

# RMA Fall 2019 Endorsed Resolutions

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## Priority of Unpaid Property Taxes on Linear Property

MD of Opportunity

Carried

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

WHEREAS municipalities in Alberta are dependent on property tax revenues to provide essential municipal services; and

WHEREAS the Alberta Court of Appeal decision in *Northern Sunrise County v. Virginia Hills Oil Corp.* (2019 ABCA 61) (the “Virginia Hills Decision”) determined that property taxes on linear property constitute an unsecured claim against the assets of the taxpayer; and

WHEREAS the Virginia Hills Decision has and will dramatically affect the ability of municipalities in Alberta to recover property taxes and property taxes on linear property in particular; and

WHEREAS municipalities in Alberta have been unable to recover many millions of dollars in outstanding property taxes;

WHEREAS the ability of municipalities to recover tax arrears in respect to oil and gas properties is compromised because of significant unfunded abandonment and reclamation costs that are a first-ranking charge in favour of the Alberta Energy Regulator; and

WHEREAS amendments to the *Municipal Government Act* are necessary to avoid further significant negative impacts on Alberta municipalities as a result of the Virginia Hills Decision;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) advocate for the Government of Alberta to take steps to ensure that municipalities are able to effectively recover all property taxes, including property taxes on linear property; and**

**FURTHER BE IT RESOLVED that RMA advocate for the Government of Alberta to address the growing concern regarding unfunded abandonment and reclamation costs for oil and gas properties and the affect that those costs have on the ability of municipalities to recover unpaid property taxes; and**

**FURTHER BE IT RESOLVED that RMA advocate for the Government of Alberta to make immediate amendments to the *Municipal Government Act* (MGA) to**

- 1. Clarify that the reference to “property tax” in section 348 includes all property taxes, including property taxes on linear property;**
- 2. Clarify the meaning of the phrase “...land and any improvements to the land...” in section 348 to specify that all of the property that is subject to assessment pursuant to Part 9 of the MGA within that municipality is subject to the special lien established in that section;**
- 3. Provide municipalities with improved enforcement powers, such as the specific power to apply to the courts for the appointment of a receiver to enforce a claim for unpaid linear property taxes against the assets that are subject to a special lien established by section 348;**
- 4. Apply the above amendments retroactively to ensure that existing linear property tax arrears constitute a secured claim.**

### Member Background

In February 2019 the Alberta Court of Appeal released a decision regarding the priority of property taxes on linear property in the decision *Northern Sunrise County v. Virginia Hills Oil Corp.* (2019 ABCA 61) (the “Virginia Hills Decision”).

The result of that case was that the Court of Appeal determined that unpaid taxes on linear property are not a secured claim against the assets of an insolvent company. This decision was a surprise to many municipalities that had previously considered all unpaid property taxes to be a first-ranking claim against the assessed person and the decision was made despite the specific wording of section 348(d)(i) of the

*Municipal Government Act* (MGA), which states that property taxes constitute a special lien on land and improvements.

While the municipalities that are directly affected by the decision, including the MD of Opportunity, have taken steps to attempt to appeal the decision to the Supreme Court of Canada, even if that appeal is allowed to proceed – which is not certain – it will likely be many months, perhaps years, until the Supreme Court of Canada issues a final decision. In the meantime, many municipalities, including the MD of Opportunity, will be practically unable to recover linear property taxes from insolvent oil and gas companies. The impact of this will be significant. Alberta municipalities stand to lose many millions in unrecoverable property taxes unless the issue is addressed through immediate amendments to the MGA.

In order to rectify the issues created through the *Virginia Hills* Decision, the MGA should be amended to:

1. Clarify that the reference to “property tax” in section 348 of the MGA includes all property taxes, including property taxes on linear property;
2. Clarify the meaning of the phrase “...land and any improvements to the land...” in section 348 to specify what property is subject to the special lien established in that section;
3. Provide municipalities with improved enforcement powers, or sufficiently reinforce existing powers, to enforce a claim for unpaid linear property taxes against the assets that are subject to a special lien established by section 348;
4. Apply the above amendments retroactively to ensure that existing linear property tax arrears constitute a secured claim.

1. Clarify “property taxes”

In the *Virginia Hills* Decision, the Court determined that the phrase “property taxes” in section 348(d)(i) of the MGA does not include taxes on linear property. In order to resolve this apparent ambiguity, section 348(d)(i) should be amended to clarify that “property taxes” means all taxes imposed pursuant to a property tax bylaw, including linear property taxes.

2. Clarify property that is subject to the special lien

In the *Virginia Hills* Decision, the Court specifically rejected the municipalities’ interpretation that the special lien attaches to linear property that is subject to assessment itself.

In order to avoid this issue, the MGA should be amended to:

- i. Expand the definition of assessed person in respect to linear property as set out in section 304 to include both the operator *and* the owner of linear property; and
- ii. Amend section 348(d)(i) to clarify that a special lien attaches to all of the debtor’s property that is subject to assessment within the municipality.

3. Enforcement Powers

In the *Virginia Hills* Decision, the Court noted an apparent ambiguity that arises in the MGA due to the fact that the MGA provides a specific enforcement mechanism to sell land that is subject to a special lien for unpaid property taxes in Part 10, Division 8, but that no such enforcement mechanism is established that would allow for a municipality to sell linear property.

To rectify this, the MGA should be amended to create or recognize a specific enforcement mechanism, such as the appointment of a receiver through the courts, that would allow municipalities to sell linear property that is subject to a special lien for unpaid taxes.

4. Retroactive Affect

While the amendments discussed above would resolve the issues that arise from the *Virginia Hills* decision going forward, they may not allow municipalities to assert a secured claim for existing tax arrears.

In addition to these specific amendments to the MGA, the issue of unfunded abandonment and reclamation costs that are often left unresolved until an oil and gas company becomes insolvent often make it impossible

for municipalities to recover unpaid property taxes because a company's remaining assets are often rendered worthless because of the unfunded abandonment and reclamation costs that attach to them. If the Government of Alberta does not effectively address this issue soon, the problem will continue to grow and Albertans will ultimately bear the burden of both the end of life abandonment and reclamation costs and the burden of increasingly large amounts of unrecoverable property taxes on oil and gas properties.

Because of the significance of these issues to all Alberta municipalities, immediate action by the Government of Alberta is warranted to amend the MGA to confirm the existence, scope and application of a special lien for unpaid linear property taxes. While the process of preparing the necessary amendments is complex, and no doubt deserve further consideration, the amendments proposed above provide an overview of the type of amendments the MD of Opportunity believes should be considered and a starting point for further discussions aimed at resolving the issues that arise from the *Virginia Hills* Decision.

## **RMA Background**

### 6-18F: Securing Municipal Property Taxes in the Event of Bankruptcy or Insolvency

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.

**DEVELOPMENTS:** RMA appreciates the recent actions taken by the Government of Canada to alleviate the ongoing challenges that rural municipalities are facing regarding the collection of unpaid property taxes on linear properties. However, both the Provincial Education Requisition Credit (PERC) Program and allowing municipalities to place a \$0 assessment on linear properties owned by defunct companies are relatively small measures that attempt to alleviate the negative impacts that an unclear tax recovery regime has on rural municipalities.

Unlike the alleviation measures identified above, the resolution calls for fundamental changes to section 348 of the Municipal Government Act to clarify the tax recovery powers of municipalities for taxes not related to land, including linear property. As the outcome of current legal proceedings involving three RMA members will inform whether section 348 currently provides municipalities with adequate tax recovery powers on linear property.

As the Government of Alberta is currently unwilling to revisit section 348, this resolution is assigned a status of Intent Not Met, and RMA will continue to advocate on this issue moving forward.

### 2-17S: Amendments to Section 348 of the *Municipal Government Act*

THEREFORE, BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties request that the Government of Alberta amend Section 348 of the Municipal Government Act to reflect that no Crown lending institutions be allowed to take priority over any claims due to the municipality.

**DEVELOPMENTS:** RMA members have been facing considerable challenges collecting unpaid taxes from property owners. A 2019 RMA member survey indicated that rural municipalities are facing a liability of between \$81 million and \$96 million in unpaid property taxes. These efforts are further frustrated by the hierarchy of claims that places municipalities at a significant disadvantage to collect unpaid property taxes against other liabilities that the property owner possesses. Three RMA members are currently involved in legal action as to whether the special lien provisions in section 348 are applicable to linear property. Should section 348 be deemed not applicable to linear property, municipalities will be even more challenged in claiming uncollected taxes. RMA is also planning to work directly with Municipal Affairs to clarify what options are available to municipalities under section 348 and other areas of the Municipal Government Act, both in cases where tax-owing companies are bankrupt or continue to operate.

As indicated in the response from Alberta Municipal Affairs, amendments to Section 348 are not being considered and therefore, this resolution is assigned a status of Intent Not Met.

**Government of Alberta's Police Costing Test Model**

Rocky View County

*Carried*

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

WHEREAS the Government of Alberta committed to reviewing the current police costing model as part of their election platform in advance of the 2019 election; and

WHEREAS there have been recent increases in rural crime in Alberta and the Government of Alberta has acknowledged this as a priority; and

WHEREAS in September 2019, the Government of Alberta began consultations on a test police costing model with the 291 municipalities who currently receive frontline policing from the **Royal Canadian Mounted Police** (RCMP) through the Provincial Police Services Agreement; and

WHEREAS the purpose of the model is to develop a process through which the province recovers a share of frontline policing costs from municipalities; and

WHEREAS the proposed formula would allow the province to recover between 15% (\$34.9 million) and 70% (\$162.8 million) of policing costs by requiring each municipality to contribute using a formula based on 70% equalized assessment and 30% population; and

WHEREAS equalized assessment is not a stable measure and does not translate directly to tax revenue or a municipality's wealth, especially due to the struggles that many municipalities face in collecting non-residential taxes; and

WHEREAS the proposed model will download policing costs onto municipalities with no apparent improvement to service levels or local input into policing; and

WHEREAS the model does not consider the contributions that municipalities already make to policing, including community peace officers, enhanced policing positions, and infrastructure; and

WHEREAS implementing the test model will affect the quality of policing as municipalities may be forced to re-allocate funding from supplementary services to support front-line policing; and

WHEREAS the increased costs of the test model, combined with other challenges currently facing municipalities, could have serious implications across the province and potentially threaten the viability of some municipalities;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta urge the Government of Alberta to engage in further consultation with municipalities on the police costing test model to examine options to meet the Government of Alberta's goal of reducing policing costs without negatively impacting policing service delivery or municipal financial viability.**

**Member Background**

In Alberta, policing service for rural municipalities and towns with populations less than 5000 is provided under the Provincial Police Service Agreement at no direct cost to those municipalities. The Government of Alberta contracts the Royal Canadian Mounted Police (RCMP) as its provincial police service. Cities and towns with populations greater than 5000 are responsible for providing their own police service.

The current costing model is 15 years old and over the past ten years, discussions amongst stakeholders has been that the model needs to be reviewed to better reflect current realities with policing needs in Alberta; particularly, a multi-factor police funding model and policing grants that better reflect the needs of different-sized municipalities. The Government of Alberta included a review of the current police costing model as a commitment in their platform in advance of the 2019 provincial election. As a result, the Government has produced a proposed police costing model and is currently seeking feedback from stakeholders such as the RMA.

The purpose of the model is to develop a process through which the province recovers a share of frontline policing costs from municipalities. The proposed formula would allow the province to recover between 15% (\$34.9 million) and 70% (\$162.8 million) of policing costs. It would require each municipality to contribute

using a formula based on 70% equalized assessment and 30% population with modifiers for shadow populations or higher than average crime severity indexes. Using Rocky View County as an example, the yearly contribution based on this formula could range from \$1,995,375 (15%) to \$9,307,941 (70%).

There are several key concerns identified by RMA with the proposed costing model. There has been no discussion or information from the Government of Alberta on how the proposed police costing model would enhance service levels or local input into policing. It is a clear downloading of costs to municipalities with no consideration for municipal context, specific needs, or the ability to have input into front-line service delivery.

A police costing model should be population-based, as policing is a “people service” and population is strongly linked to the level of police services required in a municipality. Basing the costing purely on the “ability to pay” with no corresponding input into service delivery could have unintended consequences of reducing police service in rural areas.

The model does not take into consideration the contributions that municipalities already make to policing, such as community peace officers, enhanced policing positions, or infrastructure contributions. As an example, for the 2019/2020 RCMP billing cycle, Rocky View County will pay approximately \$564,400 for three enhanced policing positions and a watch clerk position for the RCMP. Other municipalities are making similar contributions. It may become uneconomical for municipalities to continue to support these positions if the funding costs increase dramatically.

While RMA and its members understand the fiscal challenges facing the province, requiring municipalities to contribute further to police costs has significant cumulative effects in combination with other challenges municipalities are facing in relation to assessment, taxation and grants. While the test model may appear to be manageable for most municipalities when considered in isolation, it could have major detrimental effects when combined with other issues currently taking place.

The purpose of this resolution is for RMA and its members to seek further consultation from the Government of Alberta with respect to this issue to seek a solution that meets the government’s goals of reducing cost of policing without creating insurmountable burdens to municipalities or negatively impacting policing service delivery.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Development of a Rural and Remote Lens for Government Services**

Yellowhead County

*Carried*

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**Advocacy Target: Executive Council, Alberta Municipal Affairs, Alberta Community and Social Services, Alberta Health, Alberta Children's Services, Alberta Communications and Public Engagement**

WHEREAS provincial government services and investments focus primarily on urban centres due to population; and

WHEREAS the Government of Alberta does not officially consider the unique challenges and needs of rural communities when determining access to provincial services; and

WHEREAS rural and remote communities have been relegated to a second tier of service provision due to distance to services, remoteness of individuals, low population and low density; and

WHEREAS funding in the form of grants, and collaborative services and initiatives is not available to many rural and remote communities due to a pre-existing lack of services;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta urge the Government of Alberta to develop a rural and remote lens to better understand the context of, and mitigate the unique challenges of, geographic remoteness, low population, and service accessibility/density faced by human service programs in Alberta's rural and remote communities.**

### **Member Background**

The RMA (formerly AAMDC) adopted the "Rural Still Matters" position, which recognized that "...more than land, rural Alberta is a vital part of this province's economy, culture and future. Rural Albertans are as diverse and unique as their urban counterparts." It also states that "local governments in this province deal with myriad complex problems on a day-to-day basis." The stance also recognizes that "rural municipalities are expected to provide a comparable level of services as their urban counterparts but without the advantage of economies of scale." This challenge is not exclusive to infrastructure services, but human services as well.

With the increased centralization of services and collaborative requirements for grants and programming, rural communities are being excluded from access to services and supports from which urban or centrally-located citizens benefit. Developing a protocol or standard wherein the Government of Alberta is required to review programs, services and initiatives against the backdrop of rurality and remoteness could improve the quality of life for rural and remote residents and improve the ability of rural and remote communities to provide such services.

The health and wellness of the residents of rural municipalities impacts the economic and social assets of their communities. When people are not well, socially, emotionally, or economically, and have little to no access to services to enhance their wellness, local communities are tasked with finding solutions. If there are no local resources to support individuals, they, and the community, can flounder. Expecting individuals to uproot themselves from their community of choice, extended social supports and family, to have access to supports in urban centres relocates problems, and can exasperate them. Services that are local and designed based on the assets and challenges of communities will allow communities and individuals to thrive.

### **RMA Background**

ER3-17F: Effective Representation for Rural Albertans in Alberta's Legislative Assembly

**THEREFORE, BE IT RESOLVED that the Government of Alberta amend section 13 of the Electoral Boundaries Commission Act to establish up to three new electoral divisions to accommodate the need for effective representation of Alberta's growing urban population, while not sacrificing current rural representation; and**

FURTHER BE IT RESOLVED that the Alberta Association of Municipal Districts and Counties (AAMDC) urge the Government of Alberta to prioritize effective representation for rural Alberta by not approving a reduction in the number of constituencies in rural Alberta; and

FURTHER BE IT RESOLVED that the AAMDC request the Government of Alberta to not implement the Alberta Electoral Boundary Commission's final recommendations until the following principles are prioritized:

- That geographic size limitations, local variations in population density, and accessibility of MLAs be prioritized as a determining factor in developing electoral boundaries; and
- Constituencies structure should be maintained to combine urban and rural areas to include a balance of urban and rural populations to reflect the urban-rural connectedness and dependency that exists on the ground for Alberta's regions; and
- To the extent possible, no ridings fracture rural municipalities into multiple constituencies.

**DEVELOPMENTS:** The government response to the resolution indicates that no additional changes were made or will be made to electoral boundaries and that the changes were codified in legislation in December 2017. As such, the resolution is assigned a status of **Intent Not Met**. RMA will continue to advocate for effective rural representation in future reviews of Alberta's electoral boundaries, and work with urban MLAs to ensure issues important to rural Albertans are understood and acted upon in Alberta's legislature.



# **Alberta Environment and Parks Water and Wastewater Facility and Landfill Approvals**

Foothills County

*Carried as amended*

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

WHEREAS **Alberta Environment and Parks** (AEP) sets the standards for municipal water and wastewater treatment facilities and landfills; and

WHEREAS municipalities are required to build and operate such facilities to current AEP standards either as new facilities or when upgrading existing facilities; and

WHEREAS AEP processes allow individuals who claim to be affected by the operation of new or upgraded facilities to file statements of concern and eventually to appeal to the Alberta Environmental Approval Board regarding those approvals; and

WHEREAS the cost of responding to such statements of concern or appeals and attending approval hearings can be onerous and in some cases beyond the financial means of the municipality; and

WHEREAS in many cases concerns regarding provincial standards are not based on science or are politically motivated;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta adjust their processes related to municipal water and wastewater facility and landfill approvals or renewals to require that in order for a statement of concern or appeal to be valid, 10% of the landowners/residents deemed to be affected must endorse the statement of concern or appeal.**

### **Member Background**

This is an issue regarding the Alberta Environment and Parks appeal process for municipal water and wastewater facilities and landfills. During the standard notice period for approval regarding any water or wastewater facility, two residents were allowed to file a concern against a municipality that initiated a hearing holding up the process for over a year at a cost of approximately \$600,000.

Due to the extreme cost of hearings, administration time, engineering and legal fees, at least 10% of directly affected persons should be required to sign a petition before the Alberta Environmental Review Board consider it a valid complaint. This would still protect the rights of Albertans but stop one person from initiating a hearing that affects all Albertans financially and could stop a project costing local taxpayers and their municipalities millions of dollars.

References: Environmental Appeals Board (EAB) (file no.'s 13-022-025, 14-011 and 14-018)

Environmental Protection and Enhancement Act and Approval No. 00334295-00-00 under the Water Act issued by the Director, South Saskatchewan Region, Operations Division, Alberta Environment and Sustainable Resource Development.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Landowners' Rights**

County of Warner

*Carried*

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### **Advocacy Target: Alberta Justice and Solicitor General, Alberta Environment and Parks**

WHEREAS the *Petty Trespass Act* and *Trespass to Premises Act* provide conditions for trespass on lands and premises; and

WHEREAS inconsistencies exist between how the two Acts address the rights of landowners; and

WHEREAS section 19.1 of the *Land Stewardship Act*, which extends the Government of Alberta's power to limit development of private land, is unclear in its treatment of compensation in cases where the Government of Alberta repeals private land rights and compensates the previous land owner due to a regional plan or amendment to a regional plan;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta to develop a clear definition of landowners' rights;**

**FURTHER BE IT RESOLVED that all relevant acts and regulations be amended to reflect the clarified definition of landowners' rights.**

#### **Member Background**

Agriculture has historically been a major part of Alberta's culture and economy.

Some rural landowners feel that because of the confusing and contradicting wording of the *Petty Trespass Act*, *Trespass to Premises Act* and *Land Stewardship Act*, their livelihoods are at risk. Their rights as landowners are slowly being eroded through these unclear acts.

Stakeholders want to know exactly what their rights are as landowners so that in the event of a trespassing or compensation issue, all parties involved understand their position clearly.

#### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Municipal Recourse for Solvent Companies Choosing Not to Pay Taxes**

Starland County

*Carried*

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

WHEREAS municipalities rely on property tax revenue to provide essential services and core infrastructure to support economic development, including that of the energy industry; and

WHEREAS some solvent energy companies refuse to pay municipal taxes or have threatened to do so in order to extract concessions from municipalities; and

WHEREAS municipalities lack effective and pro-active tools needed to recover unpaid property taxes from oil and gas companies; and

WHEREAS the **Alberta Energy Regulator** (AER) is responsible for ensuring that energy companies operate in a responsible manner with regards to their environmental, legal and financial responsibilities; and

WHEREAS the refusal of an energy company to pay its municipal taxes is not currently grounds for the AER to suspend or revoke an energy company's eligibility to hold well and pipeline licences;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate that the Government of Alberta direct the Alberta Energy Regulator to add unpaid municipal taxes to the grounds for which a company may be denied a licence to operate in Alberta.**

### **Member Background**

Following the downturn in the energy industry in 2014 expenses have consistently come under pressure in the energy industry. Beginning with layoffs and contract negotiations in 2015 and 2016, the industry has aggressively cut costs. As a result, new projects have nearly ground to a halt in many areas of the province. Due to this, the assessment base of many municipalities has also been on a steady decline, often leading to increased taxes on the remaining ratepayers and reduced municipal expenditures on infrastructure and service delivery.

Reductions in assessment, while not desirable, are a normal part of running a municipality and the extent to which taxes will be raised or expenditures cut is the purview of council. Addressing the effects of these changes, be they good or bad, are also the responsibility of council. This is the law as it is written in the *Municipal Government Act* (MGA) and whether a ratepayer agrees with the decision or not, they must abide by it. For example, if a farmer disagrees and refuses to pay their property taxes the MGA has several prescriptions for recovering the lost revenue, including the seizure and sale of property.

The MGA provides for no such prescription when dealing with the energy industry. The Government of Alberta, through the Alberta Energy Regulator, has the ability to licence energy companies to operate. AER Directive 067 states the following:

Acquiring and holding a licence or approval for energy development in Alberta is a privilege, not a right. This directive ensures that this privilege is only granted to responsible parties. It sets out requirements for applying for, maintaining, and amending licence eligibility. It also identifies the circumstances in which the AER may revoke or restrict licence eligibility.

With regards to the circumstances for which the AER would revoke a licence, Section 9 states:

- 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.

Section 4 lists a number of factors which, taken together, are meant to give a picture of the company as a responsible operator that is able to meet its environmental, financial and legal obligations:

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

While this section almost certainly implies that not paying debts, such as property taxes, are grounds for the termination of licenses, it does not say so explicitly. Rural municipalities now face a situation in which companies are using the lack of a specific threat to either seize their property or shut them down to extort municipalities into favourable tax treatment over their fellow businesses operating in the community. It is important to remember that this resolution is referring to solvent companies. It would be difficult to imagine this situation if the threat were directed at federal and provincial business taxes or royalties.

### **RMA Background**

5-18F: Alberta Energy Regulator Requirements for Acquiring and Holding Energy Licences and Approval

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.

**DEVELOPMENTS:** The Government of Alberta response indicates that although many factors are considered during the process of reviewing and approving a license transfer and within the AER's liability management rating (LMR), payment of municipal property taxes is not among them. RMA appreciates that Alberta Energy is working to improve the LMR and overall liability management system and is considering input from RMA and Alberta Municipal Affairs related to the extent to which outstanding municipal taxes should be considered part of a company's LMR. However, as rural municipalities are faced with mounting unpaid taxes related to oil and gas infrastructure, this issue must be addressed urgently.

RMA is also concerned with AER's comments that imposing conditions on license transfers due to unpaid municipal taxes is beyond their jurisdiction, while also encouraging municipalities to

intervene in the transfer approval process due to unpaid taxes. Based on the response, it is unclear what purpose this would serve, as it appears that AER could not alter the transfer approval process due to unpaid municipal taxes.

According to a 2019 RMA survey, rural municipalities are currently facing a deficit of between \$81 million and \$96 million in unpaid property taxes from the oil and gas industry. Based on the Government of Alberta response, there are no current provisions available in the transfer approval and liability management systems to address unpaid municipal taxes, and limited interest in expanding either process to do so. Given that lack of payment of municipal taxes is often a sign of financial distress for companies, and may lead to further abandonment of other commitments, RMA urges the Government of Alberta to include this within the scope of the AER (as they are the primary oversight body for oil and gas operations in the province).

This resolution is assigned a status of Intent Not Met, and RMA will continue to advocate on this issue.

#### 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.

## **Utility Distribution Rates in Rural Communities and Public Facilities**

MD of Greenview

*Carried as amended*

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

WHEREAS the **Alberta Utilities Commission (AUC)** regulates Alberta's investor-owned utilities (electric, gas, water) and certain municipally-owned electric utilities to ensure that customers receive safe and reliable service at just and reasonable rates; and

WHEREAS the AUC also regulates the routes, tolls and tariffs of energy transmission through utility pipelines and electric transmission and distribution lines; and

WHEREAS companies who propose to construct or rebuild electric generation, transmission or distribution facilities in Alberta must apply to the AUC for siting approval; and

WHEREAS when reviewing the utility's application, the AUC considers the social and environmental impacts, as well as any economic implications for the ratepayers; and

WHEREAS distribution charges cover the cost of delivering electricity from transmission system to its destination; and

WHEREAS due to lower population density and greater distance between consumers, distribution charges are significantly higher in rural and northern areas; and

WHEREAS distribution charges for the average home in Alberta range from 24-52% of the customer's bill, but in rural and northern areas distribution charges can exceed that 52%, which leads to significantly higher utility bills overall; and

WHEREAS transmission charges for the average home in Alberta range from 13-23% of the customer's bill, but in rural and northern areas these transmission charges can exceed 23%, again leading to higher utility bills; and

WHEREAS public facilities are charged based on commercial rates based on peak demand consumption, which significantly increases the cost to operate such facilities;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) requests the Government of Alberta review regulatory requirements relating to transmission and distribution rates of utility companies;**

**FURTHER BE IT RESOLVED that RMA requests the Government of Alberta review the requirement that public facilities are charged commercial rates and bills based on peak demand.**

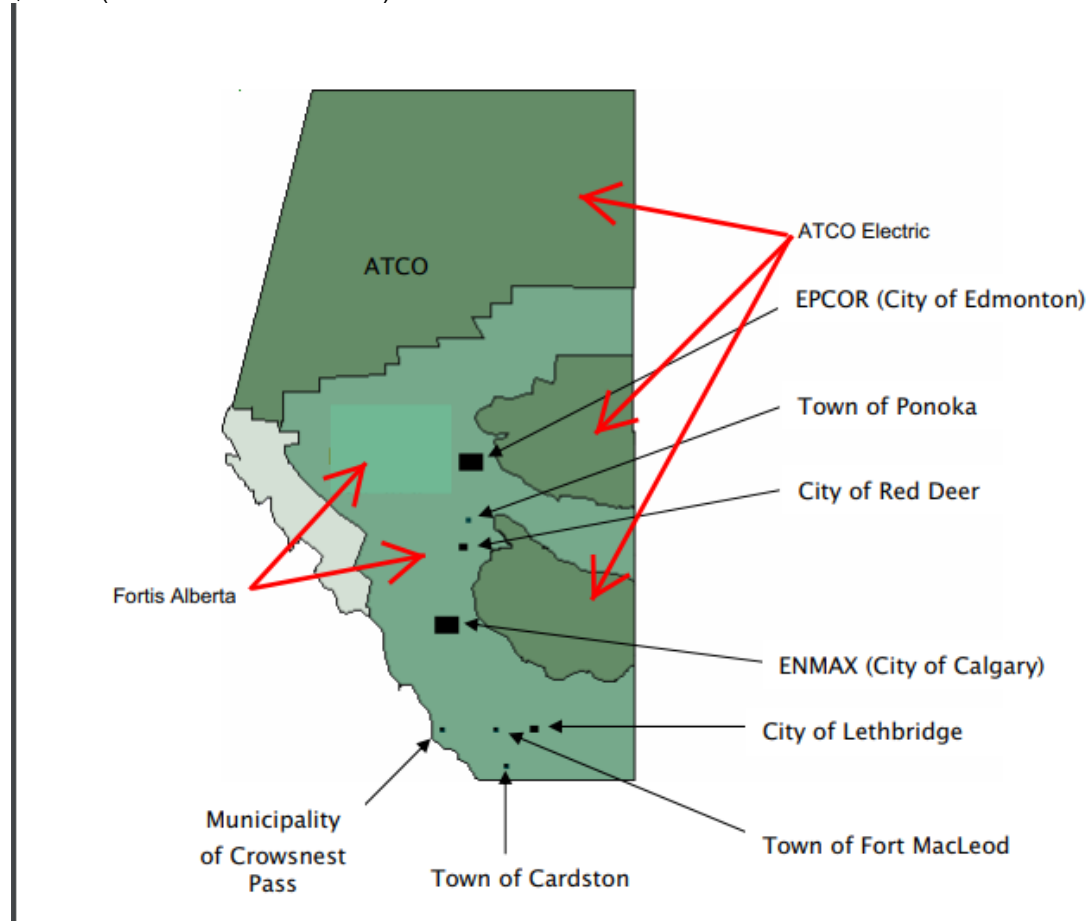
### **Member Background**

#### *Transmission and Distribution Charges*

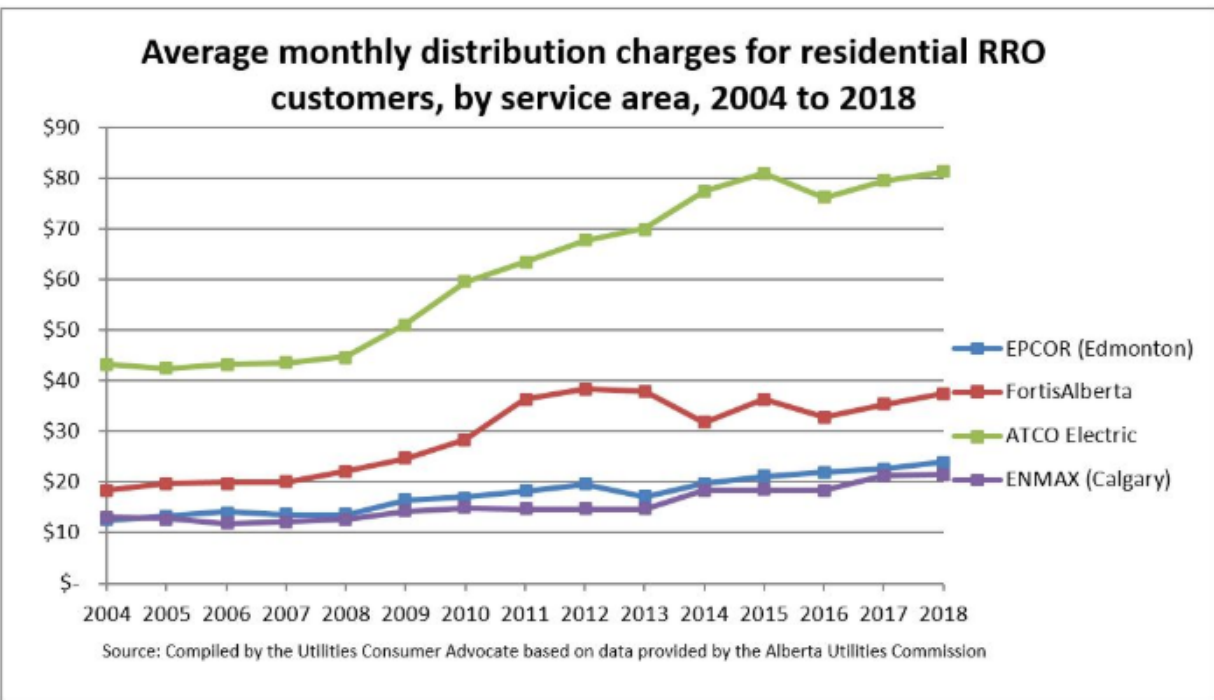
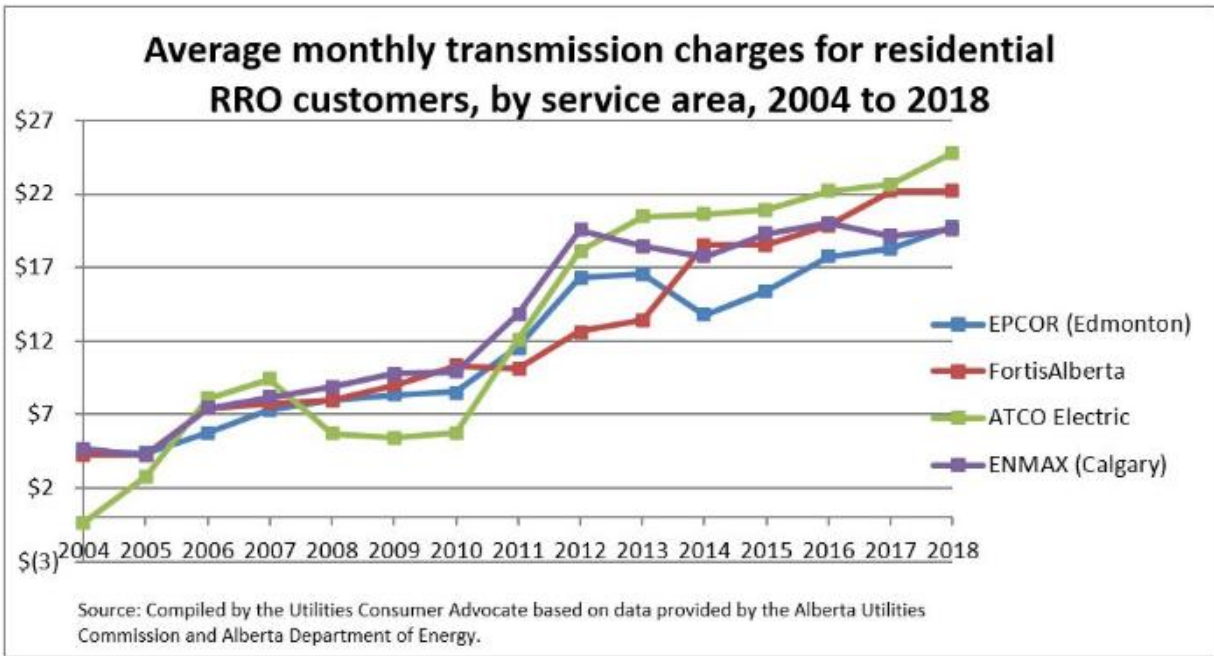
The transmission charge recovers the costs incurred to safely and reliably plan Alberta's transmission grid and transport electricity via the transmission grid from where it is generated to the distribution system. Transmission charges for residential customers are based on their energy consumption during the billing period. Transmission charges are approved and regulated by the Alberta Utilities Commission (AUC). Monthly transmission charges paid by the average residential customer with 600kWh of consumption ranged from \$19.75 (in EPCOR's service area) to \$24.82 (ATCO's service area). Transmission charges are highest in ATCO's area followed by Fortis Alberta's service area.

The distribution charges cover the costs incurred from distribution companies (which is often different from the retail provider) to bring electricity from the transmission system to its destination. It includes the cost for

building, operating and maintaining the distribution system (poles, wires, etc.). The charges are composed of a fixed fee based on the number of days in the billing period and a variable component based on usage. Distribution charges are regulated by the AUC for Calgary (ENMAX), Edmonton (EPCOR) and for Fortis Alberta and ATCO Electric. Distribution rates for Lethbridge, Red Deer, Cardston, Fort McLeod, Ponoka and Crowsnest Pass are approved by the municipal governments. This cost is higher in rural and northern areas because of the low population density and longer distances between consumer sites. For example, according to the Alberta Utilities Consumer Advocate, in 2018 monthly distribution charges paid by the average residential consumer with 600kWh consumption ranged from \$21.58 (in ENMAX's service area) to \$81.24 (in ATCO's service area).



Electrical company service areas in Alberta. ATCO services primarily Northern Alberta, and parts of Eastern Alberta. FORTIS ALBERTA services Southern and Western Alberta. These areas see both the highest transmission charges and distribution charges in the Province.



Commercial Rates for Public Facilities

Public facilities such as community halls are billed at the commercial rate, which is higher than that of the residential rate. Additionally, the rates are based on peak demand, where the accounts are billed for the highest rate of electricity usage for a period of time. These factors increase the costs of electricity for public facilities.

**RMA Background**

16-18F: Demand Meters and Rate Riders

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.



**DEVELOPMENTS:** Based on this resolution, the RMA was contacted about participating Electric System Distribution Inquiry and the RMA has submitted their intention to provide input during this process. Currently, the RMA is awaiting additional information regarding phase II proceedings and will bring the intent of this resolution forward at this time. This resolution is assigned a status of Intent Not Met.

## **Opportunity for Improvement in FCM Representation of Rural Issues and Western Perspectives**

Wheatland County

*Carried*

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### **Advocacy Target: Federation of Canadian Municipalities**

WHEREAS all rural municipalities in Alberta are members of the **Federation of Canadian Municipalities (FCM)** which is a collective of nearly 2000 member municipalities of all sizes across Canada; and

WHEREAS FCM's purpose is to advocate for municipalities to be sure their citizens' needs are reflected in federal policies and programs; and

WHEREAS FCM has identified rural, northern, and remote communities as one of 15 focus areas for its advocacy efforts; and

WHEREAS rural municipalities in Alberta recognize that rural municipalities and their priorities were not always included as a focus of FCM, and appreciate efforts made by FCM to incorporate rural municipalities and their priorities into its platforms; and

WHEREAS attendance at the 2019 FCM conference resulted in disappointment for rural municipal leaders because the issues impacting them and western Canadian perspectives on major points of discussion were not accurately represented at the conference; and

WHEREAS rural municipalities in Alberta believe that there is opportunity for improvement in FCM's representation of rural and western Canadian issues and perspectives;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) use their collective strength and understanding of the rural municipal perspective and priority issues to promote accurate inclusion of rural and western Canadian issues and perspectives at the annual Federation of Canadian Municipalities (FCM) conference, and in FCM communications and advocacy efforts; and**

**FURTHER BE IT RESOLVED that RMA send a letter to FCM identifying areas of alignment and concern with the content of the 2019 annual FCM conference and requesting that planning committees for future annual conferences include appropriate representation from rural western Canada to ensure that conferences are relevant and meaningful to all member municipalities.**

### **Member Background**

Members of Wheatland County Council attended the 2019 Federation of Canadian Municipalities (FCM) conference from May 30 to June 3 in Quebec City, and returned with varying reviews of the event. All councillors discussed the viewpoints at Wheatland County's July 2<sup>nd</sup> council meeting. On one hand, it was felt that the FCM conference did not offer enough value to rural municipalities, and that efforts made to include rural topics were insufficient. Concern was raised over bias towards topics and mindsets more reflective of eastern Canada, and too prominent a focus on urban municipal issues. A recommendation was made to discontinue attendance at the conference and encourage other rural municipalities in Alberta to follow suit as a means of protest.

On the other hand, it was noted that the conference did in fact provide some topics of rural interest while also offering opportunities to provide feedback and ask questions, bring back information that could be applied to decision-making, and network with other rural municipalities across the country. A presentation on broadband, rural town hall on growth of rural communities, and rural plenary about vibrant rural economies featuring two Albertan speakers, were notable rural-focused sessions. This perspective agreed, however, that there was room for improvement, identifying a "Farm Hub" session that did not represent the grain or beef industries. Offence was expressed that a major federal topic of interest to Albertans, energy and pipelines, was inadequately scheduled to occur too early in the morning, and in such a way that the whole delegation did not have the opportunity to attend. It did not suggest that the FCM was taking the topic as seriously as Albertans deserve.

Comments from other councillors noted that FCM had come a long way, since rural matters had not previously been included in their advocacy and now are included as an area of focus. The importance of

keeping the rural voice at the table was discussed, noting the progress that could be made by continuing to work towards constructive change at the FCM level rather than choosing to not attend events. It was recognized that Canada is a vast country with different needs and a wide range of geographic problems yet agreed that the FCM organization needed to be doing a better job of offering value to its rural members both at events and through its advocacy. Ultimately, a common desire emerged to educate FCM as to the rural perspectives and issues of priority to western Canadians and advocate for better inclusion in the annual conference, and FCM communications and advocacy efforts. It was determined that the collective strength of the Rural Municipalities of Alberta was the best means of advancing this agenda.

This resolution is intended to facilitate two outcomes; the first being that RMA communicate on an ongoing basis with FCM the topics of priority to RMA's membership and the importance of including them in advocacy, communications, and events at the federal level. It must be demonstrated that rural and western Canadians do not appreciate bias against their perspectives and the issues influencing their livelihoods. Representation of these priorities is required to also educate the rest of Canada as to the factors influencing decision-making in Alberta. We hope that RMA will be rural municipalities' vessel to ensure that specific issues of importance are brought to the table.

Secondly, it is recognized that there are significant challenges in designing a conference that is relevant to everyone when there is such a vast diversity in FCM's membership. We would like RMA to write a letter requesting that moving forward FCM ensure that rural, western Canada has appropriate representation on conference planning committees with the intent to maximize the relevance and value of the event to all member municipalities. This letter also provides an opportunity to collect from RMA's membership areas of alignment and concern with the 2019 conference and provide them to FCM as input. One example is the inappropriate scheduling of the energy-focused topic.

#### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Setback Referrals for Development Near Sour Gas Facilities in Crown Land Areas**

MD of Greenview

Carried

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

WHEREAS section 684(1) of the *Municipal Government Act* (MGA) states that the development authority must make a decision on the application for a development permit within 40 days after the receipt by the applicant of an acknowledgement of their application being deemed complete; and

WHEREAS section 6 of the *Subdivision and Development Regulation* AR 43/2002 (the Regulation) requires a subdivision authority to make a decision on an application for subdivision within 21 days of the date of the application being deemed complete if no referrals were made and within 60 days from the date of an application under section 4(1) of the Regulation being deemed complete in accordance with section 653.1 of the MGA; and

WHEREAS section 10(1) of the Regulation requires that the subdivision or development authority provide a copy of the application for a development that results in a permanent dwelling, public facility or unrestricted country residential development, as defined by the Alberta Energy Regulator (AER), to the AER if any of the land pertaining to the application is located within 1.5 kilometres of a sour gas facility, or a lesser distance agreed to, in writing, by the AER and the subdivision or development authority; and

WHEREAS the AER states that they will provide a response to setback referrals within 30 days of receiving a referral from a subdivision or development authority; and

WHEREAS the AER's 30-day timeline acts as an approximate deadline and is often not met; and

WHEREAS late responses from the AER prevent municipalities from meeting their legislated timelines without requesting extensions from applicants, thereby obstructing an orderly development process;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta review the Alberta Energy Regulator (AER) timelines for responding to setback referrals for development near sour gas facilities, particularly in Crown land areas, to ensure they consistently respond to applicants within their own 30-day response commitment.**

### **Member Background**

Municipalities are legislatively required to meet certain deadlines for approving or denying applications for development and subdivisions. Municipalities are also required to send referrals to the Alberta Energy Regulator (AER) of any development within 1.5 kilometres of sour gas facilities. In order to meet the legislated timelines, municipalities require timely responses on referrals from the AER.

The AER's approximate 30-day timeline for responses to referrals creates delays in the development process for municipalities and applicants, as the AER consistently provides responses after this deadline. As a result, municipalities are forced to request extensions from the applicants for developments near sour gas facilities in order to meet the legislated requirements.

In order to facilitate orderly development, the AER must review its timelines and ensure that they are providing responses to referrals within 30 days as indicated in the automated response upon their receipt of a referred application. The present delays cause significant frustration to municipalities and the applicants, which in the Crown land areas where these generally apply, is the industrial drivers of our local and provincial economy.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Community Peace Officer Access to RCMP Radio Channels**

Foothills County

*Carried*

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

WHEREAS rural municipalities employ **community peace officers** (CPOs) under the *Peace Officer Act*; and

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

WHEREAS CPOs provide a supplementary level of municipal law enforcement within rural municipalities across Alberta where the **Royal Canadian Mounted Police** (RCMP) are the police service of jurisdiction; and

WHEREAS CPOs provide assistance at emergency scenes where timely communication with RCMP members is imperative, both for the officer and public safety; and

WHEREAS the **Alberta First Responders Radio Communication System** (AFRRCS) was designed and implemented by the Government of Alberta with the intention of improving and integrating radio communications among first responders from different agencies; and

WHEREAS CPOs have historically been provided access to monitor and transmit on RCMP radio channels through the signing of a memorandum of understanding (MOU) between individual municipalities and the RCMP; and

WHEREAS the RCMP across Alberta have encrypted their AFRRCS channels which now prevents CPOs from monitoring and transmitting on RCMP radio channels; and

WHEREAS this lack of direct, timely communication between CPOs and RCMP members presents increased officer safety risks for CPOs;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta work with the Royal Canadian Mounted Police (RCMP) 'K' Division and National Headquarters, and any other organizations necessary, to develop policies and/or a memorandum of understanding to permit community peace officers to monitor and transmit on local RCMP Alberta First Responders Radio Communication System radio channels in the normal course of their duties.**

### **Member Background**

The Government of Alberta has developed the Alberta First Responder Radio Communications System (AFRRCS), a two-way radio network for first responders in municipal, provincial and First Nations agencies across the province. The key reason for AFRRCS was to improve safety and enhance communications between first responder agencies. However, in some cases the opposite is happening as some agencies protect information to the exclusion of vital partners in serving our communities; two primary examples are Alberta Health Services excluding fire departments, and RCMP excluding community peace officers (CPOs).

With the uptake of AFRRCS underway, problems started to emerge when the RCMP decided to encrypt their radio channels, thereby removing the ability of supporting law-enforcement agencies to communicate with them through AFRRCS. This decision has made radio communication between CPOs and RCMP worse than before AFRRCS, because encryption of radio channels has completely separated agencies from functioning as teams to respond.

This problem affects the delivery of service and safety of CPOs in all rural municipalities throughout Alberta, particularly when rural crime continues to be a major issue. CPOs are often the "eyes and ears" of rural Alberta. If CPOs are not aware of RCMP actions, they will not be aware of potentially dangerous situations or know to be on the lookout for suspects and vehicles as they drive around, and be unable to pass along key information to the RCMP.

AFRRCS provides quality communication; however, encryption has blocked easy access to the daily, operational communications between the RCMP and CPOs, and compromised the situational awareness that results from the sharing of important information. CPOs can communicate with RCMP and other agencies in large-scale events via Common Event Talkgroup channels. However, the loss of day-to-day operational communications puts CPOs at increased risk.

If a CPO needs assistance, they now have to contact their dispatch, which in turn calls RCMP dispatch, which then forwards information to the RCMP member on duty. This approach is not practical or safe in an emergency situation due to the time it takes. The only other alternative for the CPO is to call 911.

CPOs may get involved in extremely high-risk situations, which they would otherwise have avoided if they were able to hear RCMP communications. Examples from 2019 include:

- RCMP and other agencies, including CPOs, responded to a school bus collision. Because of the information sharing gaps since transition to AFRRCS, the CPOs were unaware that the individual involved in this collision was armed and had car-jacked a passer-by who had stopped to lend assistance.
- RCMP attempted to stop a vehicle that was associated with a complaint of shots fired. The vehicle evaded the RCMP and was later found on a nearby highway. During this incident with RCMP, a CPO was conducting speed enforcement in the same area, placing him directly in the middle of a very dangerous situation without even knowing it.
- RCMP were dispatched to a male suffering from gunshot wounds. At the same time, a CPO was requested by a Public Works employee to attend a location for an injured person. Very little information was provided by the employee, and the CPO soon found himself in the middle of a criminal complaint that the RCMP were responding to, and that he was totally unaware of.
- A CPO narrowly escaped being rammed after responding to a simple "litter" complaint. The suspects were armed and dangerous prolific offenders that were stripping copper wire. They had run from the RCMP earlier, but CPOs were unaware because of the AFRRCS disconnect. It took over 20 minutes for the CPO to contact and report the information to RCMP via telephone. The following day, the offenders were apprehended at gunpoint in a high-risk stop.
- Unknowingly, a CPO became involved in a domestic dispute (RCMP file), when he pulled over a speeding vehicle.

## **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Requirement for Municipal Authority Input on Energy Resource Development Projects**

MD of Bonnyville

*Carried as amended*

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

WHEREAS the Government of Alberta seeks to ensure that members of the public are informed about proposed and existing energy resource developments and can provide input regarding those developments; and

WHEREAS the **Alberta Energy Regulator (AER)** has the authority to choose to direct energy project applicants to modify or supplement their public consultation activities; and

WHEREAS rural municipalities constitute the largest land base in Alberta, and therefore, have relevant and profound knowledge applicable to commercial and industrial developments in their respective municipalities; and

WHEREAS local government is the closest level of government to the people; and

WHEREAS landowners expect municipal authorities to protect the interests of private and public lands within their boundaries on any matter including energy resource development projects; and

WHEREAS the current AER public consultation process renders municipal authorities ineffective at protecting the interests of private and public lands, which is eroding landowner/public trust in provincial and local government;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta directs the Alberta Energy Regulator to incorporate municipal authorities' input into the energy resource development project and change of use approval process.**

### **Member Background**

The Municipal District of Bonnyville (MD) experienced an immense wave of energy resource developments starting in 2013 (i.e. one northern section of land within the MD has over 2,400 assessed well sites in the 2019 tax year). This year there are over 11,500 active well sites assessed within the municipality.

Up until 2013, most of these energy developments were in the north of the municipality where titled lands are limited. Their remote nature allowed the Alberta Energy Regulator (AER) to approve projects easily as there were no adjacent landowners to declare adverse effects. However, because the MD is reaching a saturation point within that region (as are many rural municipal authorities), these energy developments are gravitating to more populated areas closer to individual ratepayers/landowners. This is evident in the increased number of submitted Statements of Concerns from these landowners to the AER.

The MD's Planning and Development Department also has had a growing number of adjacent or concerned landowners requesting advice, direction, and support to oppose these energy developments. They recognize that they are not experienced in these matters nor do they understand the nature of AER's regulatory approval process. They believe that because they pay their property and provincial taxes, their municipal authority (who is a creature of the provincial government) will advocate on their behalf to protect the local environment and specifically, their land.

This land protection service expectation has been expressed repeatedly. This has led the MD to conclude that the AER approval process should become a facilitated process for local ratepayers, or that municipal authorities should be granted the ability to submit a Statement of Concern on any energy resource development application within their boundaries.

Currently, the municipal authority is powerless to meet their landowners' service expectations because based on the AER approval process requirements, a municipal authority cannot illustrate a direct adverse effect unless it has municipal infrastructure adjacent to the energy development project. Therefore, the municipal authority is unable to advocate for any individual landowner who may request their assistance.

Given the cyclical nature of the energy development industry, there is an opportunity during the current downswing to be proactive and improve the AER approval process before more energy development

applications encroach on titled lands. In lobbying for change now, Rural Municipalities of Alberta will be helping their members proactively prepare for the future based on the past.

In June 2019, the Government of Alberta released a draft Public Involvement Directive for feedback and comment that incorporates municipal authority notification in the AER Project Application Process (specifically, Section 3, subsection 6). Also included are specific engagement and consultation requirements for local Indian reserves and Métis Settlements (Section 3.2 and Section 4.2). The MD proposes that municipal authorities should also be specifically identified for engagement and consultation in a similar manner.

Private landowners need and want a facilitated public consultation process for AER approvals to bring back confidence and trust in government and the AER approval process.

### **RMA Background**

5-18F: Alberta Energy Regulator Requirements for Acquiring and Holding Energy Licences and Approval

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.

**DEVELOPMENTS:** The Government of Alberta response indicates that although many factors are considered during the process of reviewing and approving a license transfer and within the AER's liability management rating (LMR), payment of municipal property taxes is not among them. RMA appreciates that Alberta Energy is working to improve the LMR and overall liability management system and is considering input from RMA and Alberta Municipal Affairs related to the extent to which outstanding municipal taxes should be considered part of a company's LMR. However, as rural municipalities are faced with mounting unpaid taxes related to oil and gas infrastructure, this issue must be addressed urgently.

RMA is also concerned with AER's comments that imposing conditions on license transfers due to unpaid municipal taxes is beyond their jurisdiction, while also encouraging municipalities to intervene in the transfer approval process due to unpaid taxes. Based on the response, it is unclear what purpose this would serve, as it appears that AER could not alter the transfer approval process due to unpaid municipal taxes.

According to a 2019 RMA survey, rural municipalities are currently facing a deficit of between \$81 million and \$96 million in unpaid property taxes from the oil and gas industry. Based on the Government of Alberta response, there are no current provisions available in the transfer approval and liability management systems to address unpaid municipal taxes, and limited interest in expanding either process to do so. Given that lack of payment of municipal taxes is often a sign of financial distress for companies, and may lead to further abandonment of other commitments, RMA urges the Government of Alberta to include this within the scope of the AER (as they are the primary oversight body for oil and gas operations in the province).

This resolution is assigned a status of Intent Not Met, and RMA will continue to advocate on this issue.

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 are have not payed 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.

## **Libraries Act Review and Rural Library Services**

Athabasca County and County of Wetaskiwin

Carried

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

WHEREAS libraries are an important service in rural communities and play a key role in community development; and

WHEREAS rural libraries are distinctly different in size, scope, and service level from libraries in large urban centres; and

WHEREAS the *Libraries Act* provides the legal framework for public library service in Alberta; and

WHEREAS the current version of the *Libraries Act* was adopted in 2007; and

WHEREAS section 14(1) of the *Libraries Regulation* requires a municipal board of any municipality with a population of 10,000 or more to employ a professional librarian that is a graduate of a postgraduate library program; and

WHEREAS the *Libraries Regulation* does not take into consideration population density, distance between service points or number of service points within a municipality; and

WHEREAS the Public Library Grants Program uses the 2016 Alberta Municipal Affairs population lists which do not include the results from the 2016 federal census, and, therefore, 49 rural municipalities receive funding based on their 2011 federal census numbers; and

WHEREAS regional library boards and systems are concerned about the restrictions placed on them by the *Libraries Act*, *Libraries Regulation*, and current library funding mechanisms;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta review the the *Libraries Act* and *Libraries Regulation* through a comprehensive public consultation process;**

**FURTHER BE IT RESOLVED that the review include a focus on amending population density and service point indicators related to requirements for hiring professional librarians;**

**FURTHER BE IT RESOLVED that RMA requests that the Government of Alberta update population lists to the most recent census information to ensure proper funding is provided to rural library boards.**

### **Member Background**

Libraries play an important role in community development. They serve as a meeting place for people to learn and socialize. Libraries provide a variety of services that are often hard to access in rural and remote areas. These include internet access, literacy education, access to physical and digital books, as well as programming for hard to reach demographics such a new mothers or seniors. Libraries are community hubs and are a critical service to support community development. In rural Alberta, libraries are also a service point for the Alberta Supernet. This allows patron access to reliable high-speed internet that can help bridge the digital divide. These services and the others provided by libraries are important to rural communities. However, rural communities also face unique challenges when trying to optimize their library services.

Alberta's library system is operated by municipalities based on requirements in the *Libraries Act* and *Libraries Regulation*. This resolution requests a review of the Act and Regulation to ensure they properly address the challenges faced by rural libraries. The resolution also specifically calls for changes to two current components of the library system that are problematic for library boards; one within the Act itself and one outside the scope of the Act but still crucial to the sustainability of rural libraries. These are explained below:

#### Professional Librarian Requirements

Rural libraries are often smaller and provide services to fewer patrons over a greater distance. Furthermore, rural municipalities may have multiple service points that are often open shorter hours and have fewer staff

members than their urban counterparts. The requirement in the *Libraries Regulation* that municipalities with a population above 10,000 must hire a professional librarian adds further stress to already limited rural libraries. In some cases, the cost of hiring a professional librarian would take the entire library board budget. This cost could also lead to the closure of rural service points and a reduction in the library services in an area. This can also have unintended impacts for library boards with dispersed populations and few large urban members.

An example of this challenge can be seen in the Northern Lights Library System (NLLS), which is the only one of Alberta's seven library systems with no large urban centres. For every 25,000 persons it serves, NLLS must employ one professional librarian. Therefore, for the 174,000 persons within the NLLS geographic area, NLLS is required to hire seven professional librarians.

If a library system has a member library with a population over 10,000 then that municipality is required to hire a professional librarian. As a result, the library system can deduct that population from the overall system population; therefore, reducing the overall requirement of hiring a professional librarian at the system level.

For Instance, Marigold Library System, with a population of just over 300,000, have several municipalities that are required to directly hire professional librarians. These local libraries hiring professional librarians eliminate over 200,000 persons from the system population. Therefore, with a population reduced to 100,000, the Marigold Library System, according to current legislation, is only required to hire five professional librarians at the system level.

Northern Lights Library system on the other hand only has one member municipality with a population over 10,000. The City of Cold Lake has a population of just under 15,000, which reduces the NLLS total population to 159,000. This reduces the required number of professional librarians to six for the system

NLLS currently has eight professional librarians serving in libraries hired by their municipalities; just because the population served is lower than the 10,000 should not negate the fact that these people have been trained at a master's degree level and they are not being recognized for it due to a change in the interpretation of the *Library Regulation*.

Numerous system directors and system board members have expressed that at one time all professional librarians hired at the municipal level were taken off from the system population count, no matter how many persons lived in that municipality.

The requirement for NLLS to employ at least six professional librarians (master's degree a requirement) has significant impact on budget, operations and service, including the following:

1. Employing six professional librarians has major budget implications, as these positions are in a high wage category; therefore, other areas of operations are not being sufficiently staffed. For instance, NLLS has only one staff member in the inter-library loans department handling over 1,362,842 books a year, compared to three to five staff members in other systems doing the same job. This understaffing can lead to repetitive stress and OH&S problems.
2. Recruiting library professionals with master's degrees to small rural settings poses a significant human resources challenge.
3. Employing more professional staff than any other system impacts on the level of system services, programs and resources (such as delivery services) that NLLS can offer.
4. At system meetings it has also become apparent that municipalities in other systems are opposing the 10,000 threshold and want to raise the requirement to 15,000 before they must hire a professional librarian. Again, this would significantly impact the budget, staffing and services as NLLS will not have any municipality that they could deduct from the overall population count.

### Current Population Lists

Another challenge facing rural library boards is inaccurate funding from the Public Library Grants Program. This has occurred because Alberta Municipal Affairs has not updated their population lists since 2016. According to the *2016 Municipal Affairs Population List* 49 rural municipalities and one specialized

municipality have population numbers from the 2011 federal census. Therefore, these municipalities are receiving per capita funding based on numbers that are eight years old. This adds another challenge to rural library boards as they are not receiving accurate funding to support their rural library.

While this issue would be outside the scope of the Act and Regulation, it is still a crucial advocacy priority to ensure rural libraries are properly funded and can operate sustainably.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## Provincial Extended Producer Responsibility Regulations

Wheatland County

Carried

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### Advocacy Target: Alberta Environment and Parks

WHEREAS recycling reduces the amount of waste going to landfill, and results in new, valuable uses for products otherwise at their end-of-life; and

WHEREAS local governments often must cover the costs of programs for collecting, processing, and marketing recyclable materials in Alberta with ratepayer dollars; and

WHEREAS **extended producer responsibility** (EPR) is an environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life cycle; and

WHEREAS waste management and recycling costs are also a significant challenge for rural municipalities with collection points for materials; and

WHEREAS when fully implemented, EPR shifts the costs and operational responsibilities for managing recycling systems from local governments to producers; and

WHEREAS there is currently an advocacy campaign among many organizations and government bodies, including the Recycling Council of Alberta, Alberta Urban Municipalities Association, and individual municipalities, to encourage the Government of Alberta to implement EPR regulations;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta join the advocacy campaign to encourage the Government of Alberta to implement extended producer responsibility regulations.**

### Member Background

Extended producer responsibility (EPR) is a current topic of importance in waste management and recycling. Both the Recycling Council of Alberta (RCA) and Alberta Urban Municipalities Association (AUMA) have released reports and information on the matter. A public policy report from RCA and overview of advocacy efforts from AUMA are attached in lieu of a written member background as they accurately describe the issue and existing advocacy campaign. As waste management and recycling are also integral to the operation of rural municipalities and this issue impacts rural municipal budgets and funding for recycling programs, we request that RMA become formally integrated in advocacy initiatives in all capacities necessary to encourage the Government of Alberta to implement EPR regulations.

#### Attachments:

Public Policy: Extended Producer Responsibility (EPR) for Packaging & Paper Products  
Recycling Council of Alberta, 2019

Available at: <https://recycle.ab.ca/about/public-policy/>

Do you want to learn more about Canada's current recycling industry, or Extended Producer Recycling Program?

Alberta Urban Municipalities Association, 2019

Available at: <https://auma.ca/news/do-you-want-learn-more-about-canadas-current-recycling-industry-or-extended-producer-recycling-program>

Waste Management Hub  
Alberta Urban Municipalities Association, 2019

Available at: <https://auma.ca/advocacy-services/programs-initiatives/waste-management-hub>

#### References

Canadian Council of Ministers of the Environment. 2009. Canada-wide Action Plan on Extended Producer Responsibility. Available at: [https://www.ccme.ca/files/Resources/waste/extended/pn\\_1499\\_epr\\_cap\\_e.pdf](https://www.ccme.ca/files/Resources/waste/extended/pn_1499_epr_cap_e.pdf). Retrieved August 28, 2019.

Recycling Council of Alberta. 2019. Public Policy: Extended Producer Responsibility (EPR) for Packaging & Paper Products. Available at: <https://recycle.ab.ca/about/public-policy/>. Retrieved August 28, 2019.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Provincial Funding for Regional Air Ambulance**

Cypress County

*Carried*

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### **Advocacy Target: Alberta Health, Alberta Treasury Board and Finance**

WHEREAS all Albertans deserve access to emergency air ambulance services (both rotary-wing and fixed-wing), and

WHEREAS the **Shock Trauma Air Rescue Society (STARS)** provides emergency air ambulance services centered out of Edmonton, Calgary and Grande Prairie, and

WHEREAS response to outlying rural areas of Alberta is limited, and

WHEREAS regionally-operated air ambulance services perform a vital service that complements ground ambulance and STARS air ambulance, and

WHEREAS the Government of Alberta does not fund locally- or regionally-operated air ambulance services such as **Helicopter Air Lift Operation (HALO)** in southeastern Alberta, leaving them to rely wholly on funding from municipalities and donations of private individuals and responsible corporate partners;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta provide funds to locally- and regionally-operated emergency response air ambulance services at the same ratio as Shock Trauma Air Rescue Society (STARS) funding;**

**FURTHER BE IT RESOLVED that the Government of Alberta commissions an independent review, which includes engagement with the public, industry stakeholders and municipalities across Alberta, of the helicopter emergency medical services system in Alberta.**

#### **Member Background**

Locally- or regionally-operated emergency response helicopter services are still needed in addition to Shock Trauma Air Rescue Society (STARS). In south-eastern Alberta, Helicopter Air Lift Operation (HALO) medevac rescue helicopter has operated out of Medicine Hat since 2007. HALO provides residents of Cypress County and surrounding communities, as well as vast remote areas, with improved patient care and decreased transport times for critically ill or injured people at no cost to the patient in coordination with the network of ground-based ambulances.

Negotiations between HALO and Alberta Health Services resulted in a one-year agreement, expiring October 1, 2019. The agreement includes "restricted funding" (meaning one-time) of \$1,000,000. This agreement stipulates that a twin-engine helicopter be required, and HALO obtained the services of such a machine through Rangeland Helicopters in Medicine Hat. The operating costs of this helicopter including the extended daylight hours it is allowed to fly are certainly higher than HALO's original machine, but it is more effective, and HALO's budget is still considerably lower than other emergency response helicopter services.

These additional costs have put HALO in a difficult fiscal situation. In spite of substantial public donations in the summer of 2019, HALO currently has a \$750,000 shortfall. HALO is a valuable resource to other public service departments and is an integral part of emergency response planning at the corporate, municipal, and regional levels. HALO is available to serve the community in a variety of ways including search and rescue, and disaster response. This program allows the communities within a vast response area the best possible access to rapid, advanced medical care in an emergency.

The availability of the helicopter decreases response times of paramedics to trauma victims in remote or inaccessible areas. Even with the new longer-range STARS helicopters, regional medical helicopters still provide a quicker response.

#### **RMA Background**

RMA has no active resolutions directly related to this issue.

## Provincial Highway Access and Setback Authority

Sturgeon County

Carried

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### Advocacy Target: Alberta Transportation

WHEREAS a viable provincial highway system with appropriate setbacks from development is important for supporting the long-term economic well-being of the province of Alberta and its municipalities; and

WHEREAS landowners and entrepreneurs want to reinvest in their communities through new developments, often adjacent to the provincial highway system; and

WHEREAS current provincial highway access and development setback requirements can limit the development / economic potential of rural communities, particularly when approved setbacks are restrictive or when roadway improvement costs are applied only to a few adjacent landowners; and

WHEREAS current provincial highway access and development setback requirements do not consider the land use policies or requirements of the municipality, which also has limited authority to influence decisions in this area; and

WHEREAS the Government of Alberta is seeking to remove needless red tape while still upholding fiscal accountability and ensuring the safety of Albertans;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta engage with the Government of Alberta to reduce red tape that limits rural development or economic potential, through a delegation of additional authority to municipalities to regulate provincial highway access and setback requirements, and a review of the provincial framework in this area to reflect best practices from jurisdictions across Canada.**

### Member Background

The provincial highway system enables the efficient flow of goods and services that helps keep the provincial economy strong. At a local level, municipalities depend on that highway system in addition to local roads to support mobility and economic activity. These are the lifeblood of rural communities, with many landowners or businesses accessing these roadways directly from their property.

Current Alberta Transportation policy requires a permit for any roadside development within a “development control zone,” which is:

- 300 metres from a provincial right-of-way; or
- 800 metres of the centerline of a highway and public road intersection

Each permit is considered on a case-by-case basis, and are also subject to the provisions of Section 11 – 19 inclusive of the *Highways Development and Protection Act*, Chapter H-8.5 2004 (and its amendments), and the *Highways Development and Protection Regulation* (Alberta Regulation 326/2009) (and its amendments). The general minimum setback for all development is 70 metres from the highway centreline, or no closer than 40 metres from the highway right-of-way boundary, except where these distances must be increased to allow for highway widening.

The current provincial framework for access and setback applications can pose an issue for local landowners and businesses from a few perspectives, including that:

- Approval of access to roadways is not guaranteed, which can limit development potential on applicant properties.
- If a smaller setback is approved than requested, development can be pushed further back than would be economically feasible for a landowner.
- The requirements do not consider the land use policies or requirements of the municipality, which consider local conditions and specific development potential and impacts.
- A municipality could approve a development, only to be followed by an Alberta Transportation rejection of requested setbacks.



- Where widening or intersection upgrades are required due to development, the sometimes-substantial costs are often assigned to the adjacent landowner(s), which may be only a few properties in a rural context. This often results in the development becoming uneconomical, despite the reality that the road network is used by many others as a public asset.

Overall it is recommended that municipal authority be increased to regulate these access and setback requirements, and that a review be conducted of the provincial framework for these matters with an objective to minimize any red tape and to support the development potential of Alberta's rural areas.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **GST for Grants and Subsidies Interpretation**

Mountain View County and Northern Sunrise County

Carried

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### **Advocacy Target: Alberta Municipal Affairs, Alberta Treasury Board and Finance, Canada Revenue Agency**

WHEREAS municipalities undergo routine federal **Goods and Services Tax (GST)/Public Service Body (PSB)** audits by the **Canada Revenue Agency (CRA)**; and

WHEREAS the *Municipal Government Act* (MGA) requires that municipal governments establish intermunicipal collaboration frameworks by March 31, 2020 that specify what and how services are funded and delivered with neighbouring municipalities; and

WHEREAS municipalities may enter intermunicipal cost sharing agreements for the purpose of funding services through contributions by regional partners whose rate payers will be using the services provided; and

WHEREAS the CRA's GST/HST Technical Bulletin B-067 provides that a transfer payment made for a public purpose does not constitute a taxable supply; and

WHEREAS when the Town of Peace River underwent a routine GST/PSB audit, the CRA assessed GST on "a supply of a right to enter, to have access to, or to use property of the government, municipality, or other body" and ruled that the "town supplied a right to use the municipal property to other municipalities through the use of cost sharing agreements"; and

WHEREAS the Town of Peace River facilities have a flat payment scale that does not discriminate on the basis of residence and all agreements are specifically worded towards regional benefit;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) request that the Government of Alberta advocate to the Government of Canada on behalf of the municipalities of Alberta that the Canada Revenue Agency's (CRA) interpretation be reviewed and the tax status of cost-sharing agreements be clarified; and**

**FURTHER BE IT RESOLVED that RMA request that the CRA reassess the 2019 GST/PSB audit on the Town of Peace River regarding the interpretation of the CRA Bulletin on GST for grants and subsidies.**

### **Member Background**

The Town of Peace River was subject to a routine Goods and Services Tax (GST) audit by the Canada Revenue Agency (CRA), following which they were informed that their cost sharing agreements were being assessed as being subject to GST. The cost sharing agreements have been in place since at least 2002 and the agreement examined in the 2019 audit was previously audited in 2011, with no issues being raised regarding GST.

The reinterpretation of CRA Bulletin on GST for Grants and Subsidies has set a number of concerning precedents: auditors may parse an existing agreement to justify a finding even if the remainder of the agreement is contradictory, municipalities may no longer rely on the GST/HST Technical Information Bulletin B-067 with respect to determining supply as it relates to on-going programs of financial support, it is unclear which cost-sharing items may now be assessed as supply, and transactions not contained within the cost-sharing agreement are being assessed as though they were.

Intermunicipal collaboration framework agreements will now require a tax provision. The lack of consistency in the application of the regulation provides challenges in identifying what should be considered supply. Municipalities must be prepared for further reinterpretation of the agreements. The cost of reversing any collection or remittance creates the potential for significant economic burden on the municipality.

This recent interpretation, and unpredictability in future interpretations, by CRA has impacts on municipalities across Canada and on cost sharing agreements held between all levels of government throughout the country. The ability for municipalities to viably sustain these collaborative agreements will

be compromised due to the financial instability and risks that are created by the inconsistent application of this regulation.

The Town of Peace River has reached out to Alberta Urban Municipalities Association (AUMA) and Federation of Canadian Municipalities (FCM) for advocacy and legal advice and undertaken political advocacy work to raise awareness of the issue both federally and provincially. Additionally, the Town of Peace River has submitted the issue to the Northern Alberta Development Council, Rural Municipalities of Alberta and Municipal Affairs and is working with AUMA to prepare an emergency resolution to be presented in September.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Airports Capital Assistance Program Funding for Regional Airports in Canada**

County of Grande Prairie

*Carried*

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### **Advocacy Target: Alberta Transportation, Transport Canada**

WHEREAS regional airports are an important asset for regional community development and essential transportation connectivity to the world; and

WHEREAS the **Airports Capital Assistance Program (ACAP)** was established in 1995 to fund safety-related infrastructure projects for small and regional airports transferred to local control; and

WHEREAS the current \$38 million annually allocated to ACAP to support over 200 smaller regional airports in Canada has not increased, and Consumer Price Index inflation has not been considered, since the fund's inception; and

WHEREAS adequate ACAP funding is critical to the safety of regional/local airports; and

WHEREAS municipalities cannot be expected to carry the financial burden of maintaining regional airports on their own;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) request the Government of Canada to review and increase funding for the Airports Capital Assistance Program (ACAP);**

**FURTHER BE IT RESOLVED that RMA request support from all relevant federal, provincial, municipal, and business associations for ACAP funding for regional airports in Canada.**

### **Member Background**

The County of Grande Prairie received a letter from the Grande Prairie Airport asking for a resolution from County Council to support a national initiative to bring awareness to a critical shortfall in federal funding from the Airports Capital Assistance Program (ACAP).

ACAP was established in 1995 under the Government of Canada's National Airports Policy. Under this Policy there was a devolution of smaller airports to local control from the Government of Canada. ACAP was established to support regional and small airport infrastructure and to fund safety-related infrastructure projects. Airports eligible for ACAP funding have increased from 71 to nearly 200. The current funding levels fund less than 20% of eligible airports.

Transport Canada provides the following additional information on ACAP:

*"Estimated projects for the next 5 years identifies the need for an annual funding allocation of \$95M. Airports are expected to contribute to projects under a criteria format calculated by passenger activity not taking into account airport financial capabilities. The inability of regional/local airports to provide their portions of project funding is restricting their abilities to apply for program funding for critical projects." – Regional Community Airports of Canada*

*"The Airports Capital Assistance Program (ACAP) has been funding improvement projects for regional airports since 1995. To date, the Government has invested more than \$785.9 million for 904 projects at 182 airports.*

*In addition to supporting personal travel and tourism, smaller regional airports provide:*

- *essential air services, including air ambulance, search and rescue, and forest fire response*
- *scheduled and charter air services that link communities to regional, national, and international markets for goods and services*

- *commercial air services (for example, aerial photography and flying schools)*
- *corporate aircraft and general aviation*

*Although regional airports play an essential role in Canada's air transportation sector, they can struggle to raise enough revenue for operations. The program addresses this issue by funding projects that:*

- *improve regional airport safety*
- *protect airport assets (such as equipment and runways)*
- *reduce operating costs” \**

\* <https://www.tc.gc.ca/en/programs-policies/programs/airports-capital-assistance-program.html>

## AIRPORTS CAPITAL

### ASSISTANCE PROGRAM (ACAP)

Established in 1995 under the National Airports Policy as a funding source for small and regional airports transferring to local control from the federal government to fund safety related infrastructure projects.

- The 1994 National Airports Policy states: ACAP recognizes the role that regional/local airports play relative to the national airports system and it serves as a means of providing project-specific financing to these airports. ACAP provides an indirect means of returning revenues to regional/local airports because lease revenues paid to the federal government, by Airport Authorities operating larger airports, will fund the ACAP program and safety related infrastructure projects.



## AIRPORTS CAPITAL

### ASSISTANCE PROGRAM (ACAP) IMPORTANCE

A lack of sufficient funding for the ACAP is resulting in serious deterioration of safety related infrastructure for regional/local airports across Canada

## THE ISSUE:

ACAP funding is allocated by the Treasury Board with no apparent connection to federal government airport rent revenues.

The ACAP funding allocation (\$38m annually) has not been adjusted in nearly 20 years.

Airports eligible for ACAP funding has increased from 71 to nearly 200.

In the past three years \$38 million annually was able to fund less than 20% of eligible airports.

Airports are expected to contribute to projects under a criteria format calculated by passenger activity not taking into account airport financial capabilities.

The inability of regional/local airports to provide their portions of project funding is restricting their abilities to apply for program funding for critical projects.

**Adequate ACAP funding is critical to the safety of Regional / Local airports. The need for increased ACAP funding is urgent. \$95 million annual funding allocations are necessary.**

### INFLATION IMPACTS

A runway rehabilitation project valued in 2001 of \$4.5 million is now \$10.2 million.

ACAP funding of \$38 million adjusted for CPI inflation (2001 - 2018) suggests the minimum funding allocation for 2019 should be \$53 million.

Estimated projects for the next 5 years identifies the need for an annual funding allocation of \$95 million.



## ABOUT RCAC

The Regional Community Airports of Canada (RCAC), formed in 2004, is an organization of airports and associations representing airports across Canada. At the current time 41 airports maintain direct membership status with RCAC, as well as a reciprocal membership agreement between Conseil des Aeroports du Quebec (CAQ), with 59 members, and RCAC for a total representation of over 100 airports and associations.



### British Columbia

Campbell River  
Castlegar  
Cariboo Regional District  
Cranbrook  
Northern Rockies Regional  
Airport

### Manitoba

Gimli  
Southport  
St. Andrews  
Prince Albert Airport  
The Pas  
Thompson

Fort St. John  
Kamloops  
Masset  
Dawson Creek  
Northwest Regional Airport

Oshawa Municipal Airport

Prince Rupert

Seguin

Quesnel

Sioux Lookout

Sechelt

Stratford

Smithers

Sudbury

Vernon

Kingston

Williams Lake

Niagara District Airport

North Bay

Timmins

**Alberta**

Grande Prairie

High Level

Red Deer

Peace River

Medicine Hat

Wetaskiwin

Woodlands County

**Quebec**

Kuujuuaq

Aéroport Regional de Val-

d'Or

Kativik Regional

Government – 14 Airports

### Saskatchewan

Kindersley

Swift Current

LaRonge

Town of Nipawin

### Associate Members

Saskatchewan Aviation Council

Manitoba Aviation Council - 38 Members

Reseau Quebecois des Aeroports – 41 Members

Airport Management Council of Ontario

Alberta Airports Management Association

### Business Members

WSP Canada Inc.

Avia NG Inc.

Northern Airports and Marine Operations – 23 Members

Tradewind Scientific Ltd.

## REGIONAL COMMUNITY AIRPORTS OF CANADA

*“A national organization  
dedicated to promoting the  
viability of Regional and  
Community Airports across  
Canada”*



Grande Prairie Airport Commission  
Suite 220, 10610 Airport Drive  
Grande Prairie, Alta.  
T8V 7Z5



July 19, 2019

Reeve and Council

Delivered Via Email: [lbeaupre@countygp.ab.ca](mailto:lbeaupre@countygp.ab.ca)

Re: Airports Capital Assistance Program – Request for Resolution

Dear Reeve and Council,

Please consider this letter as a request for a resolution from your municipality supporting a national initiative to bring awareness to a critical shortfall in federal funding for the Airports Capital Assistance Program (ACAP).

The program was established in 1995 under the National Airports Policy of the federal government which led to the devolution of smaller airports to local ownership. The Grande Prairie Airport is an eligible airport under the program's guidelines.

The ACAP is a federal funding program for support of regional and small airports' infrastructure rehabilitation and replacement for facilities that existed as of an airport's transfer date to local control. The program does not support new or expanding infrastructure.

Please find attached a sample resolution being used by many municipalities across the nation along with an information brochure from the Regional Community Airports of Canada (RCAC).

In closing, I wish to thank you for considering this request. Please feel free to contact me at your convenience with any questions or comments.

Best Regards,

A handwritten signature in black ink that reads 'Brian Grant'. The signature is fluid and cursive, with the first name 'Brian' being more prominent than the last name 'Grant'.

Brian Grant  
CEO  
[bgrant@grandeprairieairport.com](mailto:bgrant@grandeprairieairport.com)



**RMA Background**

RMA has no active resolutions directly related to this issue.

## Water Security in Southern Alberta

MD of Taber

*Carried*

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### Advocacy Target: Alberta Environment and Parks

WHEREAS construction of facilities for the purpose of water detention in southern Alberta will provide added capacity for the impoundment of water during high streamflow events and for use during low river flow periods; and

WHEREAS additional water storage in southern Alberta is necessary to ensure water security - a vital component of southern Alberta's economic, social and environmental fabric; and

WHEREAS the rate of fill of several Alberta reservoirs limits the ability to fully use available storage due to inadequate headworks canal conveyance capacity; and

WHEREAS river flows to Saskatchewan via the South Saskatchewan River are regulated under the 1969 Master Agreement on Apportionment Schedule "A" under which Alberta is entitled to use 50% of the flow which would naturally occur in the **South Saskatchewan River basin** (SSRB) each year, excluding water from the SSRB which is diverted for use in Montana (the apportionable flow); and

WHEREAS the 1969 Master Agreement on Apportionment Schedule "A" also states that provided the actual flow at the confluence of the Red Deer and South Saskatchewan rivers does not drop below 1500 cubic feet per second, Alberta is entitled to use 2.1 million acre feet even if that exceeds 50% of the apportionable flow; and

WHEREAS the lack of water storage means that the historical total flow contributed towards all water-sharing agreements has been greater than the 50% of natural flow in all years; and

WHEREAS increasing climate variability has resulted in a cycle of flood and drought which is becoming increasingly unsustainable as the demand for water from municipal, agricultural and industrial users increases annually and highlights the need for additional water storage; and

WHEREAS irrigation carried out on approximately 4.7% of Alberta's cultivated land base contributes about \$3.6 billion to provincial GDP directly influencing economic growth;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta advocate that the Government of Alberta address water security issues in southern Alberta by constructing additional water storage in southern Alberta for the purpose of buffering flood events and to retain water during periods of shortage.**

### Member Background

Article 4A of the 1969 Master Agreement on Apportionment recognizes prior allocations in Alberta by stating that "Alberta shall be entitled in each year to consume, or to divert or store for its consumptive use a minimum of 2,100,000 acre-feet net depletion out of the flow of the watercourse known as the South Saskatchewan River even though its share for the said year...would be less than 2,100,000 acre-feet net depletion, provided however Alberta shall not be entitled to so consume or divert or store for its consumptive use, more than one-half the natural flow...if the effect thereof at any time would be to reduce the actual flow...at the common boundary...to less than 1500 cubic feet per second."

Recently implemented minimum flow requirements for the South Saskatchewan River through Medicine Hat as well as other reaches throughout the system may compromise Alberta's ability to make full use of its entitlements under this clause. As such the relative impact of instream flows on Alberta's ability to utilize its share of the water of the South Saskatchewan River needs to be assessed. Further, return flows provided by irrigation districts within the basin are not currently calculated as contributing flows – a factor which should be rectified within future reviews of this agreement.

As the South Saskatchewan River is a closed basin, water is one of the most valuable resources in southern Alberta. There have been periods recently when there has been too much water from rain or snow melt,

leading to flooding events. There have also been periods when water rationing has been put in place due to the shortage of water available for use.

As per the Master Agreement on Apportionment, Alberta is required to send a certain amount of natural flow water downstream to Saskatchewan based on a formula set out by Government. What appears to be missing in all of this is that there is an opportunity to capture (detain) some of the excess water flowing through southern Alberta, whether it be from overland flooding or natural flow, and use the water during periods of possible drought while still meeting legislated requirements. Other than having the ability to connect directly into rivers, irrigation districts are the main method of conveying water in Southern Alberta and do so by having strategically placed reservoirs throughout the south region. These reservoirs capture mountain runoff, store excess water from fast spring thaws, and hold back rainwater deluges during summer storms. Then the canals convey water downstream to all users whether it be for agricultural, municipal (as a source of drinking water), industrial or recreational purposes, all contributing to the economy and well-being of not only southern Alberta, but the entire province.

A way of ensuring water security in southern Alberta is to work with the Government of Alberta as their partners to establish a method for capturing as much excess water as possible, store and utilize this water as required when periods of drought are upon us. This would mean working together to develop a plan for the construction of additional strategically-placed water reservoir storage capacity that can be used to capture water for future utilization and still be able to meet legislated requirements. It makes no sense to simply send excess water downstream if there is a way of storing the water and utilizing it to promote stability and growth in our province.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Policies for Supporting Community Hospice Associations**

County of Stettler

*Carried*

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### **Advocacy Target: Alberta Health, Alberta Health Services, Alberta Community and Social Services**

WHEREAS not-for-profit community hospice associations are increasingly providing post-curative end of life care in rural areas; and

WHEREAS **Alberta Health Services** (AHS) has no formal policies in place for the placement of patients in community hospice associations or the use of AHS resources within community hospice associations and facilities;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request the Government of Alberta develop standardized procedures and policies to interface community hospice associations with Alberta Health Services.**

#### **Member Background**

Currently, there are 88 residential hospices in Canada (as of August 2017). Hospices provide end-of-life services to patients suffering from all illnesses, not just cancer. Hospices have residents of a variety of ages, not just the elderly, and can include children, although there are also pediatric hospices who care only for children and adolescents with life-limiting or terminal illnesses.

In Canada, the terms "palliative care" and "hospice care" are used to refer to the same thing – end of life, comfort care. However, some people use hospice care to describe care that is offered in the community rather than in hospitals or other settings of care. In the U.S., they are viewed differently: both palliative care and hospice care provide comfort, but palliative care can begin at diagnosis, and take place at the same time as treatment. Hospice care begins after treatment of the disease is stopped and when it is clear that the person is not going to survive the illness.

A residential hospice differs from palliative care programs in other settings. Patients come to live at the hospice where their full end-of-life needs are met including pain and symptom management, nutrition, additional therapeutic services, and support for family or loved ones both during the illness and after death.

There is no cost to a person living in a residential hospice.

Support services are provided to the family members of patients in a hospice both during the illness, and after their death.

Recently, several Alberta communities have set up hospice societies. Many of these community-based organizations have struggled to navigate the Alberta Health Services (AHS) world and have encountered significant red tape.

The greatest struggle societies, patients, and families are facing is having AHS make a decision to provide home care support. While many have struggled and been able to get through the sea of red tape, they have been very frustrated with the delays. This delay creates uncertainty within the organizations and their fundraising efforts.

Without clear rules for home care or a blanket AHS policy to follow many prospective groups are hesitant to deal with this issue. This does not mean this issue will go away. However, if AHS had a clear policy to follow this would allow many more communities in Alberta to set up hospice care.

There have been a number of advocacy efforts to AHS as well as to the Government of Alberta. These have been mostly by individuals or groups, and in some cases by municipalities.

In 2014, AHS published a review of palliative and end of life services that identified gaps and barriers to service delivery across the province. Though the report recommended various strategic initiatives, little has changed since the report's publication. Included in the report is the following summary of the current state, which remains accurate today:

- there is a mixture of service delivery models across Alberta;
- access to services and programs varies between zones, regions and settings of care; it is not always co-ordinated, equitable or available;
- the level of knowledge and skill varies among providers across sectors, and within the same sector, depending on the location and despite role or discipline;
- there is inconsistent use of appropriate assessment tools, standardized techniques, policy and evaluation;
- there is inconsistent data collection and no sharing or merging of data with other sectors;
- there are inconsistent practices/programming around palliative and end of life care (PEOLC) between Primary Care Networks and they are not consistently aware of policy changes and integration efforts with their primary and secondary care partners and community-based supports;
- there is inconsistent communication across the zones between levels of health care and between settings leading to fragmentation/duplication of services;
- the lack of co-ordinated resources, training, workforce, standards of practice, programs in rural regions, as well as service options within Calgary and Edmonton zones further challenges pediatric palliative care;
- the lack of a provincial standardized PEOLC framework allows for incongruence in decision-making around support for both pediatric and adult PEOLC programs and services.

(Alberta Health Services, 2014)

Recently, the community of Stettler came together and formed a hospice society. This grassroots group raised over \$200,000 in a less than a year and half. They started a board and secured the support and involvement of all doctors in the community. They have set up a location to provide the service. One missing piece to the puzzle is collaborating with home care providers to offer in-hospice nursing service. Currently, this service would be provided if the patient was to stay at home but not if the patient relocated to a hospice. This practice seems to vary in communities across the province and is dependent on the level of home care in a given community.

Home care costs should be covered by AHS and location of care should not be a factor. The result of the added cost to these groups is an added pressure to solicit donations.

While some studies suggest there can be substantial cost savings to the health care budget through hospice care, this issue is more about quality of care and redistribution of already exiting budget money.

Hospice palliative care services can reduce the costs of dying and improve patient care according to evidence from the US, the UK, and Canada. Hospice care can also reduce hospital admissions, length of hospital stays, re-admissions, visits to intensive care units, and inappropriate diagnostics or interventions. Hospice care also improves patient care; it is associated with improved patient and caregiver satisfaction, better symptom control and greater likelihood of the person dying in the setting he or she prefers.

Most research on the economics of hospice care has focused on hospital-based programs. Despite some methodological limitations, it appears that, compared to usual acute care, hospital-based hospice care may save the health care system approximately \$7,000 to \$8,000 per patient. According to an Ontario study, shifting 10% of patients who are nearing end of life from acute to hospice care could save the health care system \$9 million. There is also evidence of the economic benefits of home-based hospice care. One systematic review and several small studies of home-based hospice care services showed cost savings ranging from 33% to 68% of the cost of usual home care. In Spain, a combination of hospital- and home-based hospice care services has been credited with saving the country's health care system several million euros each year.

Unfortunately, few studies published to date have measured informal caregiving or out-of-pocket costs; those that do suggest that, compared to usual care, hospice care may have only limited impact on families' costs. This can be off-set by hospice societies fundraising at a local level, supporting funding models will supply care to the family at no cost. (Canadian Hospice Palliative Care Association, 2012).

References

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### **RMA Background**

RMA has no active resolutions directly related to this issue.

## Cellular 911 Call Answer Fees Increase

Wheatland County

*Carried as amended*

### Advocacy Target: Alberta Treasury Board and Finance

WHEREAS twenty **public safety answering points** (PSAPs) are operated by municipalities in Alberta for the purpose of receiving 911 calls for the vast majority of Alberta communities; and

WHEREAS the **Canadian Radio-Television and Telecommunications Commission** (CRTC) has directed telecom providers and PSAPs to modernize the 911 network, transitioning to IP-based technology, known as Next Generation 911 or NG911 (Telecom Regulatory Policy CRTC 2017-182); and

WHEREAS these mandatory technology changes will provide the public with numerous new access points to emergency services (i.e. through real time texting, video messaging, pictures, etc.); and

WHEREAS the costs associated with modernizing 911 infrastructure and associated changes to ongoing operations will be quite costly for each PSAP; and

WHEREAS the PSAP revenue from landline telephones is declining 3% to 7% per year; and

WHEREAS an increase in the cellular 911 call answer levy, remitted by cellular device users, will assist in offsetting the costs associated with implementing NG 911;

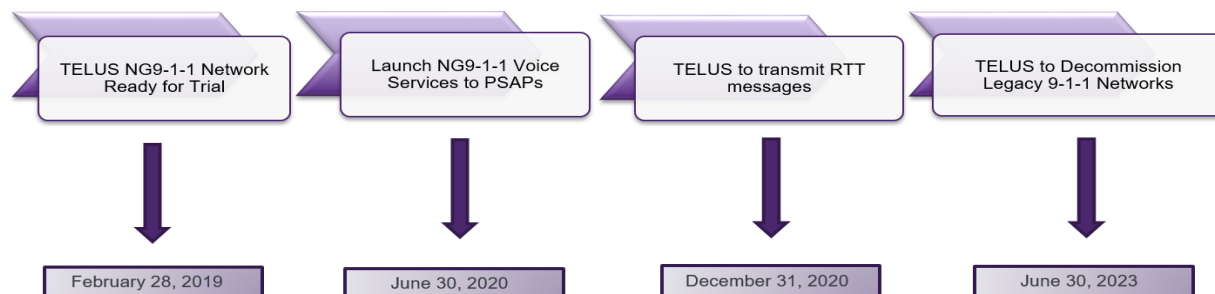
**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta request that the Government of Alberta amend the *Emergency 911 Levy Regulation* and increase the 911 levy payable by cellular device subscribers to \$0.97 per month;**

**FURTHER BE IT RESOLVED that the increased revenues be distributed to the entities operating 911 Public Safety Answering Points (PSAPs).**

### Member Background

In 2005 and again in 2011 the Rural Municipalities of Alberta brought forward resolutions concerning cellular charges for 911 service (Resolutions 29-05F and 21-11F). The Alberta Urban Municipalities Association also supported a resolution favoring the establishment of a cellular 911 call answer fee (Resolution 2007.C.ii.7). In 2013 the Government of Alberta established the *Emergency 911 Act*, which came into force on April 1<sup>st</sup>, 2014. The Act set in place a monthly cellphone levy to help fund the day-to-day operations and new technology in the 911 centres across the province.

With changes to the 911 infrastructure and the Canadian Radio-Television and Telecommunications Commission (CRTC) regulations, it is necessary for 911 centres to not only replace existing equipment, but also change their operational models to keep pace with public expectations for new technology, such as text to 911, video messaging, etc. The current 911 system has reached end of life and will be decommissioned on June 30<sup>th</sup>, 2023. Alberta 911 centres must transition to the new technology in order to continue taking emergency calls from the public. These changes are mandated by the CRTC in Telecom Regulatory Policy CRTC 2017-182. The timeline for the transition to Next Generation (NG) 911 is as follows:



(From Telus, 2019 Note: RTT is Real Time Text)

PSAPs have been advised by the CRTC's Emergency Services Working Group (ESWG) to budget up to \$90,000 per seat in their communications centres in capital and operational budgets, within the first year, to pay for increased NG 911 costs.

The current Alberta 911 cellphone levy is 44 cents per month. This is the second lowest in Canada, is 24 cents less than average 911 levies in other provinces, and is 73 cents less than the highest levy. The Alberta E911 Advisory Association (AEAA) is an independent society comprised of 911 centre managers from across Alberta, the RCMP, Alberta Health Services, and other interested stakeholders. The AEAA unanimously supports increasing the 911 cellphone levy. The Canadian NG 911 Coalition, a collection of interested parties, has put together an informative document titled, *NG911 Transition Roadmap for Canadian PSAPs* (2018). The rising costs of providing 911 service are highlighted by this group, and as well by the ESWG of the CRTC.

Albertans expect the highest quality 911 service, and rely on their local PSAPs to deliver emergency services when they are in need. They expect that the province is, at a minimum, keeping pace with the rest of Canada. If the provincial 911 cellphone levy is not increased, Alberta could fall behind other provinces with new NG911 services like texting with 911 and the associated technologies and operational models that support those services.

### **RMA Background**

RMA has no active resolutions directly related to this issue.



## **Mandatory Agriculture Education in the Classroom**

Lac La Biche County

*Carried as amended*

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### **Advocacy Target: Alberta Education, Alberta Agriculture and Forestry, Alberta Teachers' Association**

WHEREAS agricultural production in Alberta has historically been and continues to be a major economic force and employer of workers; and

WHEREAS generations ago, most Albertans grew up on the family farm and had an intimate knowledge about how livestock, crops, and other agricultural commodities were raised; and

WHEREAS most Albertans now live in urban non-farm environments and do not have the same level of knowledge about how livestock, crops, and other agricultural commodities are being raised; and

WHEREAS the general public has historically had a high regard for agriculture and farmers as they put food on their table in Alberta, Canada, and the rest of the world; and

WHEREAS modern agriculture in Alberta is being severely tested by concerns about how livestock, crops, and agricultural produce are being raised, especially regarding environmental impacts, animal cruelty, and farm safety; and

WHEREAS many of these concerns stem from a lack of knowledge about agriculture in the general community;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta work with fellow rural stakeholders, Alberta Education, the Alberta Teachers' Association, and all elected school boards to request that mandatory agriculture education be implemented in the school curriculum in Alberta.**

### **Member Background**

Lac La Biche County, like most Alberta rural municipalities, has a significant world-class agricultural sector that is a Canadian success story sometimes unknown to the community at large.

Grade four students in schools in Lac La Biche County (public, Catholic, or Francophone) may be taught agriculture in the classroom so long as the school approves. The Classroom Agriculture Program (CAP) is a well-known and highly respected education program currently reaching over 20,000 grade four Alberta students annually. Since its beginning, CAP has reached more than 570,000 Alberta youth.

CAP is about creating a broader understanding of the food we eat and where it comes from. Students start to understand the value and importance of agriculture in Alberta, the vast opportunities, and the people and producers that drive this industry. Volunteers deliver the program through storytelling, engaging props and fun activities. With the support of agriculture for life, the program's goal is to expand and reach 30,000 Alberta students annually over the next two years.

This initiative is endorsed by Alberta Education and Alberta Agriculture and Forestry. "Agriculture is vital. We are getting further and further from the farm. It is imperative that people understand that their food comes from farms – not just the grocery store. That message can begin at school," states CAP General Manager Don George. Lac La Biche County Council believes this message needs to be delivered to all schools in Alberta.

### **RMA Background**

RMA has no active resolutions directly related to this issue.

## **Dissolution of Mandatory Growth Management Boards**

Rocky View County

Carried

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

WHEREAS previous provincial governments created mandatory **growth management boards** (GMBs) in the Edmonton and Calgary metropolitan regions; and

WHEREAS the *Municipal Government Act* (MGA) states that the purpose of a GMB is to provide for integrated and strategic planning for future growth in municipalities; and

WHEREAS the MGA states that Alberta's municipalities, governed by democratically-elected officials, are empowered to provide responsible and accountable local governance to create and sustain safe and viable communities; and

WHEREAS under the MGA, rural municipalities have equal rights and standing to urban municipalities to make land use decisions and pursue economic development; and

WHEREAS the creation of mandatory GMBs with a double-majority governance structure introduces a fourth level of unelected government, creating significant additional layers of oversight and bureaucracy which cause delays and impede economic development, investment opportunities, and job creation; and

WHEREAS the Edmonton- and Calgary-region GMBs diminish local government autonomy and provide little or no value to residents of member municipalities, particularly rural residents, whose democratic rights are greatly reduced as a result of the GMBs; and

WHEREAS increased red tape and approval timelines, coupled with increased uncertainty as to approvals of development areas, is a risk to attracting and retaining business, investment, and jobs in Alberta;

**THEREFORE, BE IT RESOLVED that the Rural Municipalities of Alberta (RMA) advocate that the Government of Alberta remove mandatory growth management boards (GMBs) from the *Municipal Government Act*;**

**FURTHER BE IT RESOLVED that RMA advocate that the Government of Alberta strengthen existing regulatory tools and mechanisms to encourage and incentivize regional cooperation with respect to land use planning and service delivery to residents;**

**FURTHER BE IT RESOLVED that should the Government of Alberta fail to abolish mandatory GMBs, the RMA shall advocate to amend the current voting structure to remove double majority vetoes and ensure the interests of all members of a GMB are equally considered and represented;**

**FURTHER BE IT RESOLVED that should the Government of Alberta fail to abolish the mandatory GMBs, the RMA shall advocate to implement an independent appeal process for members to appeal decisions of the GMB that may have a detrimental impact on a member;**

**FURTHER BE IT RESOLVED that should the Government of Alberta fail to abolish the mandatory GMBs, the RMA request that the Government of Alberta amend the Regional Evaluation Framework and the Interim Regional Evaluation Framework for the Edmonton Metropolitan Region Board and the Calgary Metropolitan Region Board respectively.**

### **Member Background**

Section 708.011 of the *Municipal Government Act* (MGA) allows for the creation of growth management boards (GMBs) anywhere in Alberta, but mandates GMBs for the Edmonton and Calgary regions. Rocky View County is one of 10 member municipalities mandated into the Calgary Metropolitan Region Board (CMRB) by the NDP government, effective January 1, 2018. Rocky View County, Foothills County, and a portion of Wheatland County are the rural members of the CMRB. Sturgeon County, Strathcona County, Parkland County, and Leduc County are the rural members of the Edmonton Metropolitan Region Board (EMRB)

The purpose of GMBs is to provide for integrated and strategic planning for future growth in municipalities. However, each member municipality must submit their council-approved statutory plans to the GMB for approval. If the GMB refuses the plan, there is no independent appeal recourse. Under the current double majority governance structures of the EMRB and the CMRB, approvals of plans require the support of two-thirds of the members and two-thirds of the population. This represents a fourth level of unelected government that creates a severe power imbalance, weighted toward the urban members, as they typically have the greater population.

As a result, residents in these seven rural municipalities have an unelected level of government making decisions for them, in which they, as voters, have no recourse. Decisions of their elected councils can be overturned by a GMB for political reasons with no appeal recourse. As a result, the autonomy of rural municipalities and the value of their residents' democratic rights are severely diminished. This governance imbalance will allow a GMB to pursue policies and directions that are in the best interests of cities, potentially at the expense of the surrounding rural municipalities.

At the current time, GMBs are only mandatory for the Calgary and Edmonton regions. However, other areas of the province that are experiencing growth and pressure, such as the Red Deer and Grande Prairie areas, could find themselves in a similar position in the future. If this problematic governance structure is not repealed, rural residents in many areas of Alberta could also be forced into overly bureaucratic and undemocratic GMBs which privilege the interests of urban dwellers over rural residents. All municipalities should be deeply concerned as GMBs create regional uncertainty in the development community that has, and will, impact job creation.

GMBs also add significant additional time and regulatory requirements as all members must submit statutory plans for review by the respective Board administrations and an independent third party consultant. Upon the review, the decision on the statutory plan's compliance is shared with member municipalities who can appeal the decision even when it is deemed to be compliant with the regional growth plan. This adversely impacts the economic competitiveness of the applicant and the region.

In cases where a GMB's administration and third-party consultants deem a statutory plan compliant with a regional plan, no member municipality should be able to challenge or appeal the decision. This will provide greater certainty to the development and investment communities and further reduce red tape.

Rural municipalities, especially those near large urban centres, have a unique opportunity to contribute to the economic prosperity of Alberta as they can provide development areas for businesses that benefit from being in close proximity to large urban centres, but require larger tracts of land at lower costs.

Regional cooperation is important to provide services to residents in a fair and equitable manner, to responsibly manage land, and to seek opportunities for economic development and the creation of jobs. However, Rocky View County has significant concerns that mandatory membership in the CMRB will severely limit the County's ability to pursue economic development, create jobs, and diversify our assessment base.

Instead of mandatory GMBs, there are multiple tools in the MGA that could be used or strengthened to help municipalities achieve mutually beneficial servicing arrangements, cost sharing, and effective land use planning without the imposition of an unelected level of government.

The Government of Alberta recently announced they would be bringing a number of amendments to the MGA for consideration in the Legislature in November 2019. Given these impending changes, it is an opportune time to advocate for changes to the MGA that will remove the impositions placed on the seven rural municipalities that are members of mandatory GMBs.

## **RMA Background**

RMA has no active resolutions directly related to this issue.