conserved. Fresh water flooding of oil fields results in the water being lost to the eco-system forever. It is imperative that the Government of Alberta establish policies to regulate ground water usage by the oil and gas industry for the protection and sustainability of this vital resource.

### **REFERENCES**

1. Potable Water - Drinkable - Fit to Drink
2. Fresh Water - Non-saline
3. Non-potable/Saline Water - Brackish - Unfit to Drink
4. Surface Water - Water collected on the ground or in a stream, river, lake, wetland, or ocean, it is related to water collecting as ground water or atmospheric water.
5. Ground Water - Water located beneath the ground surface is soil pore spaces and in the fractures of rock formation. A unit of rock or an unconsolidated deposit is called an aquifer when it can yield a usable quantity of water.
6. Water Table - Underground depth at which point the ground is totally saturated by water. The level of a water table can fluctuate considerably. When underground water deposits are large enough to be considered sustainable for use, they are known as aquifers.
7. Fracking - Source Watch

- Fracking also referred to as hydraulic fracturing or hydro-fracking. A process in which a fluid is injected at high pressure into oil or methane gas deposits to fracture the rock above and release the liquid, (oil/gas) below.
  - Light-Oil Fracking - Alternative method using light oil for fracking
  - Hydro-Fracking - Process in which water is used as the fluid in fracking
  - C02-Fracking - Process in which carbon dioxide is used as the injection product in fracking
8. Hydraulic Fracture - Formed by pumping the fracturing liquid into the wellbore at a rate sufficient to increase the pressure downhole to a value in excess of the fracture of the formation rock.
  9. Water Cycle - AKA Hydrologic Cycle or H2O Cycle - Describes the continuous movement of water on, above and below the surface of the Earth.
  10. AER - Alberta Energy Regulator
  11. EUB - Alberta Energy and Utilities Board

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **TELUS Failure to Maintain Landline Operations**

MD of Spirit River

*Carried*

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### **Advocacy Target: Service Alberta, Canadian Radio-television and Telecommunications Commission**

WHEREAS TELUS has owned the monopoly outright on the landline system since 1991 which has been and continues to be a vital link for communication including the 911 system across Alberta; and

WHEREAS wireless connectivity has been declared a necessary utility yet many Albertan's still do not have access to secure and stable wireless connectivity and rely on a landline system for communication and internet; and

WHEREAS the lack of investment in maintenance of landline infrastructure creates the perception that wireless is TELUS' preferred option;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) request that Service Alberta direct TELUS to maintain their complete landline network until such time that there are assurances that the wireless system is as secure, economical and stable as the previous landline system has been; and**

**FURTHER BE IT RESOLVED that RMA request that the Canadian Radio-Television and Telecommunications Commission (CRTC) review the original agreement with TELUS to ensure they are meeting their responsibilities.**

#### **Member Background**

The landline system that has serviced the remote areas where scarce population and greater distance has always been a challenge is in jeopardy of no longer being serviced because of economics of having to support two systems of copper lines and wireless. Many areas of rural Alberta, including the Municipal District of Spirit River, are still experiencing a reluctance on the part of TELUS to bury temporary cables that have been laid as stop gap measures for temporary landline repairs. These temporary cables get broken by mowers and farming operations causing service disruptions. Spring flooding also interrupts services as pedestals are outdated, broken and exposed to the weather. There are also discussions that the computer network of switches on the landline system is becoming outdated. As the landline system is left to degrade, it is forcing people to choose options that are wireless; however, the scarce population and greater distance is still a challenge for the wireless network and therefore the rural population is being under served for both systems with no viable opportunity for safe secure and reliable communication links. One reliable landline system is required until a wireless network can replace the efficient, secure, reliable system of the past. Rural Alberta cannot be in a transition with two poor systems.

#### **RMA Background**

RMA has no active resolutions directly related to this issue.



## **Reclamation of Non-Producing Oil and Gas Sites on Agricultural Lands Owned by Bankrupt Companies**

Lac La Biche County

*Carried*

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### **Advocacy Target: Alberta Energy Regulator, Alberta Energy**

WHEREAS many oil and gas production companies have declared bankruptcy in the last several years; and

WHEREAS many of the wells, compressor stations, battery and satellite sites and facilities owned by these bankrupt companies have been abandoned and not reclaimed; and

WHEREAS many of these properties are located on agricultural land and hinder the regular field operations of livestock and crop producers; and

WHEREAS the mandate of the Orphan Well Association is to manage and reclaim properties abandoned by bankrupt oil and gas companies; and

WHEREAS the activities of Orphan Well Association are limited by the funds available and therefore cannot currently reclaim all of these properties in a timely fashion;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Orphan Well Association prioritize the reclamation of abandoned oil and gas sites on the following basis:**

- 1. Health, safety and environmental needs**
- 2. Agricultural land**
- 3. All other lands**

### **Member Background**

Currently the number of sites the Orphan Well Association is tasked with cleaning up exceeds the annual budget available. Lac La Biche County is requesting that the Orphan Well Association, subject to health, safety, and environmental concerns, reclaim abandoned sites on actively farmed property prior to reclaiming abandoned sites on unfarmed property.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Wetland Mitigation Directive – Restoration and Compensation**

Red Deer County

*Carried*

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### **Advocacy Target: Alberta Environment and Parks**

WHEREAS the Alberta Wetland Policy provides the strategic direction and tools required to make informed management decisions in the long-term interest of Albertans; and

WHEREAS the Alberta Wetland Policy is intended to minimize the loss and degradation of wetlands, while allowing for continued growth and economic development in the province; and

WHEREAS the Alberta Wetland Mitigation Directive is the policy implementation tool that is intended to promote the avoidance of removal of wetlands and describes the minimization plan, replacement plan and permittee-responsible replacement project requirements where avoidance is not possible; and

WHEREAS section five of the Wetland Mitigation Directive states that applicants can fulfill their replacement obligations through purchase of credits from a third-party wetland bank, making a payment to the in-lieu fee program, or undertaking permittee-responsible replacement; and

WHEREAS the Wetland and Water Boundary Unit of Alberta Environment and Parks has stated that permittee-responsible replacement in the form of enhanced wetlands or constructed wetlands will not be allowed until an enhancement directive or a construction directive to allow for wetland construction is prepared; and

WHEREAS the construction directive has been referenced since June 2017 and no timeline has been given for its adoption;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that Alberta Environment and Parks follow the Wetland Mitigation Directive and that permittee-responsible mitigation either through enhancement or construction of wetlands be allowed, be it either through the Alternative Land Use Services program or through wetlands constructed as a part of stormwater management ponds.**

### **Member Background**

In June of 2018, Alberta Environment and Parks (AEP) issued an updated Wetland Mitigation Directive. In Section five (Replacement), it is stated that that applicants can fulfill their replacement obligations through a combination of the following options:

1. Purchase available credits from a third-party wetland bank.
2. Make a payment to the in-lieu fee program, instead of undertaking their own replacement action or obtaining credits from a wetland bank.
3. Undertake permittee-responsible mitigation, where the Applicant restores, enhances, or constructs a wetland, either in advance of- or soon after- permanent wetland losses have been incurred.

Of these options, Option 1, purchasing credits from a third-party wetland bank is not available as a wetland bank program has yet to be established, even though this note has been in the directive since its inception in 2015.

Option 2 refers to the in-lieu fee program. Currently, the only designated agent for wetlands throughout Alberta is Ducks Unlimited Canada.

Red Deer County's preferred replacement option has been Option 3, permittee-responsible mitigation. This option allows for restoration, enhancement, or construction. Through their Alternative Land Use Services (ALUS) program, Red Deer County has historically proposed permittee-responsible enhancement of existing wetlands throughout the County.

Furthermore, portions of stormwater management ponds constructed as wetlands were previously accepted for compensation, which also falls under permittee-responsible replacement. However, as these guidelines for wetland compensation through stormwater management ponds have been removed from the July 2017 and June 2018 versions of the directive, this option is no longer available as well.

As a result, municipal options to do wetland replacement at this time, are limited to either in-lieu payment or permittee-responsible wetland restoration.

**RMA Background**

RMA has no active resolutions directly related to this issue.

## **Demand Meters and Rate Riders**

Brazeau County

*Carried*

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### **Advocacy Target: Alberta Energy, Alberta Utilities Commission**

WHEREAS municipal government buildings and recreational facilities are to benefit the people of Alberta; and

WHEREAS demand meters are the currently accepted practice of tracking peak demand and electrical usage; and

WHEREAS there has been a significant recent rise in electrical rates either by distribution and/or transmission charges and/or electric rates and/or carbon surcharges; and

WHEREAS demand meters are reset on an annual basis; and

WHEREAS when a system requiring electricity is connected to the grid and a peak demand is established, the premises is then billed on that peak for the next consecutive twelve-month period;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Alberta Utilities Commission create a separate rate class for municipal buildings and recreational facilities and require that all demand meters are reset and billed accordingly on a monthly basis.**

#### **Member Background**

Demand meters are the current accepted practice of tracking peak demand and electrical usage on commercial, industrial and recreational facilities. The majority of rural municipalities own or support recreational facilities as a provision of services to their residents. There have been recent significant rises in electrical rates either by distribution and/or transmission charges and/or electric rates and/or carbon surcharges. As many recreational facilities are not utilized 24/7 like commercial or industrial facilities, this results in demand meters negatively impacting communities of all sizes as they pay a portion of their power bill on the peak utilization and not just on their consumption.

This drain on municipal resources has resulted in the rural municipalities' request to the Government of Alberta for a change in rate structure and operations of demand meters to recognize that recreational facilities are separate from commercial and industrial users.

#### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Alberta Environment and Parks Additional Resources for *Water Act* Approvals**

Rocky View County

Carried

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### **Advocacy Target: Alberta Environment and Parks**

WHEREAS municipalities share the Government of Alberta's objective of serving the public good through proper implementation of the *Water Act*, and

WHEREAS the current timeline for *Water Act* approvals through Alberta Environment and Parks poses significant financial, environmental, and social challenges for all municipalities; and

WHEREAS improving the *Water Act* approval process will ensure public dollars are efficiently applied to the protection and stewardship of water systems in Alberta while balancing the need for critical upgrades to public infrastructure; and

WHEREAS Alberta Environment and Parks is undertaking a process and systems review to improve its approval times with constrained financial resources;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta to allocate sufficient financial resources to improve and streamline its *Water Act* approvals process and systems.**

### **Member Background**

Rural municipalities are experiencing significant delays when seeking approvals under the *Water Act* to proceed with infrastructure improvements. These delays impose significant financial, environmental, and social challenges for all municipalities. For example:

- Red Deer County has experienced both delays in timelines and additional costs incurred when working to meet Alberta Environment and Parks (AEP) regulations and obtain the required approvals, including Public Lands approvals. Much of the County's road network consists of rural roadways that require numerous watercourse crossings. The process to complete a Wetland Assessment and Impact Report is lengthy and expensive and must be completed during the growing season (May – October). In several instances, this has delayed the County from identifying a road in need of rehabilitation over the winter and tendering it for construction in the summer. It has also caused the cancellation of certain maintenance projects surrounded by wetlands.
- Rocky View County has submitted a number of drainage relief projects where the response times to the applications have been extensive (up to three years) and were followed by unilateral closure of files. Municipalities have limited time to execute a construction project during the spring and summer seasons, so any delays or refusals push a project back for up to one year. Extended response times have resulted in a loss of public trust in the County's ability to deliver infrastructure projects, and jeopardized land purchases.

Most rural municipalities can identify unreasonably long approval times that have added additional project costs, delayed upgrades that have impacted its residents' quality of life, and/or slowed infrastructure upgrades designed to improve environmental performance. In response to these delays Red Deer County has brought forward a resolution focused on improving the approval process for municipalities, while the County of Settler has focused on relaxing the need for formal approvals under the *Water Act*.

AEP has acknowledged the delays and is working to improve its process and systems. Recently, there have been drastic improvements in response times from the Water Boundaries unit to determine if a waterbody/wetland is Crown claimed. However, an overall process upgrade is necessary to develop digital application systems if performance is to be improved. As AEP seeks to improve its processes, the department is operating in a constrained financial environment. Rural municipalities recognize that approval delays have a multiplier effect and result in financial, social, and environmental impacts to the residents and the province. Therefore, Rocky View County is requesting support for AEP as it seeks to improve its response times.

### **RMA Background**

4-17F: *Water Act* Approvals for Municipal Projects on Municipal Land

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties urge the Government of Alberta to relax the requirement for formal approvals on all road construction on municipal right of ways less than 40 metres wide and consider alternate strategies for protecting water resources.

DEVELOPMENT: Though the response from the Government of Alberta recognizes the challenges faced by municipalities who are subject to relatively short construction seasons and extensive infrastructure networks, the response does not indicate any change in process or regulation to the extent outlined in the resolution. This resolution is assigned a status of **Intent Not Met**.

1-16F: Alberta Environment and Parks Approvals for Construction Projects

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties requests that consideration be given to safety concerns related to delayed environmental approval processing and supports the creation of a process for municipalities to receive timely approvals from Alberta Environment with regard to construction projects.

DEVELOPMENT: The Government of Alberta response acknowledges the challenges that municipalities are facing in receiving timely approvals of works related to wetlands. The RMA is encouraged that Alberta Environment and Parks has identified this as a problem and is in the process of developing an updated regulatory process for road works impacting wetlands which will balance provincial and municipal needs regarding regulatory compliance and timeliness. The Government of Alberta has indicated that an Alberta Wetland Construction Directive and Alberta Wetland Construction Guide are forthcoming but have been delayed as of April 2018. The RMA assigns this resolution a status of **Accepted in Principle**, and will monitor progress made.

## Utility Conflict in Municipal Right of Ways

Red Deer County

*Carried*

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### Advocacy Target: Alberta Municipal Affairs, Alberta Energy

WHEREAS municipalities and contractors are experiencing road construction project completion delays and incurring added expense due to utility companies such as TELUS, ATCO and Fortis not meeting schedules for relocation of their infrastructure located within municipal right of ways; and

WHEREAS for many years, utility companies have utilized municipal right of ways for their infrastructure, both overhead and underground utilities; and

WHEREAS over the past several years, conflicts between municipalities and utility companies in relation to road construction and road maintenance projects have increased as utility companies are not meeting their agreed upon schedules for relocation of underground utility lines and overhead power lines; and

WHEREAS although the locating and marking of utilities used to occur within 48 hours, current experience has this process taking up to 10 to 12 days to complete;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta collaborate with the Government of Alberta and other stakeholders to create a better process of locating and marking utilities to alleviate the added costs and delays being incurred by municipalities conducting infrastructure maintenance or construction; and**

**FURTHER BE IT RESOLVED that options considered in this process include:**

- **negotiate with utility companies to ensure they honor their schedules or be held responsible to pay for all delays, impacts and costs associated with these delays; and**
- **create a universal master agreement for utility companies to enter into with all municipalities whereby utility companies pay a fee per lineal meter for their utilities to be located within municipal road right of way.**

### Member Background

For many years, utility companies have utilized municipal right of ways for their infrastructure, both overhead and underground utilities. There are several agreements with the various utility companies that have developed over time that allow them to place and maintain their infrastructure within municipal right of ways.

For the past several years, the conflicts with utility companies in relation to road construction and road maintenance projects have increased. Utility companies are not meeting their schedules to relocate their underground utility lines and overhead power lines. This causes project delays to construction schedules for municipalities and adds additional costs. The utility line locating process used to be as little as 48 hours to get lines located and marked. Municipalities are experiencing delays of up to 10 to 12 days to get utilities marked. Beyond that component, municipalities are experiencing much longer delays to have the actual utility relocated.

Current examples for Red Deer County include the following:

- Range Road 10 – Construction on this road was delayed due to TELUS's line relocation. Communication with TELUS commenced January 8, 2018, construction started in May and the line was not relocated until mid-June. The additional costs for to work around the TELUS lines is approximately \$50,000.
- Township Road 370 and ATCO – ATCO was notified of the road construction project in February 2017. They were updated in March 2018 that the project had been awarded to a contractor for summer 2018 construction. An onsite meeting was held on April 6, 2018. ATCO requires three months' notice in order to commit to relocating their power poles on road construction projects. It is now 18 months past the initial notice. This grading project will be completed in early August. As of August 1, 2018, ATCO has begun the survey for relocation of entire line. The road project will be completed and the contractor will be mobilized off the project before ATCO relocates their power line. This will lead to soil disturbance and re-landscaping of the ditches and slopes.

- FORTIS in Gasoline Alley's Laura Avenue – Construction completed in summer 2017 with final clean up and landscaping delayed to 2018 due to FORTIS delay, including their installation of the required street lights. Additionally, during the long delays, FORTIS provided three cost estimates that started at \$39,000 and increased to \$52,700 then to \$121,700 with no additional scope or work added and no detailed back up provided on how FORTIS obtained these numbers. The street lights were finally installed in late July, a year later than scheduled.
- AltaLink in the Markerville area –AltaLink located several large structures within the road right of way that were too close to the road shoulder and intersections, posing hazardous situations. Due to the cost to AltaLink to re-locate these large structures, a guardrail was installed around the structures.

### **RMA Background**

RMA has no active resolutions directly related to this issue.



## **Separation of Industrial Hemp from Cannabis Regulations**

Brazeau County

*Carried*

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### **Advocacy Target: Alberta Agriculture and Forestry, Alberta Justice and Solicitor General**

WHEREAS Canada is one of the world's largest hemp producers, growing an estimated 138,000 acres in 2017; and

WHEREAS the Government of Canada is beginning to allow cannabidiol (CBD) extraction from hemp concurrently with the development of regulations for adult-use recreational cannabis; and

WHEREAS on April 18, 2018, the Government of Ontario announced changes to regulate cannabis below 0.3% tetrahydrocannabinol (THC) (hemp plant and its derivatives) within the authority of agriculture, setting the tone for change across the county; and

WHEREAS this movement would be welcome news for many Canadian hemp farmers, entrepreneurs and investors providing a strong market advantage for hemp-based CBD products in North America;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate to the Government of Alberta to classify industrial hemp as an agriculture product.**

#### **Member Background**

Brazeau County has been an advocate for economic diversification through the development of the bio-economy in Alberta, including the development of a hemp cluster in the region. It has been working in partnership with the Alberta Hemp Alliance and supporting and educating farmers, entrepreneurs and investors on the many opportunities this ancient crop has to offer.

Recently, the Government of Ontario passed Regulation 327/18: "Non-Application of Act to Certain Cannabis and Cannabis Products" specific to industrial hemp. Ontario is the first province to pass this regulation and we urge Alberta to be the next to strengthen this movement across the country in support of economic development and market leader advantage in North America.

A link to Ontario Regulation 327/18 is attached for reference:

<https://www.ontario.ca/laws/regulation/r18327>.

#### **RMA Background**

RMA has no active resolutions directly related to this issue.

## Decommissioning Costs for Wind Energy Developments

MD of Pincher Creek

Carried

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### Advocacy Target: Alberta Energy

WHEREAS the Alberta Utilities Commission (AUC) regulates the utilities sector, natural gas and electricity markets to protect social, economic and environmental interests of Alberta where competitive market forces do not; and

WHEREAS the AUC ensures that electric facilities are built, operated and decommissioned in an efficient and environmentally responsible way; and

WHEREAS provincial growth and policy has increased the amount of development of wind power plants and their associated infrastructure; and

WHEREAS wind power plants have a limited life-cycle and will require either decommissioning or repowering at the end of that life cycle; and

WHEREAS if a wind power plant is abandoned during or after its life cycle, the components and associated infrastructure may be abandoned on the landscape, becoming an unsafe and unsightly nuisance, creating a costly cleanup for landowners, and further, the affected municipality; and

WHEREAS pursuant to Section 5(1)(h) of the *Hydro and Electric Energy Act*, the AUC may make regulations as to the measures to be taken in the construction, operation or abandonment of any power plant for the protection of life, property and wildlife; and

WHEREAS pursuant to Section 5(4) of the *Hydro and Electric Energy Act*, subject to the approval of the Minister responsible for the *Environmental Protection and Enhancement Act*, the AUC may make regulations as to the measures to be taken in the abandonment of any power plant for the control of pollution and ensuring environment conservation; and

WHEREAS the AUC falls within the structure of the Ministry of Energy, and the Ministry develops policy for renewable electricity;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request Alberta Energy to direct the Alberta Utilities Commission to establish a method of ensuring that there is funding in place to ensure that an abandoned wind energy plant is decommissioned and reclaimed in an environmentally responsible way.**

### Member Background

The Government of Alberta's Climate Leadership Plan is helping to provide for further renewable energy developments within the province. Wind power plant developments, in particular, use large amounts of land and the ever-evolving technology is calling for larger and larger equipment being used.

Wind power development has now expanded throughout the province. Municipal councils are charged with the responsibility of providing for the orderly development of land and land uses within the municipality.

A typical wind power plant can easily involve as many as twenty wind turbines, a facility substation, an interconnection transmission line, kilometers of underground cables, and the associated crane pads and access roads.

Alberta was home to the first commercial wind power plant in Canada, the Cowley Ridge Wind Farm. This plant was recently decommissioned by the facility owner. All the above ground components were removed but the underground wiring, concrete for foundations, and transformer pads remain in place. The owner states those components will be removed in 2019. The owner also reports that they recycled 90% of the Cowley Ridge turbines and that 50% of the decommissioning costs were recovered through metal sales.

The big question is, what would have happened to the site if the owner simply walked away from it? Would the landowner remove the facility? What if the landowner left? Would it cause environmental and safety hazards if left to deteriorate? This issue is being raised in Europe and North America. For example, the

State of Montana's Department of Environmental Quality requires bonding for wind farm developments 25MW or greater.

Since the start of this type of development, these concerns have been raised. Over the years developers have provided answers similar to the following. With regard to the costs, "the value of the salvage pays for the removal and reclamation," and also, "the site will be repowered at the end of the current equipment's lifespan."

Municipalities have also been told that the agreements in place between the developer and the landowner addresses these concerns and covers off the removal and restoration, as may have been the case in the Cowley Ridge example. However, concerns continue to be raised due to the recent issues around oil and gas well abandonment. When companies that sell off the asset, and the responsibility, or the final company goes bankrupt, what is the recourse for the landowner and eventually the municipality?

With the scale of these developments, what would happen if a development was abandoned after it is no longer able to produce? The idea has been suggested that the municipality could handle the issue as an unsightly premises and go after the landowner to clean it up. After all, that landowner may have benefited greatly over the years from of that project. If it is not done, a municipality eventually would go through the courts to get permission to remove it and add those costs to the property taxes. Due to the sheer scale of these developments and the costs for removing them, does there come a point when the cost is greater than the value of the land? If so, the landowner walks away and the municipality is left with the cost.

### **RMA Background**

6-18S: Wind Energy Regulations Required at the Provincial Level

THEREFORE, BE IT RESOLVED the Rural Municipalities of Alberta (RMA) request the Government of Alberta to undertake the creation of a Renewable Energy Division within the AER to approve, regulate, and enforce the responsible development, reclamation, and assessment of renewable energy projects in the Province of Alberta;

FURTHER BE IT RESOLVED that renewable energy projects formally proceeding into the review and approval stage of the above-noted Renewable Energy Division are to be corporately approved and construction ready projects, not speculative or conditional in any way;

FURTHER BE IT RESOLVED that the RMA request the Government of Alberta to set up and enforce the collection of monetary funds towards the implementation of an Orphan Renewable Energy Fund to oversee potential future reclamation of abandoned renewable energy sites.

DEVELOPMENT: RMA has not yet received a government response to this resolution.

## **Scrap Metal (Copper) Theft**

Woodlands County

Carried

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### **Advocacy Target: Alberta Justice and Solicitor General**

WHEREAS in 2013, the Government of Alberta passed legislation called the *Scrap Metal Dealers and Recyclers Identification Act*, and

WHEREAS scrap metal means new or used items substantially made of aluminum, brass, bronze, copper, stainless steel, steel, tin or other metal prescribed by the regulations; and

WHEREAS the *Scrap Metal Dealers and Recyclers Identification Act* requires scrap metal dealers or recyclers purchasing or receiving scrap metal to record the information of the transaction and proof of identity of the person selling the scrap metal; and

WHEREAS within 24 hours of purchasing or receiving scrap metal of a weight that is greater than a weight prescribed in the regulations, a scrap metal dealer or recycler shall provide the prescribed information collected under this section to a law enforcement agency; and

WHEREAS the Government of Alberta has not proclaimed the legislation and published the regulation for the *Scrap Metal Dealers and Recyclers Identification Act*;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate to the Government of Alberta to proclaim the *Scrap Metal Dealers and Recyclers Identification Act* and create the regulation to assist with the deterrence of copper theft and other scrap metal.**

### **Member Background**

Theft of copper has increased over the years and is extremely costly to the electricity sector as well as construction, telecommunication and industrial companies. Copper is an expensive material to replace, and costs to repair damaged infrastructure can be even more significant to these sectors. Copper theft not only puts the lives of the thieves at risk, but also the safety of emergency first responders, utility workers and local residents.

A number of other provinces have passed similar legislation which has resulted in the decrease of theft in copper and other scrap metal material.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Amendment to the Wildlife Regulations Regarding Cougars**

MD of Smoky River

*Carried*

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### **Advocacy Target: Alberta Environment and Parks**

WHEREAS according to the Alberta Environment and Parks document titled *Management Plan for Cougars in Alberta, Wildlife Management Planning Series Number 8*, cougar (*Puma concolor*) sightings and interactions among humans increased in the 20-year period up to 2012; and

WHEREAS in Alberta, according to the *Wildlife Regulation*, a landowner or occupant can authorize any resident to assist with the killing of wolves or bears legally on his or her property at any time of year, however only the owner or occupant of land may kill a cougar; and

WHEREAS multiple sources indicate that the appropriate way to deal with a cougar that has encroached and interacts fearlessly with humans is to euthanize it; and

WHEREAS landowners, especially those with little or no hunting or firearms experience, or who lack appropriate firearms, are ill-equipped to protect themselves, their families, their livestock or their pets in the case where cougars encroach on their properties;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta to amend section 7, subsection 3 of the *Wildlife Regulation* to provide the same hunting allowances for cougars on private land that already exist for wolves and black bears; and**

**FURTHER BE IT RESOLVED that section 7, subsection 8 of the *Wildlife Regulation*, which establishes separate hunting allowances for cougars on private land, be repealed; and**

**FURTHER BE IT RESOLVED that reporting a cougar kill remain as a requirement of the *Wildlife Regulation*.**

### **Member Background**

In 2018, in the MD of Smoky River, a landowner living within four miles of the Town of Falher chased a cougar away from his farmyard with his pickup. The cougar entered a small treed area approximately ½ mile from his yard. The landowner, not knowing who else to turn to, called the Director of Protective Services for the MD, as he viewed the issue as an imminent threat. The employee attempted to contact Alberta Fish and Wildlife for assistance, but as this took place on a Friday after business hours, was unable to reach any Fish and Wildlife personnel. Due to the cougar's proximity to several yard sites where young children were present, the MD employee circled the treed area several times with his vehicle, and believing the cougar had moved on, the employee entered the bush to confirm. When the employee made some noise in the treed area, the cougar jumped onto a fallen tree approximately 75 yards away, turned and snarled at the employee. The employee shot and killed the cougar and reported the kill to Fish and Wildlife. Fish and Wildlife asked the employee to come see them at their office in Peace River, which the employee did. The officer proceeded to read the employee his rights. The employee invoked his right to having an attorney present and left the Fish and Wildlife office. Fish and Wildlife later issued a written warning to the employee.

Rural Alberta is an expansive area. The MD of Smoky River is covered by three Fish and Wildlife offices which each cover a small portion of our municipality, each office is approximately 45 minutes from the Town of Falher. Assuming an incident happened during work hours, response would be at best one hour away. During non-regular hours, response time would at best be several hours and as is typical, several days away. A local emergency issue involving an apex predator requires local immediate response, whether that be with municipal or private citizen assistance. The legislation changes this resolution seeks would enable landowners who are not equipped or able to deal with a cougar on their property to seek assistance without waiting hours or potentially days for a Fish and Wildlife Officer to respond.

The following background information supports statements made in the "whereas" clauses of the resolution.

1. "Cougar (*Puma concolor*) sightings and interactions among humans increased in the 20-year period up to 2012"

A conservative harvest regime and abundant prey populations have allowed Alberta's cougar population to expand in distribution and increase in numbers over the past 20 years. The current provincial estimate is 2,050 cougars, distributed across most of the southern two-thirds of the province. Cougars are now common throughout much of the white zone and appear very capable of exploiting habitat near human residences and other human activity. Cougar-human conflicts and safety concerns by the public have increased, and although the majority of rural Albertans appear to value cougars, most do not want cougars to be present near their residences.

2. "A landowner or occupant can authorize any resident to assist with the killing of wolves or bears legally on his or her property at any time of year, however only the owner or occupant of land may kill a Cougar"

Government of Alberta leaflet "Cougars – also known as pumas or mountain lions (in the "Preventing Conflict with Wildlife" series) "Any person who is the owner or occupant of privately owned land may at any time of the year, without the use of dogs, hunt (but not trap) cougar on such lands without a license. Under this authority, registration is required within one week of the kill."

3. "Multiple sources indicate that the appropriate way to deal with a Cougar that has encroached and interacts fearlessly with humans is to euthanize it"

"For high risk conflict events (e.g. cougar displays overly familiar behaviour towards people on multiple occasions or attacks a person) destroying the cougar is the most appropriate action (Cougar Management Guidelines 2005)."

"Response to cougar-human conflicts is currently directed by the *Cougar Response Guide*, which outlines the circumstances under which cougars of various age classes should be captured and relocated and/or euthanized. In general, cougars may be captured and relocated in situations where the investigating officer determines there is a potential public safety threat, or where a cougar has attacked pets or livestock. Cougars that make unprovoked contact with humans are euthanized.

For more information, view the following media articles:

*Encounter with Cougars on the Rise Across Alberta*

CALGARY HERALD – APRIL 5, 2015

Colette Derworiz

CANMORE — As cougars spread out across Alberta, wildlife officials say they are noticing a steady rise in conflict between the big cats and people living in cities, towns and on private land throughout the province.

Link: <https://calgaryherald.com/news/local-news/encounters-with-cougars-on-the-rise-across-alberta>

*OHS Confirms More Details of Cougar Attack on Pipeline Worker*

MY GRANDE PRAIRIE NOW – FEBRUARY 3, 2015

Erica Fisher

Two pipeline workers south of Grande Prairie were injured in a cougar attack.

Link: <https://www.mygrandeprairienow.com/6689/ohs-confirms-more-details-of-cougar-attack-on-pipeline-worker/>

*More Precautions Needed by Hikers in Alberta to Avoid Cougar Attacks, Warns Experts*

THE CANADIAN PRESS – MAY 27, 2018

Cougars are being encountered more often, people need to be aware and take more precautions to protect themselves.

Link: [https://edmontonjournal.com/news/local-news/you-may-not-see-them-but-they-see-you-cougar-attack-a-stark-reminder-for-canmore-family/wcm/bf022c76-2bdc-43f9-9cb2-0bd04e2027ef?utm\\_term=Autofeed&utm\\_campaign=Echobox&utm\\_medium=Social&utm\\_source=Twitter#link\\_time=1527518841](https://edmontonjournal.com/news/local-news/you-may-not-see-them-but-they-see-you-cougar-attack-a-stark-reminder-for-canmore-family/wcm/bf022c76-2bdc-43f9-9cb2-0bd04e2027ef?utm_term=Autofeed&utm_campaign=Echobox&utm_medium=Social&utm_source=Twitter#link_time=1527518841)

**RMA Background**

RMA has no active resolutions directly related to this issue.

## **Social Well-Being of An Employee and Domestic Violence – Occupational Health and Safety Act**

MD of Willow Creek

*Carried*

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### **Advocacy Target: Alberta Labour**

WHEREAS the term “domestic violence” is now included in the *Occupational Health and Safety Act* (OHSA), requiring employers to address domestic violence; and

WHEREAS the OHSA requires employers to be responsible for the “social well-being” of employees;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta define what is meant by “social well-being” of an employee within the *Occupational Health and Safety Act* (OHSA) and the responsibilities of an employer with regard to “domestic violence or suspicion of domestic violence” within the OHSA.**

### **Member Background**

Recent changes to the *Occupational Health and Safety Act* (OHSA) have done little to ensure the safety of the workers other than to muddy the waters. Making employers responsible for the “social well-being” of workers is not defined. What does “social well-being” mean and what role if any should an employer be legislated to do? If an employee has had an incident off the work site unrelated to the job, when does the employer go from being responsible to address the matter to being a snoop? Is it the job of an employer to embed themselves in the private lives of its employees? If an incident clearly affects the employee’s work, there is already opportunity for an employee to ask the employer for access to help such as an Employee’s Assistance Plan. An employer is already required to allow time off for employees to seek counselling for family matters, addictions or health issues.

Is it the duty of employers to become involved in incidents of “domestic violence” outside of the work environment? There is a wealth of external support agencies committed and trained to address the issue of “domestic violence”. Why should this fall to the employer, who is not trained in this field? The lack of clarity of the changes to OHSA as to what, where and when an employer should embed the organization in the private lives of its employees leaves the organization at risk.

### **RMA Background**

RMA has no active resolutions directly related to this issue.



## **Review of Education Funding Formula**

Athabasca County

*Carried*

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### **Advocacy Target: Alberta Education**

WHEREAS school boards receive education funding primarily on a per student basis; and

WHEREAS rural populations are declining in some areas of Alberta; and

WHEREAS school jurisdictions with declining enrolments experience funding reductions that far exceed their ability to reasonably reduce expenses;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta supports the Alberta School Boards Association position that the Government of Alberta review the K-12 funding formula for schools and school boards.**

### **Member Background**

In the fall of 2017, the Alberta School Boards Association (ASBA) approved the following motion:

Be it resolved that ASBA requests the Government of Alberta undertake a comprehensive review of the K-12 Funding Framework in its entirety in consultation with school boards.

To date, this review has not commenced. The majority of funding in all three “envelopes” of funding provided for education in Alberta (instruction, plant operations and maintenance, and transportation) all primarily use per-student funding as its basis.

The rural population decline throughout the province negatively impacts rural school boards, as the operational costs for rural schools is not significantly reduced despite these schools operating at far less than capacity.

The result is that rural schools and school boards are at a disadvantage in terms of receiving funding from the province, leaving the per student operational costs for rural schools to be higher than that of urban schools.

### **RMA Background**

RMA has no active resolution directly related to this issue.