



AGENDA

Monday July 15, 2024, at 7:00 p.m.
Council Chambers at the Tom Hornecker
Recreation Centre, 2nd Floor, 2122 – 18 Street

REGULAR COUNCIL MEETING

1. CALL TO ORDER & ADOPTION OF AGENDA:

2. PRESENTATIONS:

3. REPORTS:

3.1 CHIEF ADMINISTRATIVE OFFICER:

- 3.1.1 Status Report – E
- 3.1.2 Capital Plan Status - E
- 3.1.3 Monthly Report
- 3.1.4 Strategic Plan Quarterly Report for June - E

3.2 FINANCIAL:

- 3.2.1 Accounts Payable Reports for June 2024

3.3 DEPARTMENT:

- 3.3.1 Corporate Services Manager - E
- 3.3.2 Operations Manager - E
- 3.3.3 Planning & Development Officer - E
- 3.3.4 Fire Chief - E
- 3.3.5 Peace Officer – E
- 3.3.6 Emergency Management - E

3.4 COUNCIL:

- 3.4.1 MAYOR JENNIFER HANDLEY
- 3.4.2 COUNCILLOR VICTOR CZOP
- 3.4.3 COUNCILLOR ROGER MILLER
- 3.4.4 COUNCILLOR DAVE MITCHELL
- 3.4.5 COUNCILLOR KEN SORENSON
- 3.4.6 COUNCILLOR KEVIN TODD
- 3.4.7 COUNCILLOR JOHN DOZEMAN

3.5 OTHERS:

4. ADOPTION OF MINUTES OF PREVIOUS MEETINGS:

4.1 ADOPTION:

- 4.1.1 June 17, 2024 Regular Meeting Minutes - E

4.1.2 June 24, 2024 Committee of the Whole Minutes - E

4.2 BUSINESS ARISING FROM THE MINUTES:

5. NEW & UNFINISHED BUSINESS:

5.1 Request for Decision Policy Employee Recognition – E

5.2 Request for Decision Policy Boulevard Gardens – E

5.3 Request for Decision Waste Disposal and Recycling Bylaw 1395/XX – E

5.4 Request for Decision 29 Ave Waterline Repair - E

5.5 Request for Decision ATCO Franchise agreement – E

6. CORRESPONDENCE:

6.1 FOR ACTION:

6.2 FOR INFORMATION (including signed by Mayor outgoing):

6.2.1 Alberta Municipal Affairs – Canada Community Building Fund

7. CLOSED CONFIDENTIAL SESSION:

7.1 Advice of Officials FOIP Section 24

8. ADJOURNMENT:



STATUS REPORT

Meeting: July 15, 2024
Agenda Item: 3.1.1

Completed = C Under Review = UR In Progress = IP No Further Action = NFA On Hold - HOLD

CAO = Chief Administrative Officer
DO = Development Officer

CS = Corporate Services
LS = Legislative Services

OP = Operations Manager
OTHER = Staff/Contractor/etc.

COMMITTEES: GOV = Governance FIN = Finance SERV = Services REC = Recreation & Culture
ECD = Economic & Community Develop CW= Committee of the Whole

Items will move to "DEPARTMENT" or "COMMITTEE" after first reporting to Council.

COUNCIL MEETING

Res #	Description	Notes	Status	FWD
Regular Meeting June 17, 2024				
182-24/06/17	Bring back off site levy bylaw Aug 12 meeting		IP	CAO/DO
184-24/06/17	Proceed with sale of bulk water facility		IP	CAO/CS

COUNCIL

Res #	Description	Notes	Status	FWD
Committee Recommendations				
23/10/16	Funding public skate – incorporation into policy, preferably the ice allocation policy	Reg 23/11/06	IP	LS/CS
9-24/01/08	Policy for Public Recognition	Revise current	IP	LS
36-24/02/05	RFD – Community Centre Utilities		IP	CS
68-24/03/04	RFD – Tribute Wall location		IP	CAO/CS
76-24/03/18	RFD for CGEDC requests	LS to meet w/ Leo	IP	
77-24/03/18	RFD cost of Fire Services to cover AHS ambulance		IP	CS/CAO
94-24/03/15	ICF/MOU with FC/THR and possibly Okotoks re water		IP	CAO
148-24/05/06	Road and Storm water engineering – cost of construction		IP	CAO
149-24/05/06	RFP for housing developers		IP	CAO
2-24/05/27-CW	RFP for west view aimed at development & grants		IP	CAO
3-24/05/27-CW	RDF on multi-unit residential construction		IP	CAO
4-24/05/27-CW	RFD on small business property non-res sub classes		IP	CAO
170-24/06/03	Amend Fire Policy to include 2 nd deputy		C	LS

DEPARTMENTS

Res #	Description	Notes	ST	fw
148-23/05/15	Wastewater Plant upgrade – Town funding \$581,900 borrowing & \$581,900 reserves Additional funding recd 6.2.2 24/01/22 – Aeration project	Borrow bylaw req'd \$184,620	IP	CS
222 - 23/09/05	Purchase skid-mounted flusher in 2024 budget process	4-23/08/30	IP	CS/OPS
262 – 23/10/02	Additional Utility Operator consideration in 2024 budget	2024 budget, interviews July 9-12	IP	CS



ITEMS ON HOLD FOR FUTURE SCHEDULING/CONSIDERATION

Res #	Description	Notes
90 -23/03/20	Collaborate w/ Nanton Fire Chief to review number of firefighters for required level of service	Fire Chief/CAL
135-23/05/01	Application for a solar feasibility assessment for Town's facilities or unserved industrial lands	Future consideration contingent on Climate Action Centre funding – CS
CAO Comment: <i>These items should be individually discussed at a future Committee of the Whole.</i>		





CAPITAL PLAN STATUS

Meeting: July 15th 2024
Agenda Item: 3.1.2

2024 Items Only

Roadway Infrastructure	Lead: Public Works	BUDGET	SOURCE
Patching & Silver Willow Lodge area curb/gutter/parking expansion project		\$150,000	CCBF
Sidewalk rehab & replacement - various locations		\$75,000	CCBF
<i>Notes:</i>			
<ul style="list-style-type: none"> The Silver Willow Lodge project is likely being deferred in favour of the resources required to deal with the 29th Avenue service line renewals over this year and next. A great deal of road surface will require replacement. Sidewalk rehab and replacements are currently underway. 			

Utility Infrastructure	Lead: Manager of Operations	BUDGET	SOURCE
Wastewater Treatment Plant (Dewatering)		\$3,026,000	AMWWP/Reserves/ Borrowing
Hydrant & Valves		\$50,000	CCBF
Wastewater collection system relining		\$75,000	CCBF
WWTP Equipment (flusher)		\$200,000	LGFF
<i>Notes:</i>			
<ul style="list-style-type: none"> MPE Engineering lead the de-watering work. Fournier dewatering technology (3 channel) ordered and down payment made – installation summer 2025. Flusher will be ordered, but a suitable vehicle must also be sourced. Re-lining focused on 17th and 19th streets – some work by McGills completed. Hydrant and valve work can be deferred and budgeted money used for 29th avenue service line renewals. 			

Parks & Trails	Lead: Rec Facility Supervisor	BUDGET	SOURCE
Playground updates		\$20,000	LGFF
<i>Notes: Pricing being obtained for specific units – can be deferred if funds are needed elsewhere.</i>			

Buildings	Lead: Various	BUDGET	SOURCE
THRC – Arena Warm Room glass/ window wall		\$50,000	LGFF
THRC – Elevator/lift with building modifications		\$500,000	LGFF
Pool updates – valves and structural concrete		\$50,000	LGFF
Firehall – Curb & approach updates		\$15,000	LGFF
Town Shop – LED lighting, ventilation and roof repairs		\$45,000	Reserves
Recycling Centre/ Yard Waste - Fencing		\$35,000	LGFF



Notes:

Federal funding declined on THRC proposals.

Warm Room Glass/ wall project is now complete.

Pool valves project is now complete – available dollars for other work as structural concrete work can wait.

Firehall – still awaiting further pricing.

Town shop – some work is underway.

Recycling centre/yard waste fencing – better than expected pricing received meaning more fencing can be done and this work will begin within the next month.

Vehicles & Equipment	Lead: Public Works/ Rec/Bylaw	BUDGET	SOURCE
Recreation - Ice Re-surfacer		\$175,000	LGFF/MCAC
PW Pickup		\$35,000	Operating
Bylaw Enforcement - vehicle		\$50,000	Reserves
Fire – Breathing Apparatus units & dual band radios		\$84,000	Reserves
Parks Mower (Zero Turn)		\$30,000	LGFF

Notes:

- Ice Resurfacer delivered – no sponsorship proposals for wrap received
- Second hand Bylaw vehicle acquired from Fort Macleod (2017, low mileage). Will require transferrable equipment investments – working on getting pricing.
- Parks mower (zero-turn) purchased
- Fire – BA units purchased and received.
- PW pickup – still investigating different options.

Land Development

Industrial roads proposal and order of magnitude estimate - CIMA engineering engaged.

Public Realm & Development

There are no Public Realm & Development items at this time - this would be changed through the inclusion of priorities in the municipal strategic plan (by resolution and the allocation of funds). The two following grant-dependent projects remain in limbo until we hear from the federal granting department:

Library Raingarden (grant dependent)	\$56,500
VIC Raingarden/secondary phase (grant dependent)	\$567,500

This unfortunate wait also means that it is extremely difficult to forecast Public Realm reserve use or pressures.

Other notes:

Streetlight at campground entrance – completed the week of July 1-5.





STRATEGIC PLAN

2024 REPORT

July 8th, 2024

3.1.4

QUARTERLY REPORTING

Background

Department heads and other applicable staff meet to assess progress on the current Strategic Plan ahead of the quarterly report. The strategic plan priorities, objectives and targets/strategies are subject to amendment by Council as any one of the following occurs:

- Objective completion;
- Change in priority;
- Availability of financial or other resources required;
- Operational or other impacts

The Strategic Plan should always be aligned with or address planning bylaws and adopted policies and strategies.

The 2022-25 plan, as adopted by Council, is the document that reports respond to.

Key recommendations/ issues:

- The regional water project (W4L funding) is moving forward to a design detail phase. This will involve a lot of staff time and effort over the next 2 years at least, perhaps longer.
- Operations will be extremely busy with the WWTP dewatering project over the next year.
- The RCMP are very interested in the leasing out the current Town Office Space to get themselves closer to the highway and into an improved building by agreement. Considerable negotiation, financial feasibility and other work will be required over the next several months or so if that goes forward. Again, this represents a substantial impact on staff time and resources that was not foreseen until recently.

It is recommended that Council review the current plan and recommend changes to the overall deliverables for 2024-25. On one level, these are the fruits of success, but they present a small organization with potential capacity challenges with a lot happening at once. A small reduction in the scope of what's left on the plan is perhaps worthy of consideration.

STRATEGIC PRIORITY: Governance and Corporate Services - To ensure proper governance and administration of the Town and to ensure optimal communications with residents and businesses within the community.

Actions	Status
To ensure effective Administration operations for the benefit of the Town and its residents	
Develop a staff development and succession plan for all appropriate positions.	Master Education Plan established. Ticket rates established in new CUPE agreement.
Replace outdated or superseded human resource polices with suitable new Administrative Policies, with a particular focus on data protection.	<p>New CAO Administrative Policies: <i>Employee Training (2022); Non-Union Employee Training (2023); Light Duty Work restrictions (2023); Staff Dress Code (2023) Staff cellular (2022). Operations On-Call (2024).</i></p> <p><i>An administrative policy that further protects municipal data remains in progress.</i></p> <p><i>The policy manual overall needs to be updated.</i></p>
Develop a staff engagement plan to maintain a pro-active positive culture and two-way communication.	Ongoing.
Annual, measurable progress in asset management baseline and long-range work.	Ongoing
An annual Information Brief to Council on I.T. security and network health with recommendations.	Annual Reporting - Administration and Corporate Services - is produced prior to or during the Fall.
Develop a three-year I.T. hardware and software needs assessment and plan with our Contracted Service Provider.	In progress
Improve our digital filing system in line with best practices, ensuring and safeguarding good institutional records that are easily searchable.	In progress with new Legislative & Communications Coordinator in 2024
Explore information and tools that Town Office staff can utilize to help interested residents/groups start youth/seniors/community programming.	2024-25 initiative, cross-departments The website has been replaced with an updated version. New content potential is currently being considered.
To enhance public engagement and participation in the Town	
Develop a schedule for coffee chats and town halls with residents.	Council to review/ reconsider over 2024-5 Summer: members of Council attend the Farmer's Market.
Continue Council liaison with Community and Service Groups.	Ongoing commitment, some relationships stronger than others
<i>Emergent Action</i>	New Post-Office electronic kiosk/ noticeboard installed in fall 2023. Different uses of electronic signage.

To ensure residents and business owners are adequately informed and ensure consistent messaging amongst Council and Administration and residents

Review and follow Communications Policy, particularly around residents and their concerns.	Review complete (2022)
Consolidate policies and SOPs for use of communication media (Social Media, LED Signs, Farmer’s Market, Post Office, Radio, etc.).	Social media part of Communications Policy (2022) LED Signs Policy (2023)
Develop policy and procedure for handling questions and queries from residents, including effective response to concerns of residents.	2024-25, involves review of complaint procedure and implementation of new website among other factors - requires an SOP.

To ensure advocacy at all levels of government in the best interests of the Town.

Embrace policy briefs prepared by the Chief Administrative Officer and lobby with appropriate levels of government and other bodies in the areas of:	Ongoing. Reviewed and enhanced annually for Alberta Municipalities and other meeting and lobbying needs.
Waste Water Treatment	
Water Source: High River	
Medical Clinic (Brief required for 2024 AUMA)	
JT Foster School modernization	
Emergency Medical Services	
Seniors’ Housing	
Town employee pension solutions - goal will be achieved 2024	

STRATEGIC PRIORITY: Community and Economic Development - To ensure that the Town of Nanton develops the community and the economy, ensuring sustainability and appropriate growth.

Actions	Status
To support business attraction, retention and expansion.	
Work through the Economic Development Committee to encourage the Chamber of Commerce/Community Futures to educate businesses on succession planning.	<p><i>Committee suspended, Committee of the Whole for the time being.</i></p> <ul style="list-style-type: none"> • <i>Participating in ABSW Connect4Commerce Succession Opportunity site</i>
Work through the Economic Development Committee to continue encouraging collaborative solutions with respect to vacant buildings.	<p><i>Committee suspended, Committee of the Whole for the time being</i></p> <ul style="list-style-type: none"> • <i>Reviewing the subclasses bylaw in 2024.</i>
Raise awareness of the Nanton Advantage.	
<p><i>Develop a Nanton marketing video (completed 2023).</i></p>	<p>Video completed and posted to Youtube.</p> <ul style="list-style-type: none"> • Nearly 3,000 views since Oct. • Pilot promotion using YT paid promotions shows promise for target audiences/ locations/ audience generation. • Looking for more target use locations (e.g. cinemas)
Complete the work on the Visitor Information Centre site plan and execution with partners.	Awaiting further resources for the next phase.
To ensure sustainability of existing parks and recreation assets.	
Continue focus on the Tom Hornecker Recreation Centre cost/benefit balance.	Ongoing ethos
<p><i>Continue with a corporate sponsorship plan for programs and facility areas to offset costs.</i></p>	Ongoing awareness of opportunities. Ice resurfacers a sponsorship opportunity did not appear to be attractive for sponsorship despite wide promotion.
Work through the Parks and Recreation Committee and partners such as the Community Centre, schools, etc. to identify how programming for youth and seniors can be expanded.	<p><i>Committee currently not operating.</i></p> <p><i>Town commitment to bike rodeo continues.</i></p> <p><i>Community dialogue needed here.</i></p>
Continue to invest in parks and trails.	
<p><i>Continue the tree removal, replacement, and planting policy, especially to maintain tree lined streets.</i></p>	<p>Federal funds resulted in more planting in 2023 (\$16,000).</p> <p>Donations for trees (2020-22) \$7600; (2023) \$2200</p>
Continue to follow the Green Space Master Plan, maximizing park features.	
<p><i>Approve a shared use concept for available post-expansion greenspace with the Bomber Command Museum.</i></p>	Dialogue initiated in 2024. CAO: an information page on the Town website, indicating existing commitments might be

	a very good idea given how much time has passed since the ground lease.
STRATEGIC PRIORITY: Planning and Development - To ensure that the character of the Town of Nanton is preserved while facilitating appropriate growth resulting in the Town's sustainability.	
Actions	Status
<i>To encourage the efficient planning of residential, commercial, industrial and institutional development that enhances the quality of life for Town residents.</i>	
Review the Land Use Bylaws, ensuring ease of understanding.	Completed.
Review land inventory and investigate servicing of industrial land (new cost estimates).	Industrial lands road project estimate: engineer engaged.
Investigate options for increasing the inventory of [serviced commercial and industrial] land.	Highway 2 Northbound areas have had their potential greatly enhanced since 2022. Council should meet to discuss further investigations.
Identify growth in the Town (residential, small business, industrial, etc.) with a view to setting appropriate growth targets in planning.	Clarification required in terms of what the definitions of growth are: business starts; assessment; employment increase, etc.
Work on an Intermunicipal Development Plan.	IMDP initiation deferred for this term.
Complete the Westview Area Structure Plan.	Completed in 2022.
Develop shovel ready projects [for land development] to leverage funding as it becomes available.	Requires prioritization and funds allocated to consulting engineers. Question of land acquisition and capacities should also be discussed.
<i>To maintain a balance of residential, commercial, industrial and institutional development to facilitate the fiscal sustainability of the Town of Nanton.</i>	
Develop a plan to attract appropriate type of developer, whose plans align with the area structure plan for the Westview Residential.	<ul style="list-style-type: none"> RFPs should be considered at end of OSL Bylaw process. RFP almost ready to be issued.
Develop a plan to market the 20 serviced lots to new, reputable developers.	<ul style="list-style-type: none"> Has not been needed. We're down to the last half dozen.
<i>To ensure diversity of housing choices in Town.</i>	
Review and revise as appropriate Land Use Bylaws to increase affordable housing options, including secondary housing options.	Completed.

STRATEGIC PRIORITY: Operations - To ensure the Town of Nanton has quality infrastructure to support and sustain its growth.

Actions	Status
To support the Town through the effective planning and implementation of Town infrastructure and assets, including waste water and roads for long-term sustainability.	
Follow Capital Projects Plan to ensure balance of financial resources and scheduled projects to meet residential needs.	Ongoing, LONG TERM work shared across departments and Council.
ALL PRIORITIES TABLES (HIGH, MEDIUM AND LOW)	<p>Water main looping project was on the MPE infrastructure priority list and was executed in 2022.</p> <p>Water leak detection has changed operational priorities somewhat. 29th Avenue is now a priority (and high cost centre) whether we like it or not.</p> <p>WTP aeration - almost complete. WWTP dewatering - 2024 Regional water - application approved</p>
Expand water and sewer capability on highway commercial land using federal funds available.	2022 works complete
Update the Offsite Levy Bylaw (for infrastructure costs generated by growth).	Has had first reading.
Execute smaller capital projects where needed and affordable (e.g. Highway 2 and 26th Avenue Intersection Improvements if eligible for a STIP grant from the Province).	<p>Annually revised and adopted Capital Plan (Council, Operations and Administration).</p> <ul style="list-style-type: none"> • More work with consulting engineer required on a prospective STIP proposal of proportionate scale.
Continue paving repairs and road maintenance - report annually.	Annual reporting.
Continue Preventative Maintenance Planning - report annually.	PW hoping to have a consulting engineer recommend priorities for road resurfacing this year if there is sufficient budget.
Consideration of an air burner option for yard and branch disposal	Was declined by Council in 2023.
Make prioritized funding and borrowing decisions in the event of senior government funding not materializing.	Ongoing, LONG TERM work shared across departments and Council.
To works towards broader satisfaction concerning the Town's water quality.	
Coordinate a Town Hall about the quality of the Town's water, changing perceptions about the quality of the water and providing residents with solutions to improve satisfaction with the water. This includes utilizing our engineers and operators for key messaging; summary of solutions that have been as well as could not be utilized; and experience from staff.	<p>2024/25: Would Council like to hold an event?</p> <p>This is now going to need something more given the W4L approval with a consultant's help as we move forward. Information page online established.</p>

Continue to improve operational and maintenance practices - report changes.	<i>Reporting requirement JHS Committee aspect as well as asset management.</i>
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STRATEGIC PRIORITY: Emergency Services - To ensure that an appropriate level of public emergency services and other services are provided to meet the needs of residents.	
Actions	Status
<i>To advocate for an appropriate level of public emergency services and other services are provided to meet the needs of residents.</i>	
Pursue urgent care attached to Medical Clinic through lobbying	Ongoing advocacy
Update the Emergency Management Plan for specific situations and needs (e.g. Emergency Social Services, drought preparedness).	Good progress being made by DEM.
Investigate whether safety and emergency management need to be staffed in the medium term.	Not at present (2024)
Establish an enhanced volunteer Fire Chief and Deputy Fire Chief approach to management of the Nanton Fire Department capacities and operations, while ensuring that leadership have budgeted independent annual access to professional advisory services where needed.	Revised action completed June 2024.



Town of Nanton
Vendor Cheque Register Report
Range: June 1 - June 30, 2024
Sorted by: Cheque date



Cheque Number	Vendor Cheque Name	Cheque Date	Amount	Cheque Details
EFT000000005402	Canadian Linen & Uniform	6/10/2024	\$71.07	Office & library mat cleaning
EFT000000005403	Canoe Procurement Group of Canada	6/10/2024	\$2,251.91	Washroom supplies
EFT000000005405	Enfield, Tracy	6/10/2024	\$890.00	Office & council meeting room cleaning
EFT000000005407	Fire & Frost Heating & Cooling	6/10/2024	\$4,465.00	Commercial hot water tank (Comm. Ctr)
EFT000000005409	GM Mechanical Ltd	6/10/2024	\$454.76	Quarterly HVAC maintenance
EFT000000005410	Inspiris	6/10/2024	\$6,274.77	IT Services
EFT000000005412	LAPP Corporation	6/10/2024	\$5,659.02	Employee pension plan
EFT000000005413	Lifesaving Society	6/10/2024	\$407.40	Lifeguard training
EFT000000005414	Nanton Gas Plus	6/10/2024	\$127.35	Propane and fuel
EFT000000005415	Nanton Home Hardware Building	6/10/2024	\$795.71	Miscellaneous supplies
EFT000000005416	New-Alta Electric	6/10/2024	\$1,085.70	Arena electrical updates
EFT000000005417	NextGen Automation	6/10/2024	\$687.69	Photocopier fees
EFT000000005419	Pinnacle Aquatic Group	6/10/2024	\$7,909.41	Pool chemical and pool paint
EFT000000005420	Recreation Facility Personnel	6/10/2024	\$1,102.51	Training
EFT000000005421	Rocky Mountain Phoenix	6/10/2024	\$86.10	Fire department supplies
EFT000000005422	Signcraft Digital (1978) Inc.	6/10/2024	\$2,895.90	Billboard banner
EFT000000005423	Somerset Tree Service Ltd	6/10/2024	\$912.68	Tree maintenance
EFT000000005424	Super Save Disposal (AB) Ltd	6/10/2024	\$1,534.85	Waste management services
EFT000000005425	Superior Safety Codes	6/10/2024	\$1,003.28	Safety code fees
EFT000000005426	Todd, Kevin	6/10/2024	\$205.05	Travel expenses
EFT000000005427	TransAlta Energy Marketing	6/10/2024	\$48,899.13	Power & natural gas fees
EFT000000005428	Todd, Kevin	6/11/2024	\$1,124.47	Per diem and travel expenses
020332	ACS Services Ltd.	6/25/2024	\$19,572.00	Street sweeping services
020333	AJ's Trophies & Awards	6/25/2024	\$83.22	desk plates & name tags
020334	Alberta Registries	6/25/2024	\$35.00	Vehicle registration

020335	Alberta Tree Farms	6/25/2024	\$14,150.85	Trees
020336	Aquam Aquatic Specialist Inc.	6/25/2024	\$2,785.60	Pool supplies
020337	Bank of Montreal	6/25/2024	\$345.44	Overpayment of taxes
020338	Canadian Tire	6/25/2024	\$638.40	Bike rodeo supplies
020339	Chubb Life Insurance Company	6/25/2024	\$143.46	Employee benefits
020340	CPM Precision	6/25/2024	\$1,386.00	WWTP - leap unit repair
020341	CSE Works	6/25/2024	\$366.45	Peace officer clothing
020342	Dump Gump	6/25/2024	\$2,756.25	Tree pile bin service
020343	Enviro Trace Ltd.	6/25/2024	\$30,962.27	Leak detection services
020346	Localintel Inc.	6/25/2024	\$525.00	Annual subscription (economic dvlpmnt)
020347	Mosquito Creek Foundation	6/25/2024	\$127,352.00	2024 Requisition
020349	Nitro Software Inc.	6/25/2024	\$1,078.14	IT Subscription
020350	Read on Roads Incorporated	6/25/2024	\$17,713.50	Spraypatching services
020351	Receiver General	6/25/2024	\$1,043.34	Statutory deductions
020352	Shutter Close Photography	6/25/2024	\$157.50	Employee photographs
020355	Tractorland (High River)	6/25/2024	\$932.87	Parks mowers servicing & parts
020356	United Parcel Service Canada	6/25/2024	\$40.02	Courier fees
020357	Waterwaze Sports	6/25/2024	\$4,153.80	WIBIT slide (Pool equipment)
EFT000000005429	888351 Alberta Ltd o/a Wild Rose	6/25/2024	\$32,318.00	Sludge hauling and removal
EFT000000005430	Big Hill Services	6/25/2024	\$910.84	Equipment repairs
EFT000000005431	Canadian Linen & Uniform	6/25/2024	\$71.07	Office & library mat cleaning
EFT000000005432	Canoe Procurement Group of Canada	6/25/2024	\$1,196.40	Miscellaneous supplies
EFT000000005433	CARO Analytical Services	6/25/2024	\$558.08	Water testing
EFT000000005434	Cattlemens Corner	6/25/2024	\$149.87	Miscellaneous supplies
EFT000000005435	ClearTech Industries Inc	6/25/2024	\$6,018.50	Water plant chemical
EFT000000005436	Coyote Courier Ltd	6/25/2024	\$1,868.52	Courier fees
EFT000000005437	Crossroad Energy Solutions Inc	6/25/2024	\$8,369.46	Electrial repairs & updates (WWTP)
EFT000000005438	CUPE	6/25/2024	\$2,103.44	Employee union dues
EFT000000005439	Ecco Recycling and Energy Corp	6/25/2024	\$902.71	Recycling fees
EFT000000005440	Gregg Distributors Company Ltd	6/25/2024	\$94.35	Miscellaneous supplies
EFT000000005441	iA Financial Group	6/25/2024	\$80.07	Employee benefits
EFT000000005442	Saddle Mountain Tire	6/25/2024	\$91.88	Tire repairs
EFT000000005443	J & C Master Contracting Inc.	6/25/2024	\$24,437.70	Warm room windows (Capital)
EFT000000005444	Klearwater Equipment	6/25/2024	\$3,681.58	Chemical for WWTP

EFT0000000005445	LAPP Corporation	6/25/2024	\$5,536.82	Employee pension plan
EFT0000000005446	Les Industries Fournier Inc.	6/25/2024	\$79,167.38	Down payment on De-watering equip.
EFT0000000005447	Linde Canada Inc.	6/25/2024	\$1,379.75	Water plant equipment rental (CO2 tanks)
EFT0000000005448	McGills Industrial Services	6/25/2024	\$14,802.39	Sewer re-lining (capital)
EFT0000000005449	Medteq Solutions CA Ltd.	6/25/2024	\$4,029.90	Fire department training program
EFT0000000005450	Metercor Inc.	6/25/2024	\$390.73	Water meters
EFT0000000005451	MPE Engineering Ltd	6/25/2024	\$13,811.70	Reservoir aeration project engineering
EFT0000000005452	Nanton Auto Parts Ltd.	6/25/2024	\$1,183.91	Miscellaneous supplies
EFT0000000005453	Nanton Home Hardware Building	6/25/2024	\$354.52	Miscellaneous supplies
EFT0000000005454	New-Alta Electric	6/25/2024	\$189.00	Olympia charging unit
EFT0000000005455	Orkin Canada Corporation	6/25/2024	\$238.02	Fire hall pest control
EFT0000000005456	Pacific Flow Control Ltd.	6/25/2024	\$3,703.00	Hydrant repairs
EFT0000000005457	Pinnacle Aquatic Group	6/25/2024	\$13,747.22	Pool valves install
EFT0000000005458	Platinum Fire & Security Ltd.	6/25/2024	\$6,757.22	Annual fire inspections
EFT0000000005459	Integrated Sustainability Constructors	6/25/2024	\$157.50	Water plant software
EFT0000000005460	RecordXpress StorageVault Canada	6/25/2024	\$28.40	Office paper shredding services
EFT0000000005461	Simpson Industrial Services	6/25/2024	\$101,354.18	Reservoir aeration project (capital)
EFT0000000005462	T & T Disposal Services	6/25/2024	\$6,178.26	Waste management services
EFT0000000005463	Todd, Kevin	6/25/2024	\$63.00	Travel expenses
EFT0000000005464	Town of Fort Macleod	6/25/2024	\$19,914.29	Peace officer vehicle (capital)

Total Cheques: 84

\$670,904.53



MONTHLY REPORT

Meeting: July 15, 2024
Agenda Item: 3.3.1

Clayton Gillespie, Corporate Services Manager

Report Period: June 14 to July 9, 2024

ACTIVITIES:

May/June utility billing completed and mailed out. Revenues are at or just below the 50% mark for the year indicating we are right on track with budget.

Tax collection – due date has now past, and we are at about a 95% collection rate which is quite good. There are still some arrears from 2023 and 2022 owing but we'll work on getting that cleared up.

Consulting Services Agreement signed with Fire consultant for potential work

PROGRESS ON MAJOR PROJECTS & PROGRAMS:

The contract with T& T is set to expire in August and so we reached out and requested pricing for a further one year term. A reasonable offer (small increase) was received and so we've renewed with T&T for a further one-year term.

Parks & Recreation Report:

Pool season now well underway – attendance starting to pickup with hotter weather although June was a little slower than usual. Revenue compared to 2023 is about 5% less – pools stats (attendance) will be available at the next meeting.

Nanton minor baseball finished for the season, and we've had a couple of ball tournaments this season.

Regular mowing and other parks related work continue.

TRAINING/EDUCATIONAL SESSIONS ATTENDED:

Attended the LGAA (Local Government Administration Association) conference June 19-21. Sessions included – Artificial intelligence in Local Government, Leading engaged workplaces, succession planning, and communication strategies. Also a good networking opportunity.

UPCOMING EVENTS / ADDITIONAL INFORMATION:

Prepared by: Clayton Gillespie, Corporate Services Manager

Date: July 9, 2024





MONTHLY REPORT

Meeting: July 15, 2024
Agenda Item: 3.3.2

Operations Department

Report Period: (June 2024)

ACTIVITIES:

- WASTEWATER OPERATIONS
 - 31721 m³ of treated wastewater effluent was released to Mosquito Creek
 - Ongoing manhole inspection and wastewater flow monitoring in an attempt to locate some of the sources of major groundwater infiltration into the wastewater collection system. Still significant wastewater backups within the collection system

- WATER OPERATIONS
 - 31996 m³ of treated water was sent to the Town's distribution system.
 - Raw water reservoir is now completely full. Utilities staff will continue topping up the reservoir throughout the season as required.
 - Resumed sampling and testing for geosmin and MIB in the raw water reservoir and from various locations in the Town's water distribution system. Geosmin and MIB are present when algal blooms die off, and are the most likely sources of the Town's historical potable water taste and odour issues. June results reported concentrations below laboratory detectable limits.
 - Began injecting algaecide into the raw water reservoir to prevent algal blooms.
 - The new powder activated carbon system at the WTP was brought online. A few minor deficiencies are to be addressed however the system is working as intended.
 - Envirotrace completed a leak detection assessment of the Town's distribution system between May 21-23. Four points of interest were identified as potential sources of water loss, however no unusual activity was identified along 29th Ave in Westview where water leaks are very likely to still exist.
 - Identified and repaired two leaking water service lines for residences located in North Meadow. One of these leaks was likely one of the areas identified in the leak detection survey.

- ROADS
 - Check and clear storm drain for rain runoff.
 - Fixing potholes
 - Road on Roads completed spray patching roads.
 - Began painting curbs and crosswalks.
 - Dust Abatement was completed on June 24
 - Added gravel and graded alleys in Westview
 - Graded all gravel roads to prepare for dust abatement.
 - Added gravel to 19 Ave.

- Added gravel on boulevard at Cattlemens Corner to remove low spots at the fence line. Will continue to work on this road next spring to slope toward west drainage ditch.
- SIDEWALKS/PATHWAYS
 - Removing sidewalk for replacement.
 - Installed No Parking signs on sidewalk at Circle K.
- MISCELLANEOUS
 - Installed and repaired signs around town
 - Repaired banner bracket at 19 Street and installed new banners.
 - Painting curbs along Northbound and Southbound Highway from 18 Street to 24 Street.
 - Shop yard landscaping.
- CEMETERY
 - 2 Inurnment
- YARD WASTE AREA
 - Crushing asphalt and concrete piles will commence in July.
 - Continuing to load 1 bin of tree branches per week to remove pile.
 - Built pad at the east end of the yard for the crushed millings and concrete piles.
 - Waiting for quotes on fencing for yard area.

PARKS AND RECREATION

TRAINING/EDUCATIONAL SESSIONS ATTENDED:

- APWA Fleet Management Course – June 10 & 11 (Online)
- Foothills Regional DEM Meeting – June 26

UPCOMING EVENTS / ADDITIONAL INFORMATION:

PROGRESS ON MAJOR PROJECTS & PROGRAMS:

Strategic Priority	Objective	Approach	Measure	Progress YTD
1.				
2.				
3.				

Operating Project	Objective	Approach	Measure	Progress YTD
1. Pick-up Truck	Purchase – Used	Online search		Searching for trucks
2. Yard Waste Fence	Fence west/north/south area	Contacting fencing companies		Waiting for Quote
3. Sander/Plow	Purchase - New	Purchased		Installed and received.
4. Pavement Patching	Request for Quote	Assemble list	RFQ	Completed first patches and will return in August.
5. Sidewalk	Request for Quote	RFQ sent out due March 15	RFQ	Began at the end of May
6. Potholes	Pothole Fixing	Quotes		Completed in June

7. Crushing – asphalt and concrete piles	Quote from Shawne			Booked with Shawne will commence in July
8. Dust Abatement	Apply dust abatement	Pricing from Read on Roads		Completed on June 24
9. Tree Pile	Removal	Haul west of town and landfill		Loading 1 bin per week to remove pile.





MONTHLY DEPARTMENT REPORT

Regular Meeting: July 15, 2024
Agenda Item: 3.3.3

Georgina Sharpe, Planning and Development

Report Period: June 2024

ACTIVITIES:

Development Permit Approvals & Lot Sales		
	June 2024	May 2024
Residential	\$397K	\$485K
Comm/Ind	\$300K	\$0K
Public	\$0K	\$0K
Other	Signs = 0	Signs = 0
WV III Sales* (Lots left = 9)	0 lots	2 lots
	YTD2024	YTD2023
TOTAL	\$1,603.5K	\$2,229.2K
	YTD2024	YE2023
Housing Starts	3	6

*by date of sale

- Municipal Planning Commission Meeting – none in June
- Travel Alberta Working Group Meeting – June 3, 2024
- Vacation June 6 – 24, 2024

June Permits Issued:

DP #	Date Issued	Civic Address of Development	Lot	Blk	Plan	LUD	Description
D20-24	5-Jun-24	2101 16 Street	23,24	37	6864FU	M-DWT	Retail, office space
D21-24	10-Jun-24	2405 24 Street	3	55	761 1033	R-GEN	Garage with setback variance
D23-24	4-Jun-24	2705 20 Street	21	1	211 0553	R-GEN	Single Detached Dwelling
D24-24	5-Jun-24	2303 16 Street	13	40	741 0314	R-GEN	Garage
D25-24	25-Jun-24	2414 19 Street	19	35	751 0550	R-GEN	front deck

PROGRESS ON PROJECTS & PROGRAMS:

- Off-site Levy Bylaw 1390/24
 - First Reading – June 17
 - Public Notice on www.nanton.ca

TRAINING/EDUCATIONAL SESSIONS ATTENDED: None

UPCOMING EVENTS / ADDITIONAL INFORMATION:

- Vacation July 18-22





MONTHLY DEPARTMENT REPORT

Meeting: July 15, 2024
Agenda Item: 3.3.4

Nanton Fire Department

Report Period: June 1- June 30, 2024

ACTIVITIES:

- Regular training nights are on Thursday's starting at 19:00 hours.
 - Councilors are welcome to attend training nights.
 - We have been focusing on:
 - MSA G1 Breathing Apparatus
 - New BA's have been put into service at the hall. Training has been focused on getting familiar with the new equipment.
 - Hydrant Operations
 - Hydrant hooks, hose lays
 - Pump Operations
 - Attack line lays
 - Relay pumping
 - Monthly Truck checks and station cleaning
- 2024 Mid-Year Call and Training Stats
 - 91 Calls so far this year
 - July, August, September we normally see a call volume increase.
 - Currently trending to similar call volume as 2023
- Day-to-day operations continue as we prepare for structure fire/ wildland fire fighting and vehicle extrication scenarios.
- Recruitment is still a focus as we have had a few members move on to new careers.
 - New hiring practices have been implemented.
 - Two Firefighters have completed interviews for a new recruitment video being created by the MD of Willow Creek.
 - Live action video will be videoed in July with the release of the video to be in August.
- Standard Operating Guidelines are being reviewed and revised.
 - Met with CAO Smith to discuss MSA with Transitional Solutions Inc.
 - Determined that focus should continue on gap analysis completed in May and ensuring Level of Service is aligned with Bylaws and SOG's

PROGRESS ON MAJOR PROJECTS & PROGRAMS:

- Capital and Operational budget is under way.
 - Quotes have been requested for concrete work at the hall.
 - Breathing Apparatus commissioning continues as we wait for the installation of the new compressor and fill station.

TRAINING/EDUCATIONAL SESSIONS ATTENDED:

- Fire Chief continues to work towards his Fire Safety Codes Officer Group B with Safety Codes Council.
- Deputy Chief continues to work towards his Fire Safety Codes Officer Group B with Safety Codes Council.
- Firefighter continues to work towards his Fire Safety Codes Officer Group C with Safety Codes Council.

UPCOMING EVENTS / ADDITIONAL INFORMATION:

- Planning for the Annual Ball Tournament has started. Ball Tourney will be hosted starting May 31.
 - The ball tourney was another huge success raising approximately \$12,000.00 for the Willow Creek Firefighters Foundation.
 - These funds are used to purchase life saving tools and equipment which are donated back to the Town of Nanton to help offset the tax burden for the residents we serve.

Respectfully submitted,
John G. Dozeman
Fire Chief





Nanton Fire Department Monthly Call Statistics

Call stats were not available at the time of reporting.



MONTHLY DEPARTMENT REPORT

Meeting: July 15, 2024
Item: 3.3.5

Peace Officer Carlos Farias

Report Period: June 2024

ACTIVITIES:

June 12th Bike Rodeo at A B Dailey Elementary School

June 22nd Good Morning Nanton Live!

June 22nd 1st day of the Nanton United Church Farmer's Market 2024

TRAINING/EDUCATIONAL SESSIONS ATTENDED:

N/A

UPCOMING EVENTS / ADDITIONAL INFORMATION:

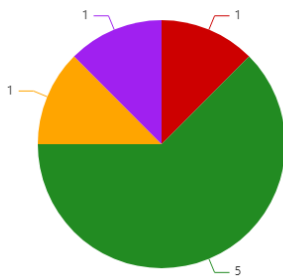
N/A

Nite Rodeo July, 11th, 18th, 27th

July 20th Mosquito celebration day at Bomber Command Museum of Canada

Monthly Occurrences snapshot

Occurrence Status of Reports Total:8 | 100.0%

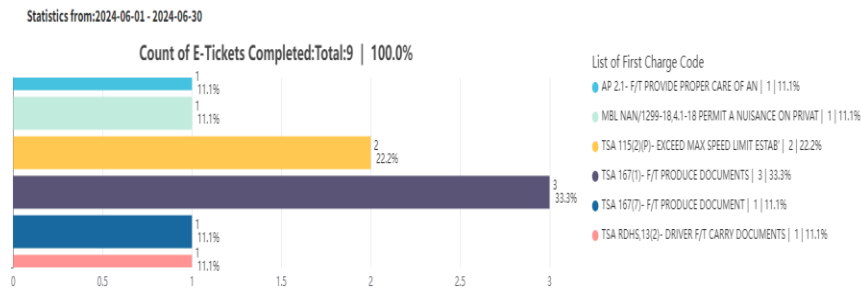


List of Occurrence Status

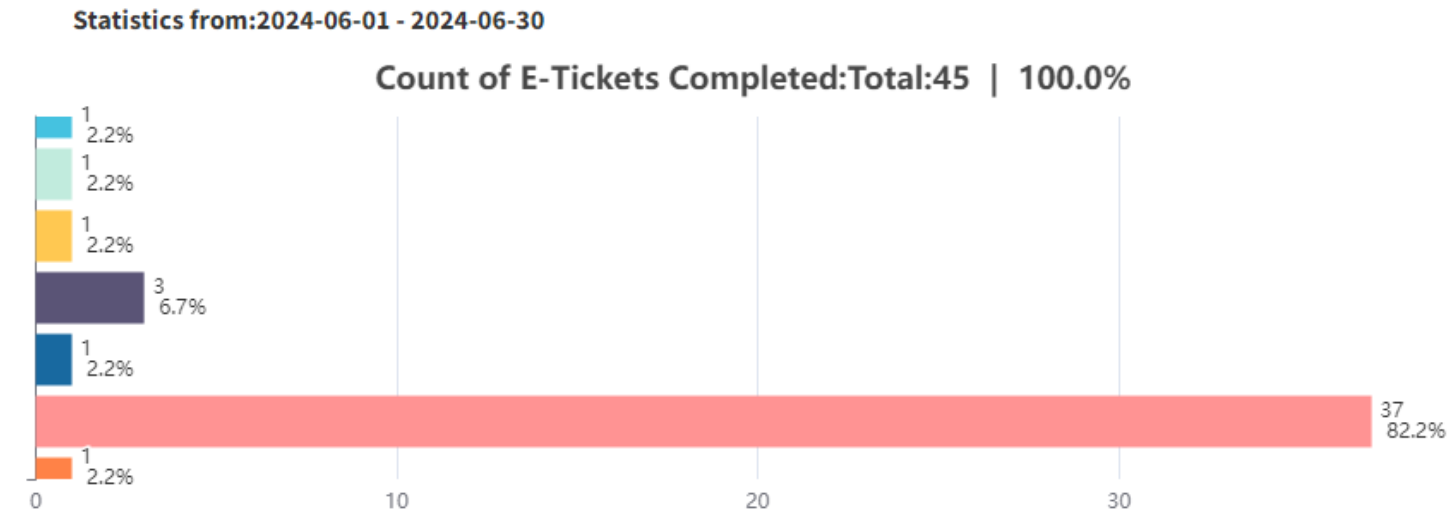
- CONCLUDED BY CHARGE | 1 | 12.5%
- CONCLUDED BY WARNING | 5 | 62.5%
- NO OCCURENCE STATUS | 1 | 12.5%
- STILL UNDER INVESTIGATION (SUI) | 1 | 12.5%

In June, there was a slight increase in the number of complaints compared to previous months. A total of 8 complaints were officially filed and completed. The breakdown of complaints is as follows: 1 related to animal bylaws, 2 concerning unsightly properties, 1 for Trespass to property, 1 related to traffic safety act and 1 related to traffic municipal bylaw.

Monthly warnings!



Monthly ticket stats:



In May 2024, a total of 9 warnings and 45 violation tickets were issued. There was a notable decrease in speeding tickets, with only 37 issued this month. However, in June there was 1 municipal bylaw ticket issued (dog at large).





MONTHLY REPORT

Meeting: July 15, 2024
Agenda Item: 3.3.6

EMERGENCY MANAGEMENT Department

Report Period: (June 2024)

EMERGENCY MANAGEMENT:

ACTIVITIES:

TRAINING

Basic Emergency Management and ICS 100, to be completed online.

No training scheduled during the summer but will be attending block training hosted by Town of High River and Foothills County starting in the fall.

Looking to host a Planning P workshop for in the fall with AEMA.

Emergency social services online training in the fall.

TABLETOP EXERCISE: Will be holding another tabletop in September or October.

ADVISORY COMMITTEE MEETING:

Will schedule a meeting for fall.

VERBAL UPDATE:

Continue to create the Emergency social services plan with help from FCSS and concentrating on updating the outdated ERP.

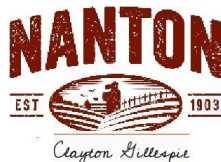
Attended a meeting with DEM'S and DDEM'S from the MD of Foothills, Town of High River, Town of Longview, Town of Okotoks, Diamond Valley, Vulcan County and MD of Willow Creek on June 26. Discussed upcoming training for the fall, new regional team and the regional exercise the Foothills County and Town of Okotoks will be holding in 2025 in which the town has been invited to participate in. The next meeting will be held September 11 at Foothills County.

In the process of completing section chief binders with all the ICS forms, meeting information, ICP/ECC layout and a breakdown of the planning P.

TRAINING/EDUCATIONAL SESSIONS ATTENDED:

- Foothills regional DEM meeting – June 26

UPCOMING EVENTS / ADDITIONAL INFORMATION:





MINUTES

Monday June 17, 2024 at 7:00 p.m.
Council Chambers at the Tom Hornecker
Recreation Centre, 2122 – 18 Street

REGULAR COUNCIL MEETING

COUNCIL PRESENT: Councillors Victor Czop, John Dozeman, Ken Sorenson and Kevin Todd.

ABSENT: Mayor Jennifer Handley and Councillors Roger Miller and Dave Mitchell,

OTHERS PRESENT: Neil Smith Chief Administrative Officer
Clayton Gillespie Corporate Services Manager
Sara-Lynn Lyons Legislative Services & Communications

1. CALL TO ORDER & ADOPTION OF THE AGENDA:

The Regular Meeting was called to order by the acting Chair Councillor Dozeman at 7:00 p.m.

RESOLUTION # 178 – 24/06/17 - Sorenson

The Regular Council agenda for June 17, 2024 was accepted with the following changes:

Remove item 2.1 Nanton Enhancement Committee Presentation rescheduled to June 24, 2024
Committee of the Whole Meeting

2. PRESENTATIONS: None

3. REPORTS:

3.1 CHIEF ADMINISTRATIVE OFFICER:

- 3.1.1 Status Report – E
- 3.1.2 Capital Plan Status - E
- 3.1.3 Monthly Report – E

3.2 FINANCIAL:

- 3.2.1 Accounts Payable Reports - May 2024

3.3 DEPARTMENT:

- 3.3.1 Corporate Services Manager - E
- 3.3.2 Operations Manager - E
- 3.3.3 Planning & Development Officer - E
- 3.3.4 Fire Chief - E
- 3.3.5 Peace Officer – E
- 3.3.6 Emergency Management - E

3.4 COUNCIL:

- 3.4.1 MAYOR JENNIFER HANDLEY

- 3.4.2 COUNCILLOR VICTOR CZOP - E
- 3.4.3 COUNCILLOR ROGER MILLER - E
- 3.4.4 COUNCILLOR DAVE MITCHELL
- 3.4.5 COUNCILLOR KEN SORENSON
- 3.4.6 COUNCILLOR KEVIN TODD
- 3.4.7 COUNCILLOR JOHN DOZEMAN

3.5 OTHERS:

RESOLUTION # 179 – 24/06/17 - Czop

Moved that all written reports, as recorded on the agenda for June 17, 2024 be received for information and filing. CARRIED

4. ADOPTION OF MINUTES OF PREVIOUS MEETINGS:

4.1 ADOPTION:

4.1.1 Regular Council Meeting Minutes – E

RESOLUTION # 180 – 24/06/17 - Todd

The Councillors all having read the minutes and there being no errors, omissions or corrections, the Minutes of the Regular Meeting of the Council of the Town of Nanton held June 3, 2024 were accepted as distributed. CARRIED

4.2 BUSINESS ARISING FROM THE MINUTES:

4.2.1 Proposed Off-Site Levy Bylaw 1390/24

RESOLUTION # 181 – 24/06/17 - Czop

Moved to read Town of Nanton Bylaw #1390/24 a Bylaw an Off-site Levy Rate Bylaw to replace Bylaw 1223/10 for a first time. CARRIED

RESOLUTION # 182 – 24/06/17 – Todd

Moved to bring the Off-Site Levy Bylaw #1390/24 back to Council for 2nd and 3rd reading at the August 12, 2024 Regular Council Meeting.

5. NEW & UNFINISHED BUSINESS:

- 5.1 June 24, 2024 Committee of the Whole Meeting

6. CORRESPONDENCE:

- 6.1 FOR ACTION: None
- 6.2 FOR INFORMATION: None

7. CLOSED CONFIDENTIAL SESSION:

RESOLUTION # 183 – 24/06/17 - Sorenson

IT WAS MOVED to recess the Regular Meeting at 7:28 p.m. in order to hold “Closed Confidential Sessions” pursuant to Section 197(2) of the Municipal Government Act, RSA 2000, Chapter M-26 and the Freedom of Information and Protection of Privacy Act, as follows:

7.1 Proposed Land Sale FOIP Section 24 Advice from Officials and FOIP Section 25 Economic Interests of the Municipality
CARRIED

RESOLUTION # 184 – 24/06/17 - Sorenson

IT WAS MOVED to reconvene the Regular Meeting at 8:02 p.m. CARRIED

RESOLUTION # 185 – 24/06/17 - Czop

Moved to direct the Chief Administrative Officer to proceed with offer on the sale of the Town owned Ptn Lot 11 Block 4 Plan 436l.

8. ADJOURNMENT:

RESOLUTION # 186 – 24/06/17 - Todd

IT WAS MOVED to adjourn the Regular Meeting of Council at 8:03 p.m.

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER

NS:sl

These minutes accepted and signed this 15th day of July, 2024.



MINUTES

Monday June 24, 2024 at 7:00 p.m.
Council Chambers at the Tom Hornecker
Recreation Centre, 2122 – 18 Street

COUNCIL COMMITTEE OF THE WHOLE MEETING

COUNCIL PRESENT: Mayor Jennifer Handley and Councillors Victor Czop, John Dozeman, Dave Mitchell, Ken Sorenson and Kevin Todd.

ABSENT: Councillor Roger Miller

OTHERS PRESENT:

Neil Smith	Chief Administrative Officer
Clayton Gillespie	Corporate Services Manager
Sara-Lynn Lyons	Legislative Services & Communications
Greg Graves	Nanton School Enhancement Committee
Jeff Perry	Livingstone Range School Division
Bibi Kersten	Alberta Infrastructure
Johnny Hehr	GGA Architecture

1. CALL TO ORDER & ADOPTION OF THE AGENDA:

The Committee of the Whole Meeting was called to order by Mayor Handley at 7:00 p.m.

RESOLUTION # 1 – 24/06/24 – CW - Dozeman

The Committee of the Whole of Council agenda for June 24, 2024 was accepted as presented. CARRIED

2. DELEGATIONS:

2.1 Nanton School Enhancement Committee

Greg Graves presented information on the importance of the learning commons to A.B. Dayley. The Nanton School Enhancement Committee announced upcoming events including a Cornhole Tournament this weekend, ongoing grant applications, and planned galas for fundraising efforts. Jeff Perry updated the Council on the timeline and current status of the school rebuild project. Johnny Hehr explained the architectural aspects of the learning commons, emphasizing efforts to reduce costs, with the current project estimate at \$660,000. Bibi Kersten clarified that once the project is tendered, the cost will be fixed, providing the Nanton School Enhancement Committee with a final total.

Greg Graves, Jeff Perry, Bibi Kersten and Johnny Hehr left the meeting at 7:51 p.m.

3. PRESENTATIONS BY DEPARTMENTS:

3.1 Information Brief - Boulevard Gardens

RECOMMENDATION # 1 - 24/06/24 – CW - Dozeman

Moved to direct the administration to prepare a request for decision and draft policy for boulevard gardens, outlining guidelines for permissible garden types, maintenance standards, safety considerations, required permits, and enforcement measures. CARRIED

Closed items:

RESOLUTION # 2 – 24/06/24 – CW - Sorenson

IT WAS MOVED to recess the Committee of the Whole of Council Meeting at 8:24 p.m. in order to hold “Closed Confidential Sessions” pursuant to Section 197(2) of the Municipal Government Act, RSA 2000, Chapter M-26 and the Freedom of Information and Protection of Privacy Act, as follows:

3.2 RCMP Update FOIP Section 24 Advice from Officials

3.3 Regional Water Update FOIP Section 24 Advice from Officials
CARRIED

RESOLUTION # 3 – 24/06/24 – CW - Todd

IT WAS MOVED to reconvene the Committee of the Whole of Council Meeting at 8:22 p.m. CARRIED

4. MAYOR AND COUNCILLOR INQUIRIES: None

5. NEXT MEETING:

Regular Meeting – July 15, 2024

6. ADJOURNMENT:

RESOLUTION # 4 – 24/06/24 – CW - Dozeman

IT WAS MOVED to adjourn the Committee of the Whole of Council Meeting at 8:23 p.m.

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER

NS:sl

These minutes accepted and signed this 15th day of July, 2024.



REQUEST FOR DECISION

Meeting: July 15, 2024

Agenda Item: 5.1

Employee Recognition Policy

PURPOSE:

Upon reviewing Council's request regarding the public recognition policy, it was observed that the policy also encompasses employee recognition. As a result, updates are being made to consolidate and streamline employee recognition within a unified policy framework. This revised policy is now being presented to the council for their valuable feedback and thorough review.

BACKGROUND / IMPLICATIONS:

During the January 8, 2024 Council meeting during a closed item discussion regarding Town of Nanton Parks, a resolution after closed session was proposed to establish a public recognition policy.

RESOLUTION # 9 – 24/01/08 - Mitchell

Moved to that information be brought forward from the Chief Administrative Officer for a policy for public recognition. CARRIED

Upon reviewing the existing awards and recognition policy, concerns have arisen regarding the feasibility of incorporating recognition for events such as birthdays and anniversaries, particularly concerning the equitable distribution of recognition among all residents. These concerns encompass administrative capabilities and the imperative to ensure fair and consistent recognition for all residents within such a policy framework.

The Mayor and Chief Administrative Officer (CAO) retain discretion in awarding recognition pins.

This has prompted discussions on whether formalizing this process through a policy is necessary or if their current discretionary authority adequately addresses recognition needs.

Overall, the discussion highlighted practical challenges and considerations in implementing a public recognition policy, especially concerning equitable recognition practices and administrative feasibility. Currently there is Tribute Wall Bylaw and a Municipal Naming Bylaw.

ADMINISTRATIVE RECOMMENDATION:

DECISION OPTIONS:

#1 – Approve the Employee Recognition Policy as presented and rescind awards and Recognition Policy 12-433-09/11/02 and Christmas Gift Policy 12-341-01/12/10.

#2 – Rescind Awards and Recognition Policy 12-433-09/11/02 and Christmas Gift Policy 12-341-01/12/10 and approve the Employee Recognition Policy with the following changes:

#3 – Discuss the creation of a public recognition policy at the next Committee of the Whole Meeting.

ALTERNATIVES:

- REFER to (Administration or Committee) _____
- DEFER the matter to the Council meeting of (date) _____

Financial (GL# / Amount) : n/a

Communications/PR: n/a

Applicable Legislation: n/a

Attachments: Draft Employee Recognition Policy
 Policy #433-09/11/02 Awards and Recognition Policy
 Policy #12-341-01/12/10 Christmas Gift

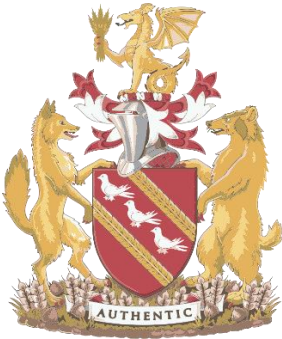
Prepared By: Sara-Lynn Lyons

Date: July 8, 2024

APPROVED BY: Neil Smith, Chief Administrative Officer:

NANTON STRATEGIC PLAN ALIGNMENT			
<input type="checkbox"/>	OPERATIONS	<input checked="" type="checkbox"/>	EMERGENCY SERVICES
<input type="checkbox"/>	PLANNING & DEVELOPMENT	<input type="checkbox"/>	COMMUNITY & ECONOMIC DEVELOPMENT
<input checked="" type="checkbox"/>	GOVERNANCE & CORPORATE SERVICES	<input type="checkbox"/>	NOT APPLICABLE
PRIORITY OR ACTION:			





Town of Nanton

POLICY NO. XXX-XX/XX/XX

EMPLOYEE RECOGNITION POLICY

1. PURPOSE:

The Employee Recognition Policy for the Town of Nanton is designed to create a culture of appreciation, motivate employees, and celebrate their contributions to the organization's success. It aims to foster a positive work environment where employees feel valued and recognized for their achievements, dedication, and exceptional performance.

By implementing this comprehensive Employee Recognition Policy, the Town of Nanton reaffirms its dedication to recognizing and appreciating the efforts and contributions of its employees, driving motivation, engagement, and ultimately, organizational success.

2. PRINCIPLES:

2.1 Fairness and Equity:

- Recognition will be fair and equitable, based on consistent criteria and transparent processes, ensuring all employees have equal opportunities to be recognized.

2.2 Timeliness and Frequency:

- Recognition will be timely and frequent, ensuring that achievements and contributions are acknowledged promptly to reinforce positive behaviors and outcomes.

2.3 Inclusivity:

- Recognition initiatives will be inclusive, encompassing all levels and departments of the organization, fostering a sense of unity and teamwork.

2.4 Alignment with Organizational Values:

- Recognition programs will align with Town of Nanton's core values, strategic goals, and desired workplace culture, reinforcing behaviors that drive organizational success.

2.5 Compliance with Collective Agreements:

- This policy will adhere to all rules and regulations outlined in the collective agreement with CUPE 37, ensuring that recognition practices are in accordance with negotiated terms and conditions.

3. TYPES OF RECOGNITION:

3.1 Plaques & Gifts - Employees:

- At five-year intervals, after the Fifth Anniversary, a nameplate will be added to the Employee Recognition Plaque, displayed at the Town of Nanton Office, for employees to recognize 10, 15, 20, 25, 30 years of service.
- A monetary gift of \$50.00 per year will also be presented to employees completing 5, 10 and 15 years of service.
- If appropriate inventory is available, the Chief Administrative Officer may additionally present employees with a current branded item or garment in recognition of their service bearing the municipal coat of arms.

3.2 Plaques & Gifts - Fire Department Volunteers:

- At five-year intervals, after the Fifth Anniversary, a nameplate will be added to the Nanton Fire Department Volunteer Recognition Plaque, for employees to recognize 10, 15, 20, 25, 30 years of service.
- For long term service of 20 years or more, the Town may contribute to a retirement gift as follows:
 - a) 20 years' service - \$200.00 value
 - b) 25 years' service - \$250.00 value
 - c) 30 years' service - \$300.00 value.
- The Town may contribute up to \$200.00 per annum for a Fire Department sponsored retirement banquet, upon request of the Fire Chief.

3.3 Town Staff Christmas Night (Christmas Party):

- A Civic Sponsored Banquet will be held on an annual basis in December of each year.
- Invitations to this function will be extended to the following and their partners.
 - a) Council Members.
 - b) Town of Nanton full time employees presently employed.
 - c) Town of Nanton full time employees that have resigned or retired in that particular year.
 - d) Town of Nanton Councillors that have resigned or retired in that particular year.
 - e) Part-time Employees employed in that particular year.
 - f) Nanton Fire Department Chief and Deputies.
- Department Heads or elected officials who feel that certain individuals should also be invited may identify those persons to the Chief Administrative Officer including the rationale to support the request.
- Staff will receive a \$100 gift certificate as a Christmas bonus.

3.4 Employee Long Service:



REFERENCE: Resolution # XX
REPLACES POLICY:

- When an Employee terminates after having completed five years of employment, the Town of Nanton may contribute \$100.00 towards a gift, plus \$20.00 per annum for every year of employment beyond five years up to fifteen years.
- For outstanding or long-term service beyond 15 years of employment Council may award an honorarium in the amount of \$100.00 for each completed year of service and a gift of up to \$200.00 in value.
- A gift will be presented to employees completing 20 years of service or more as follows:
 - a) 20 years' service - \$200.00 value
 - b) 25 years' service - \$250.00 value
 - c) 30 years' service - \$300.00 value.

4.0 REVIEW AND UPDATES:

This policy shall be reviewed once per Council term by the Chief Administrative Officer in collaboration with senior management to assess its effectiveness, relevance, and alignment with evolving organizational goals and values. Updates may be made as necessary to ensure continued enhancement and adaptation to changing workplace dynamics.

9.0 RESOLUTION:

- 9.1 Council's resolution to approve this policy as written and in whole will effectively replace the former Town of Nanton Awards and Recognition Policy 433-09/11/02.

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER



REFERENCE: Resolution # XX
REPLACES POLICY:

TOWN OF NANTON AWARDS AND RECOGNITION POLICY

POLICY #433 – 09/11/02

Schedule “B” – Regular Minutes 09/11/02

TYPE OF AWARD:

CONGRATULATORY LETTERS OR TELEGRAMS:

- Sent from the Mayor's Office to express congratulations to Citizens for local achievement.
- To honour significant achievement in a particular field of sport, art, etc., at Provincial, National or International level.
- To recognize a City or Town that is hosting a National, International or significant Provincial level of competition in the field of sports when a team or teams from the Town of Nanton participate in such tournaments.
- (see Recognition for Seniors Policy)

PLAQUES & GIFTS - EMPLOYEES:

- At five-year intervals, after the Fifth Anniversary, a nameplate will be added to the Employee Recognition Plaque, displayed at the Town of Nanton Office, for employees to recognize 10, 15, 20, 25, 30 years of service.
- A monetary gift of \$50.00 per year will also be presented to employees completing 5, 10 and 15 years of service.

PLAQUES & GIFTS - FIRE DEPARTMENT VOLUNTEERS:

- At five-year intervals, after the Fifth Anniversary, a nameplate will be added to the Nanton Fire Department Volunteer Recognition Plaque, for employees to recognize 10, 15, 20, 25, 30 years of service.
- For long term service of 20 years or more, the Town may contribute to a retirement gift as follows:
 - 20 years service - \$200.00 value
 - 25 years service - \$250.00 value
 - 30 years service - \$300.00 value.
- The Town may contribute up to \$200.00 per annum for a Fire Department sponsored retirement banquet.

Certificates or Cards:

- (see Recognition for Seniors Policy)

Presentation Pins:

The Nanton Presentation Pin will be used to recognize:

- Council Members at their initial swearing in ceremony as a new Councillor.
- Citizens who have served at least one full term (two or three years) as a volunteer as a Town Member-at-Large. Pins are presented at the time the volunteer retires, resigns or ceases to serve.
- Persons who in any other significant manner have contributed to the betterment of the Town of Nanton. (By Resolution of Council).

This presentation pin would be of high quality and not one of the regular promotional pins.

Promotional Pins:

The Regular Promotional Town of Nanton Pin will be presented as a memento to:

- Visiting Dignitaries.
- Persons as a public relations gesture as determined by Council and/or Senior Administrative Staff.
- One Town of Nanton Pin will be given to each member of any non-profit organization or sports team who will be representing the Town of Nanton at an out of Town competition.
- Community Groups (non-profit organizations) wanting a substantial supply of pins may purchase the pins at cost.
- A sufficient supply of promotional pins will be provided to each Town of Nanton representative attending an out of Town convention.
- These pins may be purchased by any individual or group, as they may require, depending upon availability, for the price of \$1.50 if picked up at the Town Office or \$2.00 in advance if the pin is to be mailed.

Engraved Tankards or Wine Goblets:

- Will be presented to each member of Council as they retire from Office, upon completion of a complete 3 year term.
- No engraved tankard or goblet will be presented, if for just cause, the Council Member has been relieved of Office.
- Will be presented by the Mayor at a Regular Meeting of Council, or at the Town's annual Christmas Party.

Presentation of plaques, certificates and pins, if appropriate, will be made at a Regular Meeting of Council.

Town Staff Christmas Night (Christmas Party):

- A Civic Sponsored Banquet will be held on an annual basis in December of each year.

- Invitations to this function will be extended to the following and their partners.
 - Council Members.
 - Town of Nanton full time employees presently employed.
 - Town of Nanton full time employees that have resigned or retired in that particular year.
 - Town of Nanton Councillors that have resigned or retired in that particular year.
 - Part-time Employees that are eligible to receive a Christmas gift.
 - Members of the Nanton Fire Department.

Department Heads who feel that certain individuals should also be invited may identify those persons to the Town Council including the rationale to support the request.

OTHER AWARDS:

Employee Long Service:

- When an Employee terminates after having completed five years of employment, the Town of Nanton may contribute \$100.00 towards a gift, plus \$20.00 per annum for every year of employment beyond five years up to fifteen years.
- For outstanding or long term service beyond 15 years of employment Council may award an honorarium in the amount of \$100.00 for each completed year of service and a gift of up to \$200.00 in value.
- A gift will be presented to employees completing 20 years of service or more as follows:
 - 20 years service - \$200.00 value
 - 25 years service - \$250.00 value
 - 30 years service - \$300.00 value.

Recognition for Seniors:

- Person or Couple must live in Nanton at present, and have lived in Nanton for a total of ten (10) years.
- Residents of Nanton only.
- The Town of Nanton is to be notified by the 15th of the month for any citizen or couple who qualifies for recognition in the following month.

Recognition for Birthdays:

- Town of Nanton Pin
- 80th, 85th, 90th, 95th and 100th - Certificate

Recognition for Anniversaries:

- 25th - Certificate
- 40th – Flowers
- 50th - Plaque
- 60th - Flowers and Plaque
- 75th - As deemed by Council

4.1 Resolution #341/01/12/10

WHEREAS Council passed Resolution #308/00/12/11, December 11, 2000, Regular Meeting; and

WHEREAS the Human Resource Group, Edmonton, in its October 26, 1998, Organizational Review for the Town of Nanton recommended that the Personnel Policies of the Town be re-written; and

WHEREAS this undertaking has not occurred due to financial and human resource constraints;

THEREFORE BE IT RESOLVED upon motion of Councillor Brown to adopt the following policy statement; and

FURTHER THAT at such time as the aforementioned recommendation commences, this policy statement be included in the revised Personnel Policies:

Town of Nanton – Employee Christmas Gift Policy

Town of Nanton employees are entitled to an annual Christmas Gift dependant upon the number of hours worked in the calendar year. These gifts will be paid by cheque to the employees before December 15th of each year. Christmas gifts will be included in the annual budgets.

The following formula will be used to determine the amount of Christmas gift paid to each employee:

Hours Worked	Gift Amount
Permanent Employees	\$100.00
1040-2080 hours	\$ 75.00
975 – 1040 hours	\$ 50.00
487.5 – 974 hour	\$ 25.00

CARRIED UNANIMOUSLY.



REQUEST FOR DECISION

Meeting: July 15, 2024
Agenda Item: 5.2

Policy for Boulevard Gardens

PURPOSE:

To provide a standard policy for the implementation of boulevard gardens.

BACKGROUND / IMPLICATIONS:

A letter was received from residents to allow residents to plant gardens in their boulevards. At the June 24, 2024 Committee of the Whole Meeting Council made the following recommendations:

RECOMMENDATION # 1 - 24/06/24 – CW - Dozeman

Moved to direct the administration to prepare a request for decision and draft policy for boulevard gardens, outlining guidelines for permissible garden types, maintenance standards, safety considerations, required permits, and enforcement measures. CARRIED

Administration has reviewed similar policies and prepared a draft policy for Council's comments and consideration.

ADMINISTRATIVE RECOMMENDATION:

That the Council thoroughly review the policy and provide recommendations or suggest changes as they see fit before approving it. This ensures that any necessary adjustments are made to enhance its effectiveness and relevance to the community.

DECISION OPTIONS:

- #1 – Approve the policy
- #2 – Approve the policy with changes
- #3 – To not allow Boulevard gardens.

ALTERNATIVES:

- REFER to (Administration or Committee)
- DEFER the matter to the Council meeting of (date)

Financial (GL# / Amount) :

Communications/PR:

Applicable Legislation:

Attachments:

Prepared By: Sara-Lynn Lyons

Date: June 28, 2024

APPROVED BY: Neil Smith, Chief Administrative Officer:

NANTON STRATEGIC PLAN ALIGNMENT			
<input type="checkbox"/>	OPERATIONS	<input type="checkbox"/>	EMERGENCY SERVICES
<input type="checkbox"/>	PLANNING & DEVELOPMENT	<input type="checkbox"/>	COMMUNITY & ECONOMIC DEVELOPMENT
<input type="checkbox"/>	GOVERNANCE & CORPORATE SERVICES	<input checked="" type="checkbox"/>	NOT APPLICABLE
PRIORITY OR ACTION: Was not a strategic priority.			





POLICY

Policy No. [FUNCTION –RESOLUTION # - DATE]

Department: Administration

BOULEVARD GARDENING

SCOPE: This policy applies to property owners within the Town of Nanton who wish to implement non-standard landscaping on municipal boulevards adjacent to their properties.

PURPOSE: The purpose of this policy is to:

1. Regulate and encourage responsible landscaping practices on town boulevards while ensuring safety, accessibility, and aesthetic considerations.
2. Establish permit policy for CAO implementation pursuant to a boulevard garden under section 22.1 of the *Nanton Traffic Bylaw*, as amended.

DEFINITIONS:

Boulevard: The strip of land between the curb and the sidewalk, or where no sidewalk exists, between the curb and the property line.

Non-standard Boulevard Landscape Treatment: Any landscaping treatment on the boulevard that deviates from the standard turf grass.

Xeriscaping: a water-conservation practice selecting plants that are well-adapted to the local climate and use efficient irrigation methods.

Wild animal attractants: any substance or material, with or without an odour, that attracts or is likely to attract wildlife, including food or other edible products—whether intended for humans, animals or birds—grease and compost other than grass clippings, leaves or branches.

POLICY:

1. Registration and Guidelines:

Property owners must sign and submit this policy to the Town of Nanton before initiating any boulevard gardening activities.

2. Servicing Responsibility:

Property owners are responsible for identifying and protecting all underground services (e.g., gas, phone, Hydro, cable) prior to commencing any work on the boulevard.

3. Planting Guidelines:

Boulevard gardens may include perennial or annual plants up to 60cm in height, and shrubs up to 30cm in height, except within street intersection lots where plants must not exceed 30cm in height.

REFERENCE: 1 of 5
REPLACES POLICY:

Reference is code number (12, 61 etc. and then resolution number

Decomposable mulches are permitted.

Planting of noxious weeds, and invasive plants is strictly prohibited.

Planting of wild animal attractants is discouraged.

The removal or planting of public trees and shrubs are subject to other Town bylaws and policies – see section 3.1.

Xeriscaping landscaping approaches that reduce the need for irrigation are preferred.

Property owners are encouraged to discuss their planting and landscaping intentions collaboratively with their neighbors.

3.1 The removal or planting of public trees and shrubs is regulated by the Town. Failure to observe the regulations of the *Public Tree Bylaw* could result in fines or other enforcement action.

3.1.1 *Nanton's Urban Forest* policy, as amended, provides guidance on species selection for public boulevard trees and shrubs.

3.1.2 The donation of new Public Trees or funds for their purchase is done in accordance with the *Public Asset Donations Policy*, as amended.

4. Setback Requirements:

A 30cm setback must be maintained from sidewalks, curbs, and driveway edges.

5. Surface Drainage:

The boulevard landscape must maintain positive surface drainage.

6. Sidewalk Maintenance:

Property owners must keep the sidewalk clear of debris as per municipal codes.

7. Town Authority:

The Town of Nanton reserves the right to require, with due notice, that the boulevard be restored to standard turf grass at the property owner's expense if non-compliant materials are not removed.

In discretionary situations requiring access to infrastructure for emergencies or any other purpose, the Town may remove any items from the boulevard without prior notice or subsequent compensation/restoration.

This policy must adhere to all other bylaws established by the Town of Nanton.

8. Property Line and Installation Restrictions:

Property owners must accurately determine their property line as the public boulevard is not an extension of their property.

Permanent installations such as irrigation systems, fencing, or hard mulches (e.g., pea gravel, small rocks) are generally not permitted on the boulevard.



REFERENCE NUMBER:
REPLACES POLICY DATED:

Hard mulches that are integral to a xeriscaping approach while optimizing positive drainage and buried utility access may be considered in consultation with Town representatives.

Setback regulations for retaining walls, fences, and hedges must be followed as per zoning by-laws.

9. Maintenance and Restoration:

In the event of boulevard works, the Town will notify homeowners two weeks in advance to allow salvaging of plant material.

If the boulevard is disturbed during emergency works, no notification will be provided.

Homeowners may request to reestablish boulevard gardens within 30 days of restoration, weather permitting; otherwise, the boulevard will be restored to standard turf.

Boulevard garden investments are executed and maintained entirely at the expense and risk of the permitted property owner.

10. Access to Services:

Property owners must ensure clear and unobstructed access to above ground and underground services, including fire hydrants, curb stops, bell pedestals, gas lines, telecommunications cables and electrical transformer boxes.

Acknowledgement of Policy:

I, _____, residing at _____ acknowledge that I have read and understand the Boulevard Gardening Policy established by the Town of Nanton. I agree to comply with all guidelines and requirements outlined in this policy. I understand that failure to adhere to these guidelines may result in the Town requiring the restoration of the boulevard to standard turf grass at my expense. I further acknowledge that this policy must conform to all other bylaws set forth by the Town of Nanton and that I understand that this represents a conditional permit for activity in a public boulevard pursuant to the *Nanton Traffic Bylaw*.

Signed: _____

Date: _____

RELATED DOCUMENTS:

AMENDMENTS / REVIEWS:

Date (yyyy/mm/dd)	Section # Amended	Comments

Next Review Date:	
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REFERENCE NUMBER:
REPLACES POLICY DATED:

MAYOR

Date

CHIEF ADMINISTRATIVE OFFICER

Date

DRAFT



REFERENCE NUMBER:
REPLACES POLICY DATED:



REQUEST FOR DECISION

Meeting: July 15, 2024
Agenda Item: 5.3

Solid Waste Bylaw

PURPOSE:

To provide updated regulations for solid waste collection and the yard waste area.

BACKGROUND / IMPLICATIONS:

Updated to reflect:

- The need for clarified violations and fines
- Replace recycling centre regulations with appropriate regulations for the yard waste area
- Update the recyclables schedule in the bylaw
- The possible (but not certain) replacement of municipal recycling collection with private Extended Producer Responsibility collection in 2025

Administration has reviewed similar bylaws and prepared a draft bylaw for Council's comments and consideration. The regulation bylaw does address applicable fees and rates, which are reviewed annually for the Fees & Rates Bylaw.

ADMINISTRATIVE RECOMMENDATION:

That the Council thoroughly review the policy and provide recommendations or suggest changes as they see fit before approving it. This ensures that any necessary adjustments are made to enhance its effectiveness and relevance to the community.

DECISION OPTIONS:

- #1 – Approve the draft bylaw and give it first reading
- #2 – Request changes to the draft bylaw
- #3 – Not to proceed at this time

ALTERNATIVES:

- REFER to (Administration or Committee) _____
- DEFER the matter to the Council meeting of (date) _____

Financial (GL# / Amount) :

Communications/PR:

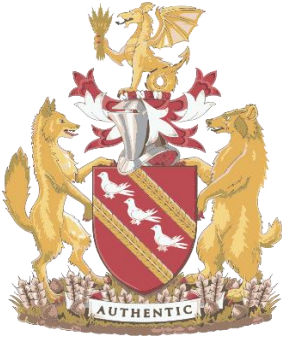
Applicable Legislation:

Attachments:

APPROVED BY: Neil Smith, Chief Administrative Officer:

NANTON STRATEGIC PLAN ALIGNMENT			
<input type="checkbox"/>	OPERATIONS	<input type="checkbox"/>	EMERGENCY SERVICES
<input type="checkbox"/>	PLANNING & DEVELOPMENT	<input type="checkbox"/>	COMMUNITY & ECONOMIC DEVELOPMENT
<input type="checkbox"/>	GOVERNANCE & CORPORATE SERVICES	<input checked="" type="checkbox"/>	NOT APPLICABLE
PRIORITY OR ACTION: Not a strategic priority, but an important update for myriad reasons.			





Town of Nanton

BYLAW NUMBER:1395/XX

A BYLAW OF THE MUNICIPALITY OF THE TOWN OF NANTON IN THE PROVINCE OF ALBERTA RESPECTING WASTE DISPOSAL AND RECYCLING

1. AUTHORITY & ENACTMENT:

WHEREAS the Municipal Government Act Revised Statutes of Alberta 2000, Chapter M-26 (the **Act**) provides that Council may pass bylaws for the municipal purposes respecting the services provided by or on behalf of the municipality, and the enforcement of bylaws; and

WHEREAS it is desirable to regulate and manage the storage, collection and disposal of solid waste and recyclables within the Town of Nanton;

NOW THEREFORE, under the authority and subject to the provisions of the Act, as amended, the Council of the Town of Nanton, duly assembled, does hereby enact the following:

2. INTERPRETATION:

2.1 This Bylaw may be referred to as the “Solid Waste Bylaw”.

3. DEFINITIONS:

3.1 In this Bylaw:

alley a lane primarily intended for access to the rear yard of adjacent properties;

animal waste all forms of waste from animals or the treatment of animals, excluding animal carcasses or parts;

automated collection the collection of waste or recyclable materials using mechanical systems into specially designed vehicles;

automated collection containers means containers approved and provided by the Town for automated collection of waste and recyclable material; may also be referred to as “carts”;

biomedical waste means medical waste that requires proper handling and disposal due to environmental, aesthetic, and health and safety concerns. It includes:

- (i) human anatomical waste;
- (ii) infectious human waste;
- (iii) infectious animal waste;

- (iv) microbiological waste;
- (v) blood and body fluid waste; and
- (vi) medical sharps;

black cart a black automated collection container provided for the collection of solid waste;

blue cart a blue automated collection container provided for the collection of residential recyclable material;

Bylaw this Bylaw, including all Schedules attached to it, as it may be amended from time to time;

Chief Administrative Officer, or CAO, means the person appointed by the Council of the Town as its Chief Administrative Officer, or that person's designate;

Collection the act of picking up and gathering waste or recyclable material, including transport of the waste or recyclable material to a disposal site or material recovery facility, as applicable;

collector a person employed or contracted to collect waste or recyclable materials;

commercial bin a container provided for the storage of waste with a capacity of more than three-hundred-sixty-five (365) litres and constructed to be emptied mechanically into a collection vehicle;

commercial hauler a person engaged in the business of collecting waste and recyclable materials from property for transport to a disposal site or material recovery facility.

community recycling depot an area maintained by the Town and accessible to the public that contains bins and containment areas designated for the collection of recyclable material by the Town;

condominium a building or structure where there exists a type of ownership of individual units, generally in a multi-unit development or project where the owner possesses an interest as a tenant in common with other owners in accordance with the provisioning of the Condominium Property Act;

construction and demolition waste materials generated in the course of construction, demolition or renovation on a parcel;

disposal site any location designated by the CAO for the disposal of waste or any other facility which is approved by Alberta Environment for the disposal of waste;

dwelling unit a building designed for human habitation and which is intended to be used as a residence for one or more persons but does not include travel trailers, motor homes, recreational vehicles, or other mobile living units, hotel, motel, dormitory, boarding house or other similar accommodation;

general medical waste Non-hazardous medical waste, including various disposable items used in medical settings, but excluding biomedical waste;

hazardous waste means waste that is generated from any property and has one or more hazardous properties as described in the *Environmental Protection and Enhancement Act*, R.S.A. 2000, c. E-12, as amended and *Waste Control Regulation* (Alta. Reg. 172/1776), Schedule 1, as amended;

industrial waste means waste generated by commercial or industrial activities that presents health, safety or environmental concerns, and includes, but is not limited to, lime, sulfur, asbestos, contaminated soils, empty chemical containers and drums, carbon, acids, caustics, sludge, and industrial sump water, but excludes hazardous waste and biomedical waste;



material recovery facility a facility that receives and prepares recyclable material for marketing;

medical sharp Any device used for medical procedures that can reasonably penetrate the skin or body

Municipal waste and recycling services management of collection and disposal services provided by the Town, ensuring compliance with environmental, regulatory, and health guidelines;

non-residential property any property that are not a residential dwelling and includes an apartment building, any residential property containing more than three (3) dwelling units, commercial or industrial properties, a parcel of land which does not contain a dwelling unit, and any property that is exempt from municipal assessment or taxation;

non-residential recyclable materials means materials designated in Schedule B, excluding construction and demolition waste;

owner Includes the person listed on the land title, occupant, lessee, tenant, condominium board, or property management company responsible for property maintenance, as applicable;

person means an individual, firm, corporation, entity, owner, occupier, lessee or tenant;

plastic garbage bag a plastic bag intended for waste collection, excluding those for other purposes;

residential property means any building intended for residential use, including a single detached dwelling, duplex, triplex, multiplex, rowhouse and townhouse, but excludes an apartment building or any other building comprising of more than three (3) residential units;

residential recyclable material materials collected from residential properties as listed in Schedule A;

Solid Waste services management of collection and disposal services provided by the Town, ensuring compliance with environmental, regulatory, and health guidelines;

tag or **additional waste tag** a self-adhesive sticker issued by the Town for identifying refuse exceeding the base rate limit within automated collection containers;

Town the municipal corporation of the Town of Nanton or its defined area;

waste means anything that is set out for collection and includes animal waste, industrial waste, general medical waste, or yard waste, but excludes hazardous waste and biomedical waste;

waste container a container approved for solid waste collection, including automated collection containers, commercial bins, and public litter receptacle;

yard waste means waste from gardening or horticultural activities and includes grass, leaves, plants, tree and hedge clippings, and sod.

4. GENERAL PROVISIONS:

4.1 The CAO, or their designate, is authorized to:

- (a) approve or set specifications for commercial bins, waste containers, automated collection containers and plastic garbage bags;
- (b) specify the types of waste or recyclable material accepted at a Town disposal



- site, Town material recovery facility or community recycling depot;
- (c) specify the quantities and types of waste or recyclable material eligible for collection;
 - (d) determine the time and frequency of the collection of waste or recyclable material;
 - (e) make and execute agreements on behalf of the Town for the collection of waste or recyclable material and disposal services;
 - (f) grant approvals and permissions as set out in this Bylaw;
 - (g) designate properties as “non-residential” or “residential” for the purposes of this Bylaw;
 - (h) establish systems for billing and collecting rates, fees and charges; and
 - (i) any other matter as relating to the operation of the collection of solid waste and recycling.
- 4.2 No person shall scavenge waste or recyclable material from a commercial bin, waste container, automated collection container, litter receptacle, plastic garbage bag or community recycling depot.
- 4.3 The owner of any property shall store waste or recyclable material on the property from which it is generated, unless it is stored on other property with the consent of the owner and occupant of those other property.
- 4.4 No person shall deposit waste or recyclable material in a waste or recycling container or commercial bin without the consent of:
- (a) the owner of the container or bin;
 - (b) the owner of the property where the container or bin is located; and
 - (c) the occupant of the property where the container or bin is located.
- 4.5 No owner of a residential dwelling shall set out for collection any waste that is not generated from their residential dwelling.
- 4.6 An owner shall ensure that waste or recyclable material stored or set out for collection on or adjacent to that owner’s property does not:
- (a) create offensive odours; or
 - (b) become untidy.



5. AUTOMATED COLLECTION CONTAINERS:

- 5.1 All residential dwellings shall have automated collection of residential waste (in black cart) and recyclable material (in blue cart), which will be delivered and assigned an automated collection container
- 5.2 The number of automated collection containers required, and the size of the automated collection containers required will be determined by the CAO in conjunction with contracted service providers.
- 5.3 Automated collection containers shall remain the property of the Town or its Contractor and may be removed by the Town, its contractors or agents at the direction of the CAO.
- 5.4 Automated collection containers assigned to a residential dwelling shall remain with that residential dwelling.
- 5.5 Owners of residential dwellings are responsible for all automated collection containers assigned to the residential dwelling and shall ensure that the containers are:
- (a) kept clean;
 - (b) secured against theft or loss;
 - (c) maintained in good condition;
 - (d) not altered in any way, including any alteration of the exterior, except to mark the civic address of the property on the cart;
 - (e) used only for residential recyclable material if the container is an automated collection container for residential recyclable material; and
 - (f) available to the Town, its contractors, or agents within a reasonable time frame for the purposes of inspection, maintenance or repair
- 5.6 An owner of a residential dwelling shall be responsible for all fees related to automated collection containers issued for the owner's property including fees for the maintenance, repair, or replacement of the automated collection container. No fees shall be charged by the Town for repair or replacement of an automated cart due to a defect in materials or workmanship of the cart.
- 5.7 An owner shall ensure that automated collection containers for waste and recycling used at a residential owner's property are filled so that:
- (a) the total weight of the container and its contents does not exceed sixty (60) kilograms; and
 - (b) the containers contain only residential waste or recyclable material.
- 5.8 An owner or resident shall:
- (a) set out automated collection containers and any additional waste out for collection no later than 7:00 a.m. on the day of collection; and
 - (b) set automated collection containers and any additional waste out for collection no earlier than 12 hours prior to 7:00 a.m. for collection the next day;



- (c) remove automated collection containers from the collection location within 12 hours of the collection time.

5.7 Unless an owner has written approval from the CAO to set an automated collection container for waste or recycling out for collection at a specific location, the owner shall ensure that an automated collection container filled with waste or recycling:

- (a) is located at least one (1) metre from any object on any side of the container;
- (b) has an overhead clearance above the top of the automated collection container of three (3) metres;
- (c) if intended for front street collection, is:
 - (i) located in front of the residential dwelling that generated the waste materials;
 - (ii) located on the street at the curb with the wheels of the cart against the curb; and
 - (iii) placed in an upright position with the lid closed and the front of the cart facing the street.
- (d) if intended for alley collection, is:
 - (i) located behind the building that generated the waste materials;
 - (ii) located adjacent to the alley on level ground and not on a step or raised platform of any kind; and
 - (iii) placed in an upright position with the lid closed and the front of the container facing the alley;
- (e) is not obstructing traffic in the street or alley.

6 RESIDENTIAL WASTE AND RECYCLING

- 6.1 Residential waste and recycling collection services are provided to all residential property dwelling units and condominiums unless the condominium contains more than two dwelling units.
- 6.2 Owners of residential property dwelling units with more than one self-contained suite must ensure there is a single waste storage location for the residential dwelling which is directly accessible from a street or alley.
- 6.3 An owner of a residential dwelling shall ensure that only automated collection containers provided by the Town of Nanton are used at their residential dwelling.
- 6.4 An owner must ensure that residential waste and recycling containers used at their property are filled so that:
 - (a) the cover of the container fits properly; and
 - (b) contents of the container can be easily removed from the container.
- 6.5 Excess additional waste or recycling that does not fit in a container, bagged, or unbagged, shall not be put out for collection.



- 6.6 No person shall:
- (a) tamper or interfere with any waste or recycling material set out for collection by the Town from a premises or any container or bin; and
 - (b) hinder or interfere with the Town, its employees, or agents in the exercise of powers and duties under this bylaw.
- 6.7 Waste shall be:
- (a) placed in an automated collection container (blue cart) for waste;
 - (b) Where residential waste material is placed in a receptacle other than the designated automated collection container, neither the receptacle nor its contents will be collected; and
 - (c) Waste shall be bagged prior to depositing in an automated collection container. No loose waste is to be placed in waste collection carts.
- 6.8 Recyclable material shall be:
- (a) placed in an automated collection container (blue cart) for recycling. Where residential recyclable material is placed in a receptacle other than the designated automated collection container, neither the receptacle nor its contents will be collected;
 - (b) Recyclable material accepted in an automated recycling container shall be deposited in the automated container **without** any sorting or bagging of materials, unless otherwise provided in this bylaw (i.e. plastic bags bagged within a bag);
 - (c) Residential recycling collection may be provided by the Town if an Extended Producer Responsibility (EPR) provided service is not active in the municipality; and
 - (d) Recyclable materials placed in a blue container shall conform to the material guidelines set out in Schedule "B" attached to this bylaw.

7. NON-RESIDENTIAL WASTE AND RECYCLING:

- 7.1 An apartment building, whether or not it is also a condominium, is considered commercial property for the purposes of this Bylaw.
- 7.2 The owner of commercial property must ensure waste generated at the property is set out in a commercial bin for collection from a reputable commercial waste handling provider.
- 7.3 The owner, operator or residents of non-residential property must ensure that non-residential recyclable material generated on a property is:
- (a) collected and stored separate from other waste; and
 - (b) taken to and deposited at a materials recovery facility or community recycling depot.
- 7.4 The owner of commercial property must ensure sufficient commercial bins or waste containers are available to hold and retain all waste from the property.



- 7.5 The owner of any non-residential property must ensure that:
- (a) the waste containers are located in a central place that allows direct vehicular access to the bins; and
 - (b) snow and ice does not accumulate near the waste containers such that vehicle access is impeded.

- 7.6 The owner, operator or residents of non-residential property shall ensure that all litter receptacles on the property are:
- (a) maintained in good condition;
 - (b) weighted or anchored so they cannot be inadvertently overturned;
 - (c) of suitable size and at sufficient locations to discourage litter; and
 - (d) emptied into a commercial bin, waste container, or plastic garbage bag when full.

8. COMMUNITY YARD WASTE AREA:

- 8.1 No person shall deposit or dispose of materials at a community yard waste area other than those materials described as permitted materials by signage located at the depot.
- 8.2 No person shall deposit materials of any kind at community yard waste area except in the locations, receptacles or bins provided.
- 8.3 No person shall tamper with, interfere with or damage a sign, receptacle or bin at a community yard waste area.
- 8.4 No person or commercial hauler who resides or is based beyond the municipal boundaries of the Town shall deposit or dispose of materials at a community yard waste area without written permission from the CAO or designate.
- 8.5 No person or commercial hauler shall deposit or dispose of materials that were collected outside of the municipal boundaries of the Town at a community yard waste area under any circumstances.
- 8.6 The CAO or designate has authority to reduce or amend the operating hours of a community yard waste area, including temporary closure, in response to:
- (a) non-compliant or illegal user activities;
 - (b) variations in seasonal weather that may extend or shorten the operating year; and
 - (c) operational requests from staff.

9. RESTRICTIONS ON WASTE:

- 9.1 The Town or its agents shall not remove the following from a property during collection:
- (a) Highly combustible or explosive materials including but not limited to liquid or solid fuels, gunpowder, ammunition, or explosives;



- (b) Hot Ashes which are not properly quenched and appear to be hot or likely to cause a fire;
- (c) Compressed propane or butane cylinders;
- (d) Toxic or household Hazardous Waste including solvents, oven cleaners, paints, automotive fluids, wet cell batteries, pesticides, herbicides, or any material commonly referred to as household, commercial, or industrial Hazardous Waste;
- (e) Biomedical Waste including hypodermic needles or syringes, lancets or any sharp item used in home medical care;
- (f) Large bulky items such as mattresses, box springs, dressers, tables, chairs, major appliances, auto and truck parts, tires, tree limbs, whole shrubs, or discarded heavy machinery;
- (g) Sheet iron, large pieces of scrap metal or machine parts;
- (h) Electronic equipment including televisions, computers, computer monitors, keyboards, and associated cables;
- (i) Renovation, construction, or demolition material;
- (j) Stumps, concrete blocks or slabs, soil, rocks, or aggregate;
- (k) Dead animals and animal parts from hunting or trapping;
- (l) Transient Waste;
- (m) Septic tank pumping, raw sewage, or industrial sludge;
- (n) Radioactive Waste;
- (o) Waste material which has not been placed for collection in accordance with the provision of this Bylaw; and
- (p) Liquid Waste or material that has attained a fluid consistency and has not been drained.

9.2 The following information sources shall be used with respect to rules regarding the proper disposal of certain waste:

- (a) Foothills Land Recovery and Resource Recovery Centre (foothillslrrc.com);
- (b) Safe disposal of prescription drugs (Canada.ca);
- (c) Canadian Centre for Occupational Health and Safety – Needlesticks and Sharps Injuries (ccohs.ca)

9.3 Yard waste, with the exception of bagged noxious weeds, is not to be placed in an automated collection container.



10. RATES AND FEES:

- 10.1 Council shall set rates for the following:
- (a) the waste management rate; and
 - (b) the recycling management program rate if applicable.
- 10.2 Where waste management services and recycling management program services are supplied by the Town, the owner of a residential dwelling shall pay to the Town a monthly charge as set out in the Town of Nanton Rates and Fees Bylaw.
- 10.3 In the event that Council determines that a cost recovery program is required for a community yard waste collection area, a user fee schedule shall be set out in the Town of Nanton Rates and Fees Bylaw.
- 10.4 Residents are permitted, upon request, to acquire one additional blue or black container at cost from the Town, rendering an additional monthly fee for collection.
- 10.5 Rates for waste management and the residential recycling management program will apply even where no material is set out for collection.
- 10.6 The CAO may establish fees for products and services provided with respect to the collection and disposal of waste including the maintenance, repair and replacement of Town-owned automated collection containers.

12. ENFORCEMENT AND PENALTIES:

- 12.1 Notwithstanding the provisions of this Bylaw, the CAO may suspend or discontinue the collection of waste or recyclable material if the owner of a residential dwelling or commercial property contravenes a provision of this Bylaw.
- 12.2 A person who fails to comply with or breaches any provision of this Bylaw is guilty of an offence.
- 12.3 If a Municipal Ticket is issued in respect of an offence, the Municipal Ticket will specify the fine amount listed in Schedule "A".
- 12.4 A person who is issued a Municipal Ticket in respect of an offence may pay the fine amount established by this Bylaw for the offence at the Town of Nanton Office and if the amount is paid on or before the required date, the person will not be prosecuted for the offence.
- 12.5 If a Violation Ticket is issued in respect of an offence, the Violation Ticket may:
- a. specify the fine amount established by this Bylaw for the offence; or
 - b. require a person to appear in court without the alternative of making a voluntary payment; and a person who enters a guilty plea or is found guilty of an offence is liable to a fine in an amount not less than that specified in this Bylaw and not exceeding \$8,000.00 and liable to imprisonment for not more than 6 months for non-payment of the fine.



12.6 Nothing in this Bylaw shall prevent an Enforcement Officer from immediately issuing a Violation Ticket for the mandatory Court appearance of any person who contravenes any provision of this Bylaw.

13. EFFECTIVE DATE AND READINGS

13.1 This bylaw comes into effect upon the date of final reading and signing thereof.

13.2 This bylaw repeals Bylaw #1293/17 and any amendments thereto.

13.3 Read a **first** time this ____ day of _____, 2024

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER

4.3 Read a **second** time this ____ day of _____, 2024.

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER

4.4 Read a **third** time this ____ day of _____, 2024.

TOWN OF NANTON



CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER

DRAFT



Schedule "A"
Specified Penalties

Section	Violation	First Violation	Second Violation	Third Violation
General Penalty	All Bylaw sections not specified in this schedule	\$50.00	\$100.00	\$200.00
5.7, 6.7	Improper use of collection container	\$100.00	\$150.00	\$200.00
9.1, 9.3	Setting out improper materials for waste collection	\$100.00	\$150.00	\$200.00
6.8	Setting out improper materials for recycling collection	\$100.00	\$150.00	\$200.00
6.1, 6.2, 6.3, 6.4, 6.5	Improperly located containers/ waste	\$100.00	\$150.00	\$200.00
6.6	Collection interference	\$100.00	\$150.00	\$200.00
8.1, 8.2	Non-compliant disposal at community yard waste collection area	\$100.00	\$200.00	\$300.00
8.4	Non-resident disposal at community yard waste collection area	\$250.00	\$500.00	\$1000.00
8.5	Yard waste from outside municipality disposed at community yard waste collection area	\$500.00	\$1000.00	\$1500.00



Schedule "B"

Recyclables



Yes. Put these recyclables loose into your blue cart.
See special instructions below for items such as **shredded paper** and **bundled plastic bags**.



Paper and cardboard

Containers such as jugs, bottles, cartons, cans and other rigid containers.



Containers made of glass – Food jars and bottles

Containers made of plastic
Labeled with recycling symbols 1-7.

Containers made of tin – Food cans and tin foil



Bundled stretchy plastic bags and cling wrap
Bundle all stretchy plastic bags, bubble wrap and cling wrap into a single plastic bag and securely tie closed.
Why? Loose bags get stuck in the sorting machines. They need to be bagged together so the workers can sort them properly.

Shredded paper
Place shredded paper in a see-through plastic bag and tie closed.



No. Keep these items OUT of your blue cart.
Keep our workers and equipment safe by leaving these items out of your recycling. They can injure a worker, damage equipment, cause a fire at the recycling facility or spoil the quality of good recyclables.



No household hazardous waste
If an item has a hazard symbol, then it must be taken to a Household Hazardous Waste Drop-off, even if it's empty. Find locations at calgary.ca/hhw



No bagged recyclables
Except for a bag that contains shredded paper, or a bag that contains other plastic bags, bubble wrap and plastic wrap.



No household items



No foam containers or foam packaging
(even if it has a recycling symbol)



No electronics
For recycling drop-off locations visit calgary.ca/electronics



No needles or syringes



No batteries



No shoes, clothing, toys or sporting goods

If in doubt, check it out.
Go to calgary.ca/whatgoeswhere to find out where it can be composted, recycled or safely disposed.





REQUEST FOR DECISION

Meeting: July 15, 2024

Agenda Item: 5.4

29 Ave Waterline Repair

PURPOSE:

To address and rectify significant water leakage issues along 29th Avenue, especially in the north section where initial work has been completed, finance has identified cost savings in the budget. These savings enable the project to proceed within this fiscal year, ahead of the scheduled road resurfacing.

BACKGROUND / IMPLICATIONS:

For the past several years, a Westview resident located near the intersection of 29th Ave and 20th Street has been reporting consistent basement sump pump activity. Investigation in the area revealed water infiltration into the sanitary manhole located in this intersection, indicating high levels of groundwater. Utilities staff provided a temporary resolution for this resident by drilling holes in the side of the manhole and allowing some of the built-up water in the intersection to be released into the sanitary collection system. Subsequent testing of the water for residual chlorine confirmed that the source of this water was from leaks in the surrounding water distribution system.

In 2024, service line repair work began on the northernmost section of 29th Avenue, where four substantial leaks were discovered and repaired. These repairs resulted in decreased potable water production of approximately 80 m³/day. At the manhole intersection, chlorinated water infiltration has noticeably decreased however is still persistent, indicating the likely presence of additional leaks nearby. The copper service lines removed during the repairs showed advanced stages of corrosion and pitting (see attached photos), and this type of line was used throughout this area.

Given that the asphalt within the work areas has already been disturbed, it is financially prudent to proceed with excavating and repairing the entire line in this section of 29th Avenue. The repair work will be conducted in two phases: beginning with the north section where excavation was already completed. If significant water flow continues at the manhole sites, budget allocation for repairs in the south section will also be considered.

The initial estimate for repairs/replacement of the north section of 29th avenue is \$230,000. We are working to obtain a second estimate to ensure the pricing is reasonable. This is a significant unplanned budget item but within the capital budget there are two projects that can be delayed that amount to \$200,000 – the Silver Willow Lodge curb project (\$150K) and replacement of valves (\$50K). It can be argued the work to repair potential leaks on 29th avenue is more important and so re-allocating these capital dollars to that is a good option. The other option would be to pull money from reserves. In further review of the capital budget and year to date spending we are also confident that an additional 15,000-20,000 will be available from underspends on other capital projects meaning there may only be a need to pull a little bit from reserves to make things work and worst-case scenario, if there are no underspends we are only pulling approximately \$30,000 from reserves instead of over \$200K. In terms of paving and the budget for that in 2025 we have only received one estimate so far and that was approximately \$300K – this is quite high, but the contractor advised that there are many unknowns such as the base layer. We will work to obtain more estimates when the time comes.

The cause of such severe deterioration in this line segment has not yet been determined. Public works will investigate several potential causes during the excavation process. However, there is no recourse to recover costs from the original installation if substandard workmanship or materials are found to be contributing factors.

The water service line replacement work will take approximately 7-10 days, which will result in limited passage and possible temporary detours for residents. All residents will still be able to access their homes however due to the presence of back lanes for all properties. The work could happen as early as September when contractors become available. Additionally, the road will need to be resurfaced in 2025, with a period of substandard conditions and likely during the winter. This is not ideal however due to the short season and budget constraints it at this time cannot be avoided. Some residential properties will require disturbance to their yards, shrubs, and sidewalks. Public works will work with with communications to inform residents beforehand through a letter. Furthermore, they will coordinate with finance to assess costs for repairing or mitigating these disturbances. While not all disruptions can be fully restored to their original state, every effort will be made to minimize inconvenience.

ADMINISTRATIVE RECOMMENDATION:

To proceed with the service line replacements on 29th Avenue north of 20th street in 2024 by re-allocating capital dollars and utilizing engineered infrastructure reserve dollars for the difference and budget for paving in 2025.

DECISION OPTIONS:

- #1 – To proceed with line replacement in 2024 on the north leg and budget for paving in 2025
- #2 – To proceed with line replacement with changes:
- #3 – To not proceed at this time.

ALTERNATIVES:

- REFER to (Administration or Committee) _____
- DEFER the matter to the Council meeting of (date) _____

Financial (GL# / Amount) :

Communications/PR:

Applicable Legislation:

Attachments:

Prepared By: Administration

Date: July 11, 2024

APPROVED BY: Neil Smith, Chief Administrative Officer:



NANTON STRATEGIC PLAN ALIGNMENT			
<input checked="" type="checkbox"/>	OPERATIONS	<input type="checkbox"/>	EMERGENCY SERVICES
<input type="checkbox"/>	PLANNING & DEVELOPMENT	<input checked="" type="checkbox"/>	COMMUNITY & ECONOMIC DEVELOPMENT
<input type="checkbox"/>	GOVERNANCE & CORPORATE SERVICES	<input type="checkbox"/>	NOT APPLICABLE
PRIORITY OR ACTION:			

The photos below show the corrosion on the copper lines, they got bent as they were being pulled out and hauled away. The pitting is hard to see, and any spots on the lines that had major pitting or degradation usually ended up splitting as it was being pulled through and removed.







REQUEST FOR DECISION

Meeting: July 15, 2024
Agenda Item:

Atco Franchise Agreement

Introduction/Background:

As council is aware, the Town has a franchise agreement in place with Atco Gas and Pipelines Ltd. Essentially the agreement outlines that the Municipality grants Atco Gas exclusive rights to provide natural gas distribution services, construct, operate, and maintain the natural gas distribution system within designated areas, using necessary public lands and rights-of-way. The Municipality agrees not to grant these rights to any other entity during the term, provided Atco Gas meets consumer needs. Atco must fulfill responsibilities including system maintenance, adherence to tariffs, and ensuring minimal disruption to public property.

A franchise fee, calculated as a percentage of the Company's revenue from service delivery, will be collected from consumers and paid to the Municipality, subject to adjustments and regulatory approvals. The agreement also covers core and extra services, municipal taxes, and conditions for terminating the contract or transferring system ownership. Furthermore, it outlines protocols for construction, maintenance, and emergency repairs, ensuring collaboration with the Municipality to minimize public disruption and damage.

The current agreement was put into place in October 2005 for a 20-year term. Although we are a little over a year from its expiry Atco has reached out to the Town to begin the renewal process. Attached is an outline of the steps involved and Atco has recently met with administration to provide a number of documents.

At this point, administration is on step 2 and is requesting a decision from council on the following:

- Filling of the form of application – a simple application which shows council has reviewed documents and is applying for a new agreement with the AUC. Administration has no concerns with this and recommends filing the application.
- Length of term – the previous agreement was for twenty years, and administration would again recommend another twenty-year term. We feel there is no benefit or risk to going with a 10-year term.
- Franchise fee – for now administration would recommend keeping the fee at the current 19%. In the fall we always review this and compare to the provincial average and can then make changes then if necessary.
- Property taxes – per the current agreement the Town also collect property taxes on Atco infrastructure and administration would not recommend changing this.
- The draft agreement is attached (along with the existing) and there really are no major changes – the template has changed slightly but the intent of the agreement hasn't changed. Admin has reviewed and does not have any objections or recommendations for any changes.
- A bylaw has been prepared and is attached. The bylaw simply authorizes the Mayor and the administrator to execute the agreement. Administration would recommend that the bylaw be given first reading.

After these steps are taken there are some advertising requirements, Atco will then apply to the AUC for approval, the final agreement will be prepared, and then second & third reading of the bylaw can take place. Overall, the entire process should take two to three months meaning a new agreement would be in place sometime this fall.

Also attached is historic information relating to franchise fees collected over the past five years. If council is agreeable to the above noted items and passes first reading of the bylaw administration will provide Atco with the required documents and we will move on to next steps.

DECISION OPTIONS:

#1 – Approve administration’s recommendations.

#2 – Approve with amendments

ALTERNATIVES:

- REFER to (Administration or Committee) _____
- DEFER the matter to the Council meeting of (date) _____

Financial (GL# / Amount) : _____

Communications/PR:

Applicable Legislation:

Attachments: Atco Gas Franchise Fee renewal process
Form of application
Current Atco Franchise agreement
Draft Atco Franchise agreement
Bylaw No.
Historical data

Prepared By: Clayton Gillespie, Corporate Services Manager

Date:

APPROVED BY:



**Process for Renewal of a Natural Gas Franchise Agreement
Pursuant to the Municipal Government Act & Alberta Utilities Commission (AUC) Regulations**

Representatives of ATCO Gas and Pipelines Ltd. (ATCO) and the municipality will meet to discuss terms of the franchise agreement renewal. Once the terms have been discussed and agreed upon to the satisfaction of both the municipality and ATCO, the following events will then occur:

Step	Action/Event	Responsibility
1	<p><u>Preliminary Documents Sent to Municipality</u></p> <p>ATCO will provide your municipality with:</p> <ul style="list-style-type: none"> • A copy of your current/expiring natural gas distribution franchise agreement. • A draft of the proposed renewal agreement. (The AUMA AUC approved template agreement is used & is the same for all municipalities.) • A chart outlining historic franchise fee information & forecasts for the coming year. • This process document outlining the steps your municipality and ATCO must take to renew the agreement. 	ATCO
2	<p><u>Municipality Reviews Preliminary Documents</u></p> <p>The municipality will:</p> <ul style="list-style-type: none"> • Fill out the <i>Form of Application</i> found at the end of this process document • Review the draft renewal franchise agreement: <ol style="list-style-type: none"> 1. Decide on the length of agreement term (10 - 20 years) 2. Decide on a franchise fee % and write it in the blank in Clause 5 3. Decide if property tax will be levied (Clause 8 "Municipal Taxes" to be struck out if no property tax) 4. Confirm the municipality's contact details (Clause 21) 5. Provide the names & titles of two the municipal representatives who will be signing the agreement (Signature Page) 6. Initial each page of the draft agreement to indicate that your municipality has reviewed the content of the agreement 7. DO NOT SIGN THE AGREEMENT at this time. (An updated version will be provided later for execution, as per step thirteen below.) 	Municipality
Timeline: Steps 3-9 should be completed within one month of the completion of Step 2		
3	<p><u>Bylaw 1st Reading</u></p> <p>A bylaw authorizing the mayor and administrator to execute the agreement with ATCO renewing the franchise must be given first reading in municipal council. (See bylaw example included at the end of this document.)</p>	Municipality

Step	Action/Event	Responsibility
4	<p><u>Bylaw Certification</u></p> <p>Two (2) copies of the bylaw are to be certified by the mayor and administrator as having received first reading.</p> <p>One copy of this certified bylaw will be sent to ATCO in step five below.</p>	Municipality
5	<p><u>Municipality Returns Preliminary Documents to ATCO</u></p> <p>A package consisting of one (1) copy of each of the following documents must be sent by the municipality to ATCO:</p> <ol style="list-style-type: none"> 1. Initialed & marked-up copy of the draft natural gas distribution franchise agreement (if not already sent back in step two above) 2. Certified bylaw (first reading only) 3. Completed and signed <i>Form of Application</i> (found at the end of this document) <p>Kindly scan and emailed these documents to your local ATCO contact with cc to: FranchiseCoordinatorGas@atco.com</p> <p>A copy of each document should be retained for your municipality's records.</p>	Municipality
6	<p><u>Drafting of Notice of Application Template</u></p> <p>Using the information provided by the municipality in step five above, ATCO will prepare a notice that the municipality must publish in their local print newspaper.</p> <p>Alberta Utilities Commission (AUC) Rule 029 requires that an advertisement (called a "<i>Notice of Application</i>") advising customers of the intent to renew the franchise agreement with ATCO and the costs to customers be published in the print newspaper with the widest circulation in the municipality. Customers then have 14 days to express any written objections, concerns or support for the proposed franchise agreement renewal.</p>	ATCO

Step	Action/Event	Responsibility
7	<p><u>Publish the <i>Notice of Application</i></u></p> <p>ATCO will provide the <i>Notice of Application</i> to the municipality. The municipality must then publish this notice in the local print newspaper with the widest circulation.</p> <p>Use exactly what ATCO sends you, fill in the highlighted fields as instructed, and do not make any other changes. The Alberta Utilities Commission (AUC) requires that a specific template be used without modifications. If an alternate template is used, the AUC may insist that the ad be re-published, resulting in additional cost to your municipality and time lost in the franchise agreement renewal process.</p> <p>The cost of publishing the <i>Notice of Application</i> advertisement is the responsibility of the municipality.</p> <p>Note about digital advertising:</p> <p>At present, AUC regulations do not allow for the <i>Notice of Application</i> to be published solely on the internet or in social media instead of in a print newspaper. The municipality may, however, publish it on the internet or in social media <i>in addition to</i> publication in a print newspaper.</p>	Municipality
8	<p><u>Take a Photo of the Notice in the Newspaper & Send to ATCO</u></p> <p>On the day the <i>Notice of Application</i> appears in your local print newspaper, take a photo of the page that the notice appears on & send the photo to ATCO. A digital scan of the page will also suffice.</p> <p><u>This photo or scan must clearly show the <i>Notice of Application</i>, the name of newspaper, and the date of publication.</u> Text must be legible.</p> <p>This photo (or scan) is submitted to the AUC as part of the renewal application, to prove that the ad was published and that the public was notified.</p>	Municipality
9	<p><u>Wait 14 Days, Report Comments from Public to ATCO</u></p> <p>The public has fourteen days to express any objections, concerns, or support regarding the renewal, the rates, or the financial impact on them. The public may send their expressions of concern or support to your municipality, to ATCO, or to the AUC.</p> <p>If you receive any written objections, expressions of concerns, or support, send copies of them to ATCO. If you receive verbal/telephone comments, please make note of the person's name, the date, and the gist of the conversation, and send to ATCO. These comments are included in the application to the AUC but do not usually hold up the renewal process.</p> <p>If no comments were received, then a short email to ATCO saying so is sufficient.</p>	Municipality

Step	Action/Event	Responsibility
Timeline: Steps 10-12 are usually completed within one month of the completion of Step 9		
10	<p><u>Apply to AUC for Approval of Renewal Franchise Agreement & Franchise Fee Rate</u></p> <p>Upon receipt from the municipality of the information listed in steps five, eight and nine above, ATCO will use the information to prepare and file an application with the Alberta Utilities Commission (AUC) to have the franchise agreement renewal approved.</p>	ATCO
11	<p><u>AUC Hearing (rare)</u></p> <p>The Alberta Utilities Commission (AUC) may require a hearing in response to objections, concerns or support expressed by residents/customers who saw the <i>Notice of Application</i> published in step seven above.</p> <p>This is rare.</p> <p>If there is a hearing, the municipality may wish to have ATCO appear on its behalf. In this case, the municipality should advise the AUC and ATCO. Instructions will be received from the AUC in this regard.</p>	<p>AUC</p> <p>Municipality / ATCO</p>
12	<p><u>AUC Decision</u></p> <p>The Alberta Utilities Commission (AUC) will render its decision on the application to renew the franchise agreement and, upon approval of the application, will issue a disposition.</p> <p>ATCO will provide a copy of the disposition to the municipality. (The municipality may use the disposition for the second and third readings of the relevant bylaw.)</p>	<p>AUC</p> <p>ATCO</p>
Timeline: Steps 13-16 should be completed within one month of the completion of Step 12		
13	<p><u>Prepare Contract for Execution</u></p> <p>ATCO will prepare a final version of the franchise agreement for signature.</p> <p>At the municipality's preference, ATCO will either:</p> <ul style="list-style-type: none"> A. Hand deliver to the municipality two (2) paper copies of the natural gas distribution franchise agreement, duly executed by ATCO, for execution by the municipality, or B. Arrange for the municipality to execute the agreement digitally via Adobe Sign. 	ATCO
14	<p><u>Bylaw 2nd & 3rd Reading</u></p> <p>The municipality must give second and third readings to the relevant bylaw.</p>	Municipality

Step	Action/Event	Responsibility
15	<p><u>Contract Execution</u></p> <p>The municipality must execute the natural gas distribution franchise agreement.</p>	Municipality
16	<p><u>Send Bylaw & Contract to ATCO</u></p> <p>One (1) copy of the fully executed agreement and one (1) certified copy of the completed bylaw (second and third readings) must be scanned and emailed back to your ATCO contact and FranchiseCoordinatorGas@atco.com.</p>	Municipality
17	<p><u>Contract Effective Date</u></p> <p>Once fully executed, the new franchise agreement will take effect on the later of:</p> <ul style="list-style-type: none"> (1) The date written into the agreement in clause 2 a) i; or (2) The 1st day of the month after: <ul style="list-style-type: none"> a. the AUC has approved the agreement, and b. your municipality has passed third reading of the relevant bylaw and provided ATCO written evidence of the same on or before the twentieth (20th) day of the month, and c. your municipality has provided ATCO a copy of the fully executed agreement on or before the twentieth (20th) day of the month. 	

IMPORTANT: Kindly ensure you send all the documentation as requested in each step. Regardless of the intended start date of the new contract, ATCO cannot implement the new franchise agreement in the billing system until all these steps are complete and *all* documentation is received by ATCO.

Bylaw No. _____

A bylaw of the _____ (the Municipality) to authorize the Mayor and Administrator to execute an agreement with ATCO Gas and Pipelines Ltd. (the Company) to renew an agreement with and to confer a franchise on the Company to deliver natural gas to customers within the Municipality.

WHEREAS the Company has requested a franchise be granted to provide natural gas services to customers within the Municipality;

AND WHEREAS it is deemed that such an agreement would be of benefit to customers within the Municipality;

THEREFORE under the authority of the Municipal Government Act, R.S.A. 2000, Chapter M-26, Part 3, Division 3, Section 45 - 47 be it enacted that the Mayor and Administrator be authorized to sign the agreement which is attached to and forming part of this bylaw and marked as Schedule "A" between the Municipality and the Company to renew an agreement with and to confer a franchise on the Company to deliver natural gas services within the Municipality;

This bylaw shall come into force upon the agreement being approved by the Alberta Utilities Commission for the Province of Alberta, and upon being given Third reading and finally passed.

READ a First time this _____ day
of _____ 2024

Mayor

Administrator

READ a Second time this _____ day
of _____ 2024

Mayor

Administrator

READ a Third time and finally
passed this _____ day

Mayor

of _____ 2024

Administrator

FORM OF APPLICATION

Alberta Utilities Commission
10 Fl, 10055-106 Street
Edmonton, Alberta,
T5J 2Y2

RE: RENEWAL OF A NATURAL GAS FRANCHISE AGREEMENT

The Council of the _____ (the Municipality) hereby applies to the Alberta Utilities Commission for approval to renew a natural gas franchise agreement between the Municipality and ATCO Gas and Pipelines Ltd.

Enclosed herewith is a copy of bylaw No. _____ read the first time on the ____ day of _____, 2024.

The Council hereby declares:

- a) That the privilege or franchise granted under the natural gas franchise renewal agreement is necessary and proper for the public convenience and properly conserves the public interests.
- b) That the scheme of ATCO Gas and Pipelines Ltd. for the delivery of natural gas under the provisions of the natural gas franchise renewal agreement is reasonable and sufficient having regard to the general circumstances.
- c) That with respect to the delivery of natural gas to the Municipality the natural gas utility has provided the construction, equipment, maintenance, service or operation as the public convenience and interests reasonably require.
- d) That having regard to the deliverability of natural gas in the area in which the Municipality is situated and to any other circumstances, the granting of the franchise or privilege in the natural gas franchise renewal agreement is to the general benefit of the area directly or indirectly affected thereby.
- e) That the natural gas supplier has fully discussed all proposed changes to the natural gas franchise agreement with the Council and the Council understands the reasons for this renewal and is in agreement with them.
- f) That the rights conferred by the Municipality in the Agreement are not exclusive as against His Majesty the King in the Right of the Province of Alberta.

Additionally, the Municipality hereby consents to the matter being determined without a hearing if no objections are filed with the Albert Utilities Commission following published notice of the pending renewal agreement.

For the purposes of advertising notice, _____ is the newspaper with the largest circulation within the Municipality.

DATED THIS _____ DAY OF _____, 2024

SIGNED:

MAYOR

ADMINISTRATOR

NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

TOWN OF NANTON

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Schedule "A"

Schedule "B"

NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

THIS AGREEMENT made effective the 3 day of October, 2005.

BETWEEN:

TOWN OF NANTON, a Municipal Corporation in the Province of Alberta (the "**Municipality**")

OF THE FIRST PART

- and -

ATCO GAS AND PIPELINES LTD., a corporation having its head office at the City of Edmonton, in the Province of Alberta (the "**Company**")

OF THE SECOND PART

WHEREAS by Agreement dated January 24, 1912 made between the Company and the Municipality a franchise was granted to the Company to supply natural gas to the Municipality and its inhabitants;

WHEREAS by Amending Agreement dated September 22, 1975 the Agreement amended;

WHEREAS the Municipality desires to grant and the Company desires to obtain an exclusive franchise to provide gas distribution services within the Municipal Area on the terms and conditions herein contained;

NOW THEREFORE in consideration of the mutual covenants and promises herein contained, the parties hereby agree as follows:

1) DEFINITIONS

Unless otherwise expressly provided in this Agreement, the words, phrases and expressions in this Agreement shall have the meanings attributed to them as follows:

- a) **“Act”** means the *Gas Utilities Act* (Alberta) as amended;
- b) **“Board”** means the Alberta Energy and Utilities Board as established under the *Alberta Energy and Utilities Board Act* (Alberta), as amended;
- c) **“Company”** means the party of the second part to this Agreement and includes its successors and permitted assigns;
- d) **“Construct”** means and includes establish, construct, reconstruct, upgrade or extend any part of the existing Gas Distribution System or proposed Gas Distribution System;
- e) **“Consumer”** means any individual, group of individuals, firm or body corporate, including the Municipality, with premises or facilities within the Municipal Area that is provided with Gas Distribution Service by the Company;
- f) **“Core Services”** means all those services set forth in Schedule “A”;
- g) **“Delivery Tariff”** means the tariff prepared by the Company as revised or amended from time to time and approved by the Board on an interim or final basis, as the case may be, approving and authorizing the Company to provide the service of the delivery of natural gas to the Consumer;
- h) **“Extra Services”** means those services set forth in Schedule “B” that are requested by the Municipality on behalf of its citizens and provided by the Company in accordance with Article 6;
- i) **“Gas Distribution Service”** means the delivery of natural gas in accordance with the Company’s Delivery Tariff;
- j) **“Gas Distribution System”** means any facilities owned by the Company to provide Gas Distribution Service within the Municipal Area, and without limiting the generality of the foregoing, shall include all mains, pipes, conduits, valves and all other installations used and required for the purpose of delivering natural gas to the Consumer within the Municipal Area and includes any natural gas transmission lines owned by the Company within the Municipal Area;

- k) **“Maintain”** means to maintain, keep in good repair or overhaul any part of the Gas Distribution System;
- l) **“Municipality”** means the party of the first part to this Agreement;
- m) **“Municipal Area”** means the area within the municipal boundaries of the Municipality, as at the date of this Agreement, and as it may be otherwise increased herein;
- n) **“Municipal Property”** means all property, including lands and buildings, owned, controlled or managed by the Municipality within the Municipal Area;
- o) **“Operate”** means to operate, interrupt or restore any part of the Gas Distribution System in a safe and reliable manner;
- p) **“Term”** means the term of this Agreement set out in Article 2;
- q) **“Terms and Conditions”** means the terms and conditions contained within the Delivery Tariff;
- r) **“Work”** means any work to Construct or Maintain the Gas Distribution System.

2) **TERM**

- a) This Agreement shall be for a term of 20 years, commencing on the first day after both the Board has approved this agreement and Council of the Municipality has passed third reading of the adopting bylaw 1156/04, whichever day comes later.
- b) It is agreed that this Agreement supercedes and replaces any prior gas franchise agreements between the Municipality and the Company.
- c) Unless otherwise agreed in writing between the parties, during the first year following the expiration of the Term, all the rights and obligations of the parties under this Agreement shall continue to be in effect.
- d) Provided the Company gives written notice to the Municipality not less than twelve (12) months prior to the expiration of the Term of its intention to negotiate a new franchise agreement, at any time following the expiration of the Term, and if the Municipality has not provided notice to the Company to exercise its rights to purchase the Gas Distribution System, either party may submit any items in dispute pertaining to a new franchise agreement to binding arbitration by the Board.

- e) Commencing one year following the expiration of the Term, unless either party has invoked the right to arbitration referred to in sub-paragraph (d) above, or the Municipality has given notice to purchase the Gas Distribution System, this Agreement shall continue in effect but shall be amended to provide the following:
- (i) Fifty (50%) percent of the franchise fee otherwise payable under this Agreement to the Municipality shall be held back and in trust in an interest bearing trust account by the Company, for the sole benefit of the Municipality. The trust money along with all accumulated interest shall be paid to the Municipality immediately upon execution of another Gas Franchise Agreement with the Company, or if the Municipality purchases the Gas Distribution System, or if the Company transfers or sells the Gas Distribution System, or upon further Order of the Board.

3) **GRANT OF FRANCHISE**

- a) Subject to the terms and conditions hereof, the Municipality hereby grants to the Company the exclusive right within the Municipal Area to Construct, Operate, and Maintain the Gas Distribution System together with the exclusive right to use portions of roads, rights-of-way, and other lands owned, controlled or managed by the Municipality which have been designated by the Municipality for such use and which are necessary to Construct, Operate and Maintain the Gas Distribution System.

Subject to the terms hereof, the Municipality agrees that it will not, during the Term, grant to any other person, firm or corporation, the right to Construct, Operate and Maintain any gas distribution system nor the exclusive right to use the portions of the roads, rights-of-way and other lands owned, controlled or managed by the Municipality which have been designated by the Municipality for such use and which are necessary to Construct, Operate and Maintain a gas distribution system, for the purpose of delivering natural gas in the Municipal Area for Consumers, so long as the Company delivers to the Municipality and the Consumers their requirements of natural gas.

- b) The Company agrees to:
- i) bear the full responsibility of an owner of a natural gas distribution system and to ensure all services provided pursuant to this Agreement are in accordance with the Delivery Tariff, insofar as applicable;
- ii) Construct, Operate and Maintain the Gas Distribution System;

- iii) use designated portions of roads, rights-of-way, and other lands including other lands owned, controlled or managed by the Municipality necessary to Construct, Operate and Maintain the Gas Distribution System, including the necessary removal, trimming of trees, shrubs or bushes or any parts thereof; and
- iv) use the Municipality's roads, rights-of-way and other Municipal Property granted hereunder solely for the purpose of providing Gas Distribution Service and any other service contemplated by this Agreement.

4) **FRANCHISE FEE**

a) **Calculation of Franchise Fee**

In consideration of the exclusive grant of franchise, the ability to use Municipal rights-of-way, and the mutual covenants herein, the Company agrees to pay to the Municipality a franchise fee. The parties agree that s. 360(4) of the *Municipal Government Act* RSA 2000 c. M-26, as amended, does not apply to the calculation of the franchise fee in this Agreement. For each calendar year the franchise fee will be calculated as a percentage of the Company's actual total revenue derived from the Delivery Tariff, including without limitation the fixed charge, base energy charge, demand charge but excluding the cost of gas (being the calculated revenues from the gas cost recovery rate rider or the deemed cost of gas and revenues from gas related riders, for clarity Method A in the Company's Rider A as approved by the Board from time to time) in that year for Gas Distribution Service within the Municipal Area. For the first calendar year or portion thereof of the Term of this Agreement, the franchise fee percentage shall be thirteen (13.00) percent.

By no later than September 1 of each year, the Company shall: (i) advise the Municipality in writing of the total revenues that were derived from the Delivery Tariff within the Municipal Area for the prior calendar year; and (ii) with the Municipality's assistance, provide in writing an estimate of total revenues to be derived from the Delivery Tariff within the Municipal Area for the next calendar year.

By no later than November 15 of each year, the Municipality shall advise the Company in writing of the franchise fee percentage to be charged for the following year. Failing which notification, the franchise fee percentage shall remain unchanged.

b) **Franchise Fee Cap**

The franchise fee percentage shall not at any time exceed thirty five (35%) percent, unless there has been prior Board approval.

c) **Notice to Change Franchise Fee**

Prior to implementing any change to the franchise fee, the Municipality shall notify its intent to change the level of the franchise fee and the resulting effect that such change will have on an average residential customer's annual gas bill through publication of a notice once in the newspaper that has the widest circulation in the Municipal Area at least 45 days prior to implementing the revised franchise fee. A copy of the notice shall be filed with the Board.

d) **Payment of Franchise Fee**

Immediately upon the Municipality passing third reading of the applicable by-law approving this Agreement, the Company shall pay the franchise fee amount, billed to each Consumer, to the Municipality on a monthly basis within forty-five (45) days after billing for each Consumer.

e) **Reporting Considerations**

The Company shall provide to the Municipality along with payment of the franchise fee amount, the information containing total Delivery Tariff billed, the franchise fee percentage applied, the derived franchise fee amount, used by the Company to verify the payment of the franchise fee amount.

5) **CORE SERVICES**

The Company agrees to provide those Core Services to the Municipality as set forth in Schedule "A" and further agrees to the process contained in Schedule "A".

6) **PROVISION OF EXTRA SERVICES**

Subject to an agreement being reached, the Company agrees to provide to the Municipality those Extra Services, if any, as set forth in Schedule "B", as requested by the Municipality from time to time. The Company is entitled to receive from the Municipality a reasonable amount for full compensation for the provision of those Extra Services in accordance with Schedule "B".

Any breach by the Company for failing to provide any Extra Services contained in this Agreement shall not constitute a breach of a material provision of this Agreement for the purposes of Article 8.

7) **MUNICIPAL TAXES**

Amounts payable to the Municipality pursuant to the terms and conditions hereof shall be (without duplication) in addition to the municipal taxes and other levies or charges made by the Municipality against the Company, its land and buildings, linear property, machinery and equipment.

8) **RIGHT TO TERMINATE ON DEFAULT**

In the event either party breaches any material provision of this Agreement, the other party may, at its option, provide written notice to the party in breach to remedy such breach. If the said breach is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required by the party in breach using best efforts on a commercially reasonable basis to remedy the breach, the party not in breach may give six (6) months notice in writing of the termination of this Agreement to the other party, and unless such breach is remedied to the satisfaction of the party not in breach acting reasonably this Agreement shall terminate subject to prior Board approval.

9) **SALE OF GAS DISTRIBUTION SYSTEM**

Upon the expiration of the Term of this Agreement, or the termination of this Agreement pursuant to the terms and conditions hereof or by operation of law or order of a governmental authority or court of law having jurisdiction, the Municipality may, subject to the approval of the Board, (i) exercise its right to require the Company to sell to it the Gas Distribution System pursuant to the provisions of the Municipal Government Act (Alberta), as may be amended, where applicable, or (ii) if such right to require the Company to sell the Gas Distribution System is either not applicable or has been repealed, require the Company to sell to it the Gas Distribution System. If, upon the expiration of the Agreement, the parties are unable to agree on the price or on any other terms and conditions of the purchase, the unresolved matters shall be referred to the Board for determination.

10) **PROVISION OF DETAILED PLANS AND EQUIPMENT**

a) **Detailed Plans**

The Company agrees to provide to the Municipality for the Municipality's purposes only, the most current set of detailed plan sheets including as-built drawings and specifications showing the locations (excluding depth) and alignments of the Gas Distribution System, excepting service lines and installations on private property, according to the plan sheets in hard copy and in the Company's electronic form, together with as many prints of the overall Gas Distribution System as the Municipality may reasonably require. These plans and plan sheets shall be updated by the Company on at least an annual basis.

The Municipality shall upon reasonable request, provide to the Company any subdivision development plans of the Municipality in hard copy and in the Municipality's electronic form where available. The subdivision development plans are provided to the Company for the sole purpose of assisting the Company in delivering natural gas to the Consumer.

b) **Provision of Equipment**

The Company agrees to provide the Municipality's fire department with the equipment necessary for the operation of curb boxes and service valves so that in case of fire, the service valves may be turned off by the fire department if they reach a fire before the Company's representative. The Municipality will notify one of the Company's representatives of fires which may affect the Gas Distribution System and /or the operations as quickly as reasonably possible, or, in the event that they cannot reach a Company representative, the Municipality will advise the Company's standby personnel of such fires. The Company shall ensure that its representatives reasonably cooperate with the Municipality in preventing, controlling and investigating fires involving or affecting the Gas Distribution System.

11) **RIGHT OF FIRST REFUSAL TO PURCHASE**

- a) If during the Term of this Agreement, the Company receives a *bona fide* offer to operate, take control of the entire Gas Distribution System or purchase the Gas Distribution System within the Municipal Area, which the Company is willing to accept, then the Company shall promptly give written notice to the Municipality of the terms and conditions of such offer and the Municipality shall during the next one hundred and twenty (120) days, have the right of first refusal to operate, take control of or purchase that part of the Gas Distribution System, as the case may be, for the same price and upon the terms and conditions contained in the said offer. Notwithstanding the foregoing, in the event that the Municipality fails or refuses to exercise its right of first refusal, the Municipality shall retain the right to withhold its consent to an assignment of this Agreement in accordance with paragraph 18 below. For the purposes of this paragraph 11, "operate, take control" shall not be construed as including the subcontracting by the Company of only some portions of its operations where the Company continues to be responsible for the performance of this entire Agreement;
- b) If the Municipality does not exercise its right of first refusal and the said *bona fide* offer that the Company is willing to accept does not proceed to closure, the Municipality retains its right of first refusal on any other offer.

- c) This right of first refusal only applies where the offer pertains to the entire Gas Distribution System and the right of first refusal does not apply to offers that include any other distribution systems or distribution facilities of the Company located outside of the Municipal Area. If such offer includes other distribution systems of the Company, the aforesaid right of first refusal shall be of no force and effect and shall not apply.
- d) Where the Municipality exercises its rights to purchase the Gas Distribution System from the Company and thereby acquires the Gas Distribution System, the Municipality agrees that should it no longer wish to own the Gas Distribution System within five (5) years after it acquires the said system and the Municipality receives any *bona fide* offer from an arms length third party to purchase the Gas Distribution System, which it is willing to accept, then it shall promptly give notice to the Company of the terms and conditions of such offer. The Company shall during the next one hundred and twenty (120) days have the first right of refusal to purchase the Gas Distribution System for the same price and upon the same terms and conditions as contained in the said offer, providing the offer is equal to or greater than the terms of the original purchase by the Municipality from the Company (taking into account the depreciation of the Gas Distribution System at the time of the offer).
- e) The Municipality's right of first refusal shall not apply where the Company has agreed to transfer the entire Gas Distribution System to a third party utility company in exchange for certain other assets provided all of the following conditions are met:
 - (i) the third party utility can demonstrate to the satisfaction of the Municipality that it meets the necessary technical and financial requirements to own and operate the Gas Distribution System;
 - (ii) the only consideration that shall be exchanged between the Company and the third party utility company is the transfer and exchange of assets and monetary consideration limited to a maximum of 49% of the net book value of the Gas Distribution System;
 - (iii) there is no adverse impact to the Municipality resulting from the transfer and exchange above referenced as determined by the Board;
 - (iv) the Company and the third party utility company obtain all the requisite regulatory requirements prior to completing the exchange; and
 - (v) full compensation is paid to the Municipality for all costs including administrative and legal costs incurred by the Municipality in ensuring all of the conditions (i) through (iv) above are satisfied.

12) **CONSTRUCTION/MAINTENANCE OF GAS DISTRIBUTION SYSTEM**

a) **Municipal Approval**

Before undertaking any Work, or in any case in which the Municipality specifically requests the same, the Company will submit to and obtain the approval from the Municipality, or its authorized officers, of the plans, and the specifications when available for the proposed Work and its location. Approval by the Municipality granted in accordance with this paragraph shall be limited to an approval of the location and alignment of the Work only, and shall not signify approval of the structural design or the ability of the work to perform the function for which it was intended.

Prior to commencing any Work, the Company shall obtain such applicable permits as are required by the Municipality.

The Company shall obtain prior written approval from the Municipality of any traffic lane or sidewalk closures required to be made at least forty-eight (48) hours prior to the commencement of the proposed Work.

b) **Restoration of Municipal Property**

The Company agrees that when it or any agent employed by it undertakes any Work on any Municipal Property the Company shall complete the said Work promptly and in a good and workmanlike manner, and, where applicable, in accordance with the approved plans and specifications. Further, the Company shall forthwith restore the Municipal Property to the same state and condition, as nearly as reasonably possible, in which it existed prior to the commencement of such Work, subject to reasonable wear and tear.

The Company shall, where reasonably practicable, locate its pipelines and related equipment in lanes and alleys rather than in the streets and main thoroughfares.

The Company further covenants that it will not unduly interfere with the works of others or the works of the Municipality. Where reasonable and in the best interests of both the Municipality and the Consumer, the Company will cooperate with the Municipality and coordinate the installation of the Gas Distribution System along the designated rights-of-way pursuant to the direction of the Municipality. During the performance of the Work, the Company shall use commercially reasonable efforts to not interfere with existing Municipal Property and to cause as little damage as possible to the property of others (including the Municipality Property). If the Company causes damage to any existing Municipal Property during the performance of any Work, it shall cause such damage to be repaired at its own cost.

Upon default by the Company or its agent to repair damage caused to Municipal Property, the Municipality may provide written notice to the Company to remedy the default. If the default is not remedied with two (2) weeks after receipt of the written notice or such further time as may be reasonably required and requested by the Company using the best efforts on a commercially reasonable basis to remedy the default, the Municipality may undertake such repair work and the Company shall be liable for the reasonable costs thereof.

c) **Urgent Repairs and Notification to Municipality**

If any repairs or maintenance required to be made to the Gas Distribution System are of an urgent nature where the operation or reliability of the Gas Distribution System is materially compromised or potentially materially compromised, the Company shall be entitled to conduct such repairs or maintenance as are commercially reasonable without prior notice to the Municipality, on the understanding and agreement that the Company will provide written or verbal notice to the Municipality as soon as practicable and in any event no later than 72 hours after the repairs are commenced.

d) **Company to Obtain Approvals from Other Utilities**

The Company shall be solely responsible for locating, or causing to be located, all existing utilities or utility mains, pipes, valves and related facilities in, on or adjacent to the Work site. The Company shall notify all other utility operators and ensure that utilities and utility mains, pipes, valves and related facilities are staked prior to commencement of construction. Unless the Municipality has staked the location for the utility property, staking shall not be deemed to be a representation or warranty by the Municipality that the utility or utility property are located as staked. The Municipality shall not be responsible for any damage caused by the Company to any utility or any third party as a result of the Company's Work, unless the Municipality has improperly staked the utility property. Approval must be obtained by the Company from the owner of any third party utility prior to relocation of any facility owned by such third party utility.

e) **Approvals**

Where any approvals are required to be obtained from either party under this Article, such approvals shall not be unreasonably withheld.

The Company shall ensure that all Work is performed in accordance with the requirements of all applicable legislation, rules and regulations. The Company shall immediately notify the Municipality of any lien, claim of lien or other action of which it has or reasonably should have knowledge, and shall cause the same to be removed within 30 days (or such additional time as the Municipality may allow in writing), failing which the Municipality may take such action as it reasonably deems necessary to remove the same and the entire cost thereof shall be immediately due and payable by the Company to the Municipality.

13) **RESPONSIBILITIES FOR COST OF RELOCATION**

Upon receipt of one (1) years notice from the Municipality, the Company shall, at its own expense, relocate to Municipal Property such part of the Gas Distribution System that is located on Municipal Property as may be reasonably required by the Municipality due to planned Municipal construction.

In order to encourage the orderly development of Municipal facilities and the Gas Distribution System, the Municipality and the Company agree that they will meet regularly to: a) review the long-term facility plans of the Municipality and the Company; and b) determine the time requirements and costs for final design specifications for each relocation. Providing the Municipality is not the developer requesting the relocation for commercial or residential resale to third parties, the Company shall bear the expenses of the required relocation.

Notwithstanding the foregoing, the Company shall not be required to move any part of the Gas Distribution System after receipt of notice from the Municipality in accordance with this Article where:

- a) the Company has illustrated to the satisfaction of the Municipality, acting reasonably, that an appropriate Alternative Course of Action is available;
- b) the Municipality has provided the Company with its written approval of the Alternative Course of Action (which approval may not be unreasonably withheld by the Municipality); and
- c) the Company has provided its written undertaking to carry out the Alternative Course of Action promptly and within a sufficiently short period of time so as to ensure that the Municipality will be left with sufficient time to complete the said planned Municipal construction within the Intended Time Frame (taking into account any delays which the Municipality may encounter as a result of the Company utilizing the Alternative Course of Action).

For the purposes of this Article 13, the term “Alternative Course of Action” shall mean any course of action that will enable the Municipality to complete the said Municipal construction and will result in a net cost savings to the Company (taking into account all additional costs incurred by the Company in carrying out the Alternative Course of Action and any additional costs which the Municipality may incur and which the Company will be required to pay in accordance with this Article 13) and “Intended Time Frame” shall mean the period of time within which the Municipality would have reasonably been able to complete the said Municipal construction if the Company would have relocated the Gas Distribution System in accordance with this Article 13.

If the Municipality agrees to permit the Company to utilize an Alternative Course of Action, the Company shall pay any and all costs incurred in carrying out the Alternative Course of Action and shall pay on demand to the Municipality (on a full indemnity basis) any and all costs incurred by the Municipality:

- (i) in conducting a review of the Alternative Course of Action to determine whether the Alternative Course of Action is acceptable to the Municipality;
- (ii) in modifying any plans the Municipality may have prepared in respect of the said Municipal construction (which are referred to herein as “Modified Plans”) or in preparing or developing plans and procedures (which are referred to herein as “Work Around Procedures”) to work around the Gas Distribution System or any improvement, thing, or component utilized by the Company in effecting the Alternative Course of Action; and
- (iii) in the course of conducting the said planned Municipal construction where such costs would not have been incurred by the Municipality if the Company had relocated the Gas Distribution System in accordance with this Article 13 (including any additional cost the Municipality may incur in completing the said Municipal Construction in accordance with the Modified Plans or in effecting any Work Around Procedures).

The following example illustrates the intended application of the foregoing provisions:

- Where :
- (A) The Municipality requires the Company to move a gas line so that the Municipality can replace its own sewer lines. The cost of moving the gas line is \$10,000. The cost of carrying out the replacement of the sewer line after moving the gas line is \$40,000;
 - (B) The Company proposes to simply brace the gas line (at a cost of \$2,000) and the Municipality, acting reasonably, approves of this as an Alternative Course of Action;

- (C) As a result of having to prepare Modified Plans and to prepare and implement Work Around Procedures to work around the braces, the actual cost incurred by the Municipality in replacing the sewer line is \$45,000 (being a net increase in cost of \$5,000);

The Company is required to pay the \$2,000 cost of the bracing together and the additional cost of \$5,000 incurred by the Municipality (resulting in a net savings of \$3,000 to the Company).

In cases of emergency, the Company shall take all measures that are commercially reasonable and necessary to ensure public safety with respect to relocating any part of the Gas Distribution System that may be required in the circumstances.

If the Company fails to complete the relocation of the Gas Distribution System or fails to repair or do anything else required by the Company pursuant to this clause without valid justification and in a timely and expeditious manner to the satisfaction of the Municipality's representative, acting reasonably, the Municipality may, but is not obligated to, complete such relocation or repair and the Company shall pay the reasonable costs of such relocation or repair forthwith to the Municipality.

If the Municipality chooses to complete such relocation or repair the Municipality will ensure that such work is completed using the Company's design specifications and standards, as provided by the Company, including the use of good and safe operating practices.

The Municipality is not responsible, either directly or indirectly, for any damage to the equipment which forms part of the Gas Distribution System which may occur during its installation, maintenance or removal by the Company, nor is the Municipality liable to the Company for any losses, claims, charges, damages and expenses whatsoever suffered by the Company including claims for loss of revenue or loss of profits, on account of the actions of the Municipality, its agents or employees, working in, under, over, along, upon and across its highways and rights-of-ways or other Municipal Property other than direct loss or damage to the Company caused by the negligence or wilful misconduct of the Municipality, its agents or employees.

In the event the relocation or any part thereof requires the approval of a third party, the Municipality will use reasonable efforts to assist the Company in any negotiation with such third party to obtain the necessary approval(s).

In the event the relocation results from the demand or order of an authority having jurisdiction, other than the Municipality, the Municipality shall not be responsible for any of the costs of such relocation.

14) **GAS DISTRIBUTION SYSTEM EXPANSION**

Subject to the Terms and Conditions, and at no cost to the Municipality unless otherwise provided for under the Terms and Conditions, the Company shall, on a timely basis use its best efforts on a commercially reasonable basis to meet the Gas Distribution System expansion requests of the Municipality or a Consumer, and provide the requisite facilities for connections for new Consumers to the Gas Distribution System.

15) **INCREASE IN MUNICIPAL BOUNDARIES**

Where the Municipal Area is increased through annexation or amalgamation as understood under the *Municipal Government Act* (Alberta) by the greater of 640 acres and twenty five (25%) percent of the current area or more, the Municipality shall have the right to:

- (a) terminate this Agreement provided the Municipality gives notice in writing to the Company of its intention to do so; or
- (b) add the increased area to the Municipal Area already served by the Company so that the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Area, including the increased area.

For all other increases to the Municipal Area through annexation or amalgamation as understood under the *Municipal Government Act* (Alberta), the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Area, including the increased area.

16) **JOINT USE OF GAS DISTRIBUTION SYSTEM**

a) **Municipal Use**

The Municipality shall upon notice to the Company have, for any reasonable municipal purpose, the right to make use of the Gas Distribution System (excluding the transportation of gas) and any rights-of-way granted to the Company, provided such use complies with good and safe natural gas operating practices, as determined by the Company acting reasonably, applicable legislation, and does not unreasonably interfere with the Company's use thereof, at no charge to the Municipality. The Municipality is responsible for its own costs and any necessary and reasonable costs incurred by the Company including the costs of any alterations that may be required in using Gas Distribution System.

b) **Third Party Use and Notice**

The Company agrees that should any third party including other utilities desire to jointly use the Gas Distribution System or trenches or any parts of the Gas Distribution System, the Company shall not grant the third party joint use except in accordance with this Article, unless otherwise directed by any governmental authority or court of law having jurisdiction.

The Company agrees that the following procedure shall be used in granting permission to third parties desiring joint use of the Gas Distribution System:

- i) first, the third party shall be directed to approach the Company to initially request conditional approval from the Company to use that part of the Gas Distribution System it seeks to use;
- ii) second, upon receiving written conditional approval from the Company, the third party shall be directed to approach the Municipality to obtain its written approval to jointly use that part of the Gas Distribution System on any Municipal Property or right-of-way. As a condition of granting its consent, the Municipality may require that such third party enter into an agreement with the Municipality, and such agreement may require that such third party pay compensation to the Municipality;
- iii) third, upon receiving written conditional approval from the Municipality, the third party shall be directed to obtain final written approval from the Company to jointly use that part of the Gas Distribution System. Once a joint use agreement has been entered into between the Company and the third party, it shall not be subsequently amended without the consent of the Municipality (which consent will not be unreasonably withheld).

c) **Cooperation**

The Company and Municipality agree they will use reasonable efforts to cooperate with each other in encouraging the use of joint trenching and in any negotiations with third parties desiring joint use of any part of the Gas Distribution System located on Municipal Property.

d) **Payment**

The compensation paid or to be paid by such third party to the Municipality for the use of the Municipal Property including its rights-of-way, shall be determined between the Municipality and the third party.

The compensation paid or to be paid by such third party to the Company for the joint use any portion of the Gas Distribution System shall be determined between the Company and the third party, subject to the jurisdiction of any governmental authority over the matter and the Municipality's right to intervene in any related regulatory proceeding.

e) **Provision of Agreements**

The Company shall provide to the Municipality within 6 months of executing this Agreement a copy of all agreements between the Company and any third parties involved in the joint use of any part of the Gas Distribution System.

Upon reasonable request by the Municipality, copies of these agreements shall be updated by the Company and provided to the Municipality at no cost to the Municipality.

17) **RECIPROCAL INDEMNIFICATION AND LIABILITY**

- a) Company shall indemnify and save the Municipality, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements), including indemnity from and against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien, encumbrance or otherwise, arising out of any Work performed by or for the Company, which may be brought against or suffered, sustained, paid or incurred by the Municipality, its servants, agents, employees, contractors, licensees and invitees, arising from, or otherwise caused by:
- (i) any breach by the Company of any of the provisions of this Agreement; or
 - (ii) the negligence or wilful misconduct of the Company, or any of its servants, agents, employees, licensees, contractors or invitees in carrying on its business within the Municipal Area.
- b) The Municipality shall indemnify and save the Company, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements) which may be brought against or suffered, sustained, paid or incurred by the Company, its servants, agents, employees, licenses, contractors and invitees, arising from, or otherwise caused by:

- (i) any breach by the Municipality of any of the provisions of this Agreement; or
 - (ii) the negligence or wilful misconduct of the Municipality, or any of its servants, agents, employees, licensees, contractors or invitees, in carrying on the business of the Municipality.
- c) Notwithstanding anything to the contrary herein contained, in no event shall the Municipality or the Company be liable under this Agreement, in any way, for any reason, for any indirect, special or consequential damages (including damages for pure economic loss, loss of profits, loss of earnings or loss of contract), howsoever caused or contributed to.

18) ASSIGNMENT

In the event that the Company agrees to sell the Gas Distribution System to a third party purchaser, the Company shall comply with Article 11 above. In addition, the Company will request that the third party purchaser confirm in writing that it will agree to all the terms and conditions of this Agreement between the Company and the Municipality. The Company agrees that it will provide to the Municipality a copy of the third party purchaser's confirmation letter.

The Company agrees to provide the Municipality with reasonable prior written notice of a sale of the Gas Distribution System to a third party purchaser. The parties shall thereafter meet to discuss the technical and financial capabilities of the third party purchaser to perform and satisfy all terms and conditions of the Agreement, and the compensation payable to the Municipality for all costs including administrative and legal costs relating to providing its consent to the Assignment. ("Municipal Compensation")

The Municipality has thirty (30) days from the meeting date with the Company to provide written notice to the Company of its intention to consent or withhold its consent to the assignment of the Agreement to the third party purchaser. The Company agrees that the Municipality may provide notice of its intention to withhold its consent to the assignment of this Agreement to the third party purchaser if the Municipal Compensation is inadequate or if the third party purchaser fails to covenant, in favour of the Municipality, to perform and observe all of the covenants and obligations of the Company to be performed and observed under this Agreement and otherwise solely on the basis of reasonable and material concerns regarding the technical capability or financial wherewithal of the third party purchaser to perform and satisfy all terms and conditions of the Agreement. In this case, such notice to the Company must specify in detail the Municipality's concern. Should the Municipality not reply within the thirty (30) days, it is agreed that the Municipality will be deemed to have consented to the assignment. The Company further agrees that, when it applies to the Board for approval of the sale, it will include in the application any notice received from the Municipality, including the reasons given by the Municipality for withholding its consent. The Municipality shall have the right to make its own submissions to the Board.

Subject to the Company having fulfilled the obligations outlined in the preceding three paragraphs, the Company shall be entitled to assign this Agreement to an arm's length third party purchaser of the Gas Distribution System without the consent of the Municipality, subject to paying the Municipal Compensation for the assignment, and having obtained the Board's approval for the sale of the Gas Distribution System and, the third party purchaser's confirmation in writing that it agrees to all the terms and conditions of this Agreement.

Where the Board approves such sale of the Gas Distribution System to a third party and the third party provides written confirmation to assume all liabilities and obligations of the Company under this Agreement, then upon the assignment of this Agreement and the payment of the Municipal Compensation for its consent to the Assignment subject to Board approval, the Company shall be released from all its liabilities and obligations thereunder.

The Company shall be entitled to assign this Agreement to a subsidiary or affiliate of the Company without the Municipality's consent. Where the Company assigns this Agreement to a subsidiary or affiliate, the Company will remain jointly and severally liable.

Further, it is a condition of any assignment that the subsidiary, affiliate or third party purchaser, as the case may be, shall provide written notice to the Municipality indicating that it will assume all liabilities and obligations of the Company under this Agreement.

Any disputes arising under the operation of this Article shall be submitted to the Board for determination.

19) **NOTICES**

All notices, demands, requests, consents, or approvals required or permitted to be given pursuant to the terms of this Agreement shall be in writing and shall be deemed to have been properly given if personally served or sent by registered mail or sent by fax to the Municipality or to the Company as the case may be, at the addresses set forth below:

- (i) ATCO Gas and Pipelines Ltd.
 Attention: Manager, Lethbridge District Operations
 410 Stafford Drive N
 Lethbridge, Alberta T1H 2A9
 Phone (403) 380-5401 Fax: (403) 380-5428
- (ii) Town of Nanton
 Attention: Chief Administrative Officer
 Box 609
 Nanton, Alberta T0L 1R0
 Phone (403) 646-2029 Fax: (403) 646-2653

The date of receipt of any such notice as given above, shall be deemed to be as follows:

- (i) In the case of personal service, the date of service;
- (ii) In the case of registered mail, the seventh (7th) business day following the date of delivery to the Post Office, provided, however, that in the event of an interruption of normal mail service, receipt shall be deemed to be the seventh (7th) day following the date on which normal service is restored;
- (iii) In the case of a fax, the date the fax was actually received by the recipient.

20) **INTERRUPTIONS OR DISCONTINUANCE OF DELIVERY SERVICE**

Subject to its Delivery Tariff, the Company shall use its best efforts on a commercially reasonable basis to avoid and minimize any interruption, reduction or discontinuance of Gas Distribution Service to any Consumer. However, the Company reserves the right to do so for any one of the following reasons:

- (i) Where the Company is required to effect necessary repairs or changes to the Gas Distribution System;
- (ii) On account of or to prevent fraud or abuse of the Gas Distribution System;
- (iii) On account of defective aspects of the Gas Distribution Systems which in the opinion of the Company, acting reasonably, may become dangerous to life or property;
- (iv) Where required, under the Terms and Conditions, due to a Consumer's non-payment of gas bills.

To the extent the Company has any planned major interruptions, reductions or discontinuances in Gas Distribution Service, it shall notify the Municipality in writing as soon as practicable in the circumstances. For any other major interruption, reductions or discontinuances in Gas Distribution Service, the Company shall provide verbal notice to the Municipality as soon as is practicable in the circumstances.

21) **DISPUTE SETTLEMENT**

To the extent permitted by law, the Company and Municipality agree that unresolved disputes pertaining to this Agreement, other than those related to the sale of the Gas Distribution System as contemplated in Articles 9, 11(a) and 18 hereof, that pursuant to the terms of this Agreement, are to be submitted to the Board for determination, or any other matter that is within the exclusive jurisdiction of a governmental authority having jurisdiction, shall be submitted to arbitration for determination and may be commenced by either party providing written notice to the other party stating the dispute to be submitted to arbitration. The parties shall attempt to appoint a mutually satisfactory arbitrator within 10 business days of the said notice. In the event the parties cannot agree on a single arbitrator within the 10 business days, each party shall appoint an arbitrator within the 10 business days thereafter by written notice, and the two arbitrators shall together appoint a third arbitrator within 25 business days of written notice for arbitration. If either party fails to appoint an arbitrator within the time set forth above, the arbitrator appointed by the other party shall proceed with the arbitration and the award of such arbitrator shall be final and binding. In the two arbitrators appointed by the parties hereto fail to agree upon a third arbitrator within the 25 business day period from the date of delivery of the written notice for arbitration, either party may apply, on ten (10) days written notice to the other, to a Judge of the Court of Queen's Bench of Alberta for the appointment of the third arbitrator. The dispute shall be heard by the arbitrator(s) within 45 business days of the written notice for arbitration unless extended by mutual agreement between the parties. The arbitrator(s) shall render a decision within 20 business days of the last day of the arbitration hearing. Save as otherwise expressly provided in this Agreement, the provisions of the Arbitration Act (Alberta) (as amended from time to time) shall apply to any arbitration undertaken under this Agreement subject always to the Board's jurisdiction over any matter submitted to arbitration. Pending resolution of any dispute, the Municipality and the Company shall continue to perform their respective obligations hereunder. The decision of the majority of the arbitrators shall be final and binding.

The Company shall advise the Board of any dispute submitted to arbitration within ten (10) business days of it being submitted and shall advise the Board of the results of arbitration within ten (10) business days following receipt of the decision of the arbitrator(s).

22) **APPLICATION OF WATER, GAS AND ELECTRIC COMPANIES ACT**

This Agreement shall be deemed to operate as consent by the Municipality to the exercise by the Company of those powers which may be exercised by the Company with the consent of the Municipality under and pursuant to the provisions of the *Water, Gas and Electric Companies Act* (Alberta), as amended.

23) **FORCE MAJEURE**

If either party shall fail to meet its obligations hereunder within the time prescribed, and such failure shall be caused or materially contributed by an event of “force majeure”, such failure shall be deemed not to be a breach of the obligations of such party hereunder, but such party shall use its best efforts to put itself in a position to carry out its obligations hereunder. The term “force majeure” shall mean any acts of God, strikes, lock-outs, or other industrial disturbances, acts of the Queen’s enemies, sabotage, war, blockades, insurrections, riots, epidemics, lightening, earthquakes, storms, fires, wash-outs, nuclear and radiation activity or fall-out, restraints of rulers and people, orders of governmental authorities or courts of law having jurisdiction, the inability to obtain any necessary approval from a governmental authority having jurisdiction (excluding municipal governments), civil disturbances, explosions, mechanical failure, and any other causes similar in nature not specifically enumerated or otherwise specified herein that are not within the control of such party, and all of which by the exercise of due diligence of such party could not have been prevented. Lack of finances shall be deemed not to be an event of “force majeure”.

24) **TERMS AND CONDITIONS**

The Terms and Conditions that apply to the Company and are approved by the Board, as revised or amended from time to time by the Board, shall apply to the Municipality.

25) **NOT EXCLUSIVE AGAINST HER MAJESTY**

Notwithstanding anything to the contrary herein contained, it is mutually understood and agreed that the rights, powers and privileges conferred and granted by this Agreement shall not be deemed to be exclusive against Her Majesty in the right of the Province of Alberta.


26) **SEVERABILITY**

To the extent permitted by law, any provision of this Agreement which is prohibited or unenforceable, shall be ineffective to the extent of such prohibition or unenforceability, without invalidating the remaining portions hereof.

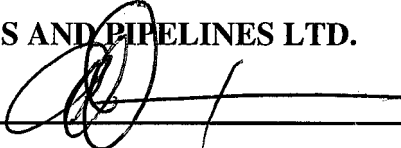
IN WITNESS WHEREOF the parties hereto have executed these presents as of the day and year first above written.

TOWN OF NANTON

PER: 

PER: 

ATCO GAS AND PIPELINES LTD.

PER: 

Alan J. Dixon, Vice President - Prairie and Peaks Division

PER: 

I

SCHEDULE "A"
Core Services

The Company shall provide to the Municipality the following basic services as Core Services:

- 1) The Company shall deliver natural gas to the Consumers within the Municipal Area in accordance with the Company's Terms and Conditions, the Company's Distribution Tariff, the Act, any regulations thereto, and any Board Orders.
- 2) The Company shall install all natural gas facilities required to provide service to the Consumers within the Municipal Area and in accordance with the Natural Gas Sales Service Regulations.
- 3) As required by legislation, the Company shall provide and install all necessary regulators and meters necessary for measuring the natural gas supplied to each Consumer. The point of delivery shall be upon the Consumer's premise, currently at the outlet side of the meter.
- 4) The Company agrees to collaborate with the Municipality's Fire Department in an effort to mutually develop emergency response procedures relating to natural gas emergencies.
- 5) The Company shall do all things to Operate and Maintain the Gas Distribution System, including in accordance with all applicable regulations, codes, applicable standards and common industry practices.
- 6) The Company shall provide twenty-four hour a day "Trouble Service" to investigate any natural gas odor and make safe any suspected gas leak inside or outside the Consumer's premise.
- 7) The Company will utilize the services of professional engineers who are responsible for designing all natural gas facilities to satisfy all applicable regulatory codes and standards; preparing of necessary work order plans and monitoring the distribution network pressures to ensure that the Company's facilities will satisfy the Consumer's current and future natural gas delivery requirements.
- 8) The Company shall provide to the Municipality, on request, copies of any and all Gas Distribution Service related written information or reports required to be filed with the Board, with the exception of responses to questions from interveners or the Board related to rate hearings.
- 9) The Company shall provide to the Municipality, upon request, an annual report on the following standards specific to the Municipality:

II

- i) **System Reliability** - that will be measured by:
 - The number of major interruptions to Gas Distribution Service resulting in a loss of service to Consumers;
 - The number of Consumers affected by each outage; and
 - The average duration of each outage.
 - ii) **Customer Satisfaction with local Gas Distribution Service** - that will be measured by the number and nature of unresolved local non-rates related customer complaints received by the Company.
 - including the Company-wide Call Centre targets and statistics (wait times, abandoned calls, call volumes, etc); and any
 - customer complaints received by the Board.
 - iii) **Public Safety:** that will be measured by:
 - the number of customer injuries and/or damages due to Gas Distribution System failure;
 - the number of line hits per total locates completed;
 - the number of line hits as a result of inaccurate locates;
 - the percentage of the area of the Municipality surveyed for leaks and yearly cathodic protection measures;
 - the number and nature of calls received from the Municipality and any of its Municipal agencies (including fire department, police department etc.) regarding the Gas Distribution System.
- 10) The Company shall meet at least annually with the Municipality ensuring that through a mutual exchange of information the Municipality is kept apprised of the Company's construction and upgrading programs planned for the Municipality. The Municipality will advise the Company of any issues relating to the Gas Distribution System that have been addressed by Municipal council.

I

SCHEDULE "B"
Extra Services

- 1) After the Municipality requests Extra Services, the Company will provide its applicable operations and maintenance standards for Gas Distribution System field services.
- 2) If the Company and the Municipality agree that the Company will provide Extra Services requested by the Municipality, the parties shall complete the information required in subparagraph 3), and subparagraph 4) shall apply in respect of such Extra Services.
- 3) Extra Services shall mean:

[Not Applicable]

- 4) In consideration for the provision of the Extra Services, the Municipality shall pay to the Company the sum of nil Dollars (\$00.00) which if forming part of this Agreement shall be collected as part of the Franchise Fee.
- 5) Within sixty (60) days of the end of each calendar year, the Company shall provide a written report to the Municipality, outlining the actual performance of the Extra Services provided and the related costs for each service for the Municipality to assess if the performance standards for the Extra Services have been met.
- 6) In the event the Company breaches any material provision of the Extra Services contract, the Municipality may, at its option, provide written notice to the Company to remedy such breach. If the said breach is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required by the Company using its best efforts on a commercially reasonable basis to remedy the breach, the Municipality may give six (6) months notice in writing of the termination of the Extra Services contract to the Company, and unless such breach is remedied to the satisfaction of the Municipality acting reasonably, the Extra Services contract shall terminate.

NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

2024

BETWEEN:

TOWN OF NANTON

- AND -

ATCO GAS AND PIPELINES LTD.

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NATURAL GAS DISTRIBUTION SYSTEM FRANCHISE AGREEMENT

BETWEEN

TOWN OF NANTON, a municipality located in the Province of Alberta (the “Municipality”)

OF THE FIRST PART

– and –

ATCO GAS AND PIPELINES LTD., a corporation having its head office at the City of Edmonton, in the Province of Alberta (the “Company”)

OF THE SECOND PART

WHEREAS by Agreement dated January 24, 1912 made between the Company and the Municipality a franchise was granted to the Company to supply natural gas to the Municipality and its inhabitants;

WHEREAS by Amending Agreement dated September 22, 1975 the Agreement amended;

WHEREAS by Agreement dated October 3, 2005, the Agreement was renewed and extended for a period of twenty (20) years until October 2, 2025;

WHEREAS the Municipality desires to grant and the Company, collectively the “Parties”, desires to obtain an exclusive franchise to provide Natural Gas Distribution Service within the Municipal Service Area on the terms and conditions herein contained;

NOW THEREFORE in consideration of the mutual covenants and promises herein contained, the Parties hereby agree as follows:

1) Definitions and Interpretation

Unless otherwise expressly provided in this Agreement, the words, phrases and expressions in this Agreement will have the meanings attributed to them as follows:

- a) “Agreement” means this Natural Gas Distribution System Franchise Agreement;
- b) “Alternative Course of Action” shall have the meaning set out in paragraph 14 (c);
- c) “Commission” means the Alberta Utilities Commission (AUC) as established under the Alberta Utilities Commission Act (Alberta);

- d) “Company” means the Party of the second part to this Agreement and includes its successors and permitted assigns;
- e) “Construct” means constructing, reconstructing, upgrading, extending, relocating, or removing any part of the Natural Gas Distribution System;
- f) “Consumer” or “Consumers” as the text may require, means any individual, group of individuals, firm or body corporate, including the Municipality, with premises or facilities located within the Municipal Service Area from time to time that are provided with Natural Gas Distribution Service by the Company pursuant to the Company’s Delivery Tariff;
- g) “Core Services” means all those services set forth in Schedule “A” of this Agreement;
- h) “Delivery Tariff” means the rates and Terms and Conditions of service approved by the Commission from time to time on an interim or final basis, as the case may be, for the Company to deliver Natural Gas to the Consumer;
- i) “Electronic Format” means any document or other means of communication that is created, recorded, transmitted or stored in digital form or in any other intangible form by electronic, magnetic or optical means or by any other computer-related means that have similar capabilities for creation, recording, transmission or storage;
- j) “Extra Services” means those services set forth in Schedule “B” that are requested by the Municipality for itself or on behalf of its citizens and provided by the Company in accordance with paragraph 7 of this Agreement;
- k) “GUA” means the Gas Utilities Act (Alberta);
- l) “Intended Time Frame” shall have the meaning set out in paragraph 14 (c);
- m) “Maintain” means to maintain and keep in good repair any part of the Natural Gas Distribution System;
- n) “Major Work” means any Work to Construct or Maintain the Distribution System that costs more than one-hundred thousand (\$100,000.00) dollars;
- o) “MGA” means the Municipal Government Act (Alberta);
- p) “Modified Plans” shall have the meaning set out in paragraph 14 (c)(ii);
- q) “Municipality” means the Party of the first part to this Agreement;
- r) “Municipal Compensation” shall have the meaning set out in paragraph 20;

- s) “Municipal Service Area” means the geographical area within the legal boundaries of the Municipality where the Company has been granted rights hereunder in connection with, among other matters, Natural Gas Distribution Service, as altered from time to time;
- t) “Municipal Property” means all property, including lands and buildings, owned, controlled or managed by the Municipality within the Municipal Service Area;
- u) “Natural Gas” means a combustible mixture of hydrocarbon gases;
- v) “Natural Gas Distribution Service” means the delivery of Natural Gas in accordance with the Company’s Delivery Tariff;
- w) “Natural Gas Distribution System” means any facilities owned by the Company which are used to provide Natural Gas Distribution Service within the Municipal Service Area, and without limiting the generality of the foregoing, will include all mains, pipes, conduits, valves and all other installations used and required for the purpose of delivering Natural Gas to the Consumer within the Municipal Service Area and includes any Natural Gas transmission lines owned by the Company within the Municipal Service Area;
- x) “NOVA Gas Transmission Ltd. (NGTL)” means NGTL and its successors, as applicable, for purposes of paragraph 5 g) of this Agreement. For greater certainty, the provisions of paragraph 5 g) may only apply in relation to franchises held by ATCO;
- y) “Operate” means to operate the Natural Gas Distribution System, or to interrupt or restore service in any part of the Natural Gas Distribution System, in a safe and reliable manner;
- z) “Party” means any party to this Agreement and “Parties” means all of the parties to this Agreement;
- aa) “Plans and Specifications” means the plans, drawings and specifications reasonably necessary to properly assess and review proposed Work prior to issuance of any approval that may be required under this Agreement;
- bb) “Term” means the term of this Agreement set out in paragraph 2;
- cc) “Terms and Conditions” means the terms and conditions contained within the Delivery Tariff in effect from time to time for the Company as approved by the Commission;
- dd) “Work” means any work to Construct or Maintain the Natural Gas Distribution System; and

ee) “Work Around Procedures” shall have the meaning set out in paragraph 14 (c)(ii).

The words “hereof”, “herein”, “hereunder” and other words of similar import refer to this Agreement as a whole, including any attachments hereto, as the same may from time to time be amended or supplemented and not to any subdivision contained in this Agreement. Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders. References to provisions of statutes, rules or regulations will be deemed to include references to such provisions as amended, modified or re-enacted from time to time. The word “including” when used herein is not intended to be exclusive and in all cases means “including without limitation”. References herein to a section, paragraph, clause, Article or provision will refer to the appropriate section, paragraph, clause, article or provision of this Agreement. The descriptive headings of this Agreement are inserted for convenience of reference only and do not constitute a part of and will not be utilized in interpreting this Agreement.

2) Term

- a) Subject to sub-paragraph 2(b), this Agreement will be for a minimum term of ten years, commencing on the later of:
 - i. 1 day of July 20 24 ; and
 - ii. the first (1st) day of the month immediately following the month that all of the following have been completed:
 - A. the Commission has approved and acknowledged this Agreement; and
 - B. Council of the Municipality has passed third reading of the applicable adopting bylaw and provided the Company with written evidence of the same on or before the 20th day of the month, and
 - C. the Municipality has provided the Company with a fully executed copy of this Agreement on or before the 20th day of the month.
- b) This Agreement will expire on the day of , 20 .
- c) It is agreed this Agreement supersedes and replaces any prior Natural Gas franchise agreements between the Municipality and the Company.

3) Expiry of Term of Agreement

- a) Provided the Company gives written notice to the Municipality not less than twelve (12) months prior to the expiration of the Term of its intention to negotiate a new franchise agreement, at any time following the expiration of the Term, and if the Municipality has not provided written notice to the Company to exercise its

rights to purchase the Natural Gas Distribution System, either Party may submit any items in dispute pertaining to a new franchise agreement to binding arbitration by the Commission.

- b) Subject to subparagraph 3c) of this Agreement, upon expiry of the Term, this Agreement will continue in effect pursuant to the provisions of the MGA.
- c) Commencing one (1) year following the expiration of the Term of this Agreement, unless either Party has invoked the right to arbitration referred to in subparagraph 3a), or the Municipality has given written notice to purchase the Natural Gas Distribution System, this Agreement will be amended to provide the following:
 - i) Fifty percent (50%) of the franchise fee otherwise payable under this Agreement to the Municipality will be held back and deposited in trust in an interest bearing trust account by the Company, for the sole benefit of the Municipality. The trust money along with all accumulated interest will be paid to the Municipality immediately upon execution of another Natural Gas Franchise Agreement with the Company, or if the Municipality purchases the Natural Gas Distribution System, or if the Company transfers or sells the Natural Gas Distribution System, or upon further Order of the Commission.
- d) In the event a franchise agreement template is approved by the Commission during the Term of this Agreement and the provisions are materially different from the provisions of this Agreement, the Parties may, by agreement in writing, amend this Agreement to conform to such franchise agreement template.

4) Grant of Franchise

- a) Subject to the terms and conditions hereof, the Municipality hereby grants to the Company the exclusive right within the Municipal Service Area to:
 - i. provide Natural Gas Distribution Service;
 - ii. Construct, Operate, and Maintain the Natural Gas Distribution System; and
 - iii. use portions of roads, rights-of-way, and other lands owned, controlled or managed by the Municipality which have been designated by the Municipality for such use and which are necessary to provide Natural Gas Distribution Service or to Construct, Operate and Maintain the Natural Gas Distribution System.
- b) Subject to subparagraph 4c) , and to the terms and conditions hereof, the Municipality agrees it will not, during the Term, grant to any other person, firm or corporation, the right to Construct, Operate and Maintain any natural gas distribution system nor the exclusive right to use the portions of the roads, rights-of-way and other lands owned, controlled or managed by the Municipality which

have been designated by the Municipality for such use and which are necessary to provide Natural Gas distribution service or to Construct, Operate and Maintain a Natural Gas distribution system, for the purpose of delivering Natural Gas in the Municipal Service Area for Consumers, so long as the Company delivers the Consumers' requirements of Natural Gas.

c) The Company agrees to:

- i. bear the full responsibility of an owner of a Natural Gas distribution system and to ensure all services provided pursuant to this Agreement are provided in accordance with the Delivery Tariff, insofar as applicable;
- ii. Construct, Operate and Maintain the Natural Gas Distribution System;
- iii. use designated portions of roads, rights-of-way, and other lands including other lands owned, controlled or managed by the Municipality necessary to Construct, Operate and Maintain the Natural Gas Distribution System, including the necessary removal, trimming of trees, shrubs or bushes or any parts thereof; and
- iv. use the Municipality's roads, rights-of-way and other Municipal Property granted hereunder solely for the purpose of providing Natural Gas Distribution Service and any other service contemplated by this Agreement.

5) Franchise Fee

a) Calculation of Franchise Fee

In consideration of the rights granted pursuant to paragraph 4 and the mutual covenants herein and subject to Commission approval the Company agrees to collect from Consumers and pay to the Municipality a franchise fee. The Parties agree s. 360(4) of the *MGA*, as amended, does not apply to the calculation of the franchise fee in this Agreement. For each calendar year the franchise fee will be calculated as a percentage of the Company's actual total revenue derived from the Delivery Tariff, including without limitation the fixed charge, base energy charge, demand charge, but excluding the cost of Natural Gas (being the calculated revenues from the Natural Gas cost recovery rate rider or the deemed cost of Natural Gas and Natural Gas supply related riders) in that year for Natural Gas Distribution Service within the Municipal Service Area.

For the first (1st) calendar year or portion thereof of the Term of this Agreement, the franchise fee percentage will be [REDACTED] percent ([REDACTED]%).

By no later than September 1st of each year, the Company will:

- i. advise the Municipality in writing of the total revenues that were derived from the Delivery Tariff within the Municipal Service Area for the prior calendar year; and
- ii. with the Municipality's assistance, provide in writing an estimate of total revenues to be derived from the Delivery Tariff within the Municipal Service Area for the next calendar year.

b) Adjustment to the Franchise Fee

At the option of the Municipality and subject to Commission approval, the franchise fee percentage may be changed annually by providing written notice to the Company.

If the Municipality wishes to amend the franchise fee percentage, then the Municipality will, no later than November 1st in any year of the Term, advise the Company in writing of the franchise fee percentage to be charged for the following calendar year. Upon receipt of notice, the Company will work with the Municipality to ensure all regulatory requirements are satisfied on a timely basis and agrees to use best efforts to obtain approval from the Commission for implementation of the proposed franchise fee percentage as and from January 1st of the following calendar year.

If the Municipality provides written notice at any other time with respect to a franchise fee change, the Company will implement the new franchise fee percentage as soon as reasonably possible.

c) Notice to Change Franchise Fee

Prior to implementing any change to the franchise fee, the Municipality will notify its intent to change the level of the franchise fee and the resulting effect such change will have on an average residential Consumer's annual Natural Gas bill through publication of a notice once in the newspaper with the widest circulation in the Municipal Service Area at least forty five (45) days prior to implementing the revised franchise fee. A copy of the published notice will be filed with the Commission.

d) Payment of Franchise Fee

The Company will pay the Municipality the franchise fee amount billed to Consumers on a monthly basis within forty-five (45) days after billing Consumers.

e) Franchise Fee Cap

The franchise fee percentage will not at any time exceed thirty five percent (35%) without prior Commission approval.

f) Reporting Considerations

Upon request, the Company will provide to the Municipality, along with payment of the franchise fee amount information on the total Delivery Tariff billed, the franchise fee percentage applied, and the derived franchise fee amount used by the Company to verify the payment of the franchise fee amount as calculated under this paragraph 5.

g) Franchise Fees Collected from NOVA Gas Transmission Ltd. Customers

In the event certain customers in the Municipal Service Area connected to the Company's Natural Gas Distribution System are customers of the NOVA Gas Transmission Ltd. (NGTL), a franchise fee will be collected from such customers by NGTL in accordance with NGTL's applicable tariff and such franchise fee once remitted to the Company will be aggregated with the franchise fee as calculated in paragraph 5 a) to be dealt with in accordance with paragraph 5 d).

6) Core Services

The Company agrees to provide to the Municipality the Core Services set forth in Schedule "A". The Company and the Municipality may amend Schedule "A" from time to time upon mutual agreement.

7) Provision of Extra Services

Subject to an agreement being reached, the Company agrees to provide to the Municipality the Extra Services, if any, set forth in Schedule "B", as requested by the Municipality from time to time. The Company is entitled to receive from the Municipality a reasonable amount for full compensation for the provision of the Extra Services in accordance with Schedule "B". The Company and the Municipality may amend Schedule "B" from time to time upon mutual agreement.

Any breach by the Company in connection with the provision of any Extra Services contained in this Agreement will not constitute a breach of a material provision of this Agreement for the purposes of paragraph 9.

8) Municipal Taxes

Amounts payable to the Municipality pursuant to this Agreement will be (without duplication) in addition to the municipal taxes and other levies or charges made by the Municipality against the Company, its land and buildings, linear property, machinery and equipment.

9) Right to Terminate on Default

In the event either Party breaches any material provision of this Agreement, the other Party may, at its option, provide written notice to the Party in breach to remedy such breach. If the said breach is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required by the Party in breach using best efforts on a commercially reasonable basis, the Party not in breach may give six (6) months notice in writing to the other Party of its intent to terminate this Agreement, and unless such breach is remedied to the satisfaction of the Party not in breach acting reasonably this Agreement will terminate six (6) months from the date such written notice is given, subject to prior Commission approval.

10) Sale of Natural Gas Distribution System

Upon the expiration of the Term of this Agreement or the termination of this Agreement pursuant to the terms and conditions hereof or by operation of law or order of a governmental authority or court of law having jurisdiction the Municipality may, subject to the approval of the Commission under Section 47 of the MGA:

- i. exercise its right to require the Company to sell to it the Natural Gas Distribution System within the Municipal Service Area pursuant to the provisions of the MGA, where applicable; or
- ii. if such right to require the Company to sell the Natural Gas Distribution System is either not applicable or has been repealed, require the Company to sell to it the Natural Gas Distribution System. If, upon the expiration of the Agreement, the parties are unable to agree on the price or on any other terms and conditions of the purchase, the unresolved matters will be referred to the Commission for determination.

11) Provision of Detailed Plans and Equipment

a) Detailed Plans

The Company agrees to provide to the Municipality for the Municipality's purposes only, the most current set of detailed plan sheets including as-built drawings and specifications showing the locations (excluding depth) and alignments of the Natural Gas Distribution System, excepting service lines and installations on private

property, according to the plan sheets in hard copy and in Electronic Format, where available, together with as many prints of the overall Natural Gas Distribution System as the Municipality may reasonably require. These plans and plan sheets will be updated by the Company on at least an annual basis.

The Municipality will, upon reasonable request, provide to the Company any subdivision development plans of the Municipality in hard copy and in Electronic Format, where available. The subdivision development plans are provided to the Company for the sole purpose of assisting the Company in delivering Natural Gas to the Consumer.

b) Provision of Equipment

The Company agrees to provide the Municipality's fire department with the equipment necessary for the operation of curb boxes and service valves. In case of fire, the service valves may be turned off by the fire department if they reach a fire before the Company's representative. The Municipality will notify one of the Company's representatives of fires which may affect the Natural Gas Distribution System and/or the operations thereof as quickly as reasonably possible or, in the event they cannot reach a Company representative, the Municipality will advise the Company's standby personnel of such fires. The Company will ensure its representatives reasonably cooperate with the Municipality in preventing, controlling and investigating fires involving or affecting the Natural Gas Distribution System.

12) Right of First Refusal to Purchase

- a) If during the Term of this Agreement, the Company receives a bona fide arm's length offer to operate, take control of, or purchase the Natural Gas Distribution System within the Municipal Service Area, which the Company is willing to accept, then the Company will promptly give written notice to the Municipality of the terms and conditions of such offer and the Municipality will during the next one hundred and twenty (120) days, have the right of first refusal to operate, take control of or purchase the Natural Gas Distribution System, as the case may be, for the same price and upon the terms and conditions contained in the said offer.

Notwithstanding the foregoing, in the event the Municipality fails or refuses to exercise its right of first refusal, the Municipality will retain the right to withhold its consent to an assignment of this Agreement in accordance with paragraph 20 below. For the purposes of this paragraph 12, "operate, take control" will not be construed as including the subcontracting by the Company of only some portions of its operations where the Company continues to be responsible for the performance of this entire Agreement;

- b) If the Municipality does not exercise its right of first refusal and the said bona fide offer the Company is willing to accept does not proceed to closure, the Municipality retains its right of first refusal on any other offer.

- c) This right of first refusal applies where the offer pertains only to the entire Natural Gas Distribution System. The right of first refusal does not apply to offers that include any other distribution systems or distribution facilities of the Company located outside of the Municipal Service Area. If such offer includes other distribution systems of the Company, the aforesaid right of first refusal will be of no force and effect and will not apply.
- d) Where the Municipality exercises its rights to purchase the Natural Gas Distribution System from the Company and thereby acquires the Natural Gas Distribution System, the Municipality agrees, should it no longer wish to own the Natural Gas Distribution System within five (5) years after it acquires the said system and the Municipality receives any bona fide offer from an arms-length third party to purchase the Natural Gas Distribution System, which it is willing to accept, then it will promptly give written notice to the Company of the terms and conditions of such offer. The Company will during the next one hundred and twenty (120) days have the first right of refusal to purchase the Natural Gas Distribution System for the same price and upon the same terms and conditions as contained in the said offer.
- e) The Municipality's right of first refusal will not apply where the Company has agreed to transfer the Natural Gas Distribution System to a third party utility company in exchange for certain other assets provided all of the following conditions are met:
- i. the third party utility can demonstrate to the reasonable satisfaction of the Municipality that it meets the necessary technical and financial requirements to own and operate the Natural Gas Distribution System;
 - ii. the only consideration that will be exchanged between the Company and the third party utility company is the transfer and exchange of assets and monetary consideration limited to a maximum of 49% of the net book value of the Natural Gas Distribution System;
 - iii. there is no adverse impact to the Municipality resulting from the transfer and exchange above referenced as determined by the Commission;
 - iv. the Company and the third party utility company obtain all the requisite regulatory requirements prior to completing the transfer and exchange; and
 - v. full compensation is paid to the Municipality for all reasonable costs including administrative and legal costs incurred by the Municipality in ensuring all of the conditions i) through iv) above are satisfied.

13) Construction and/or Maintenance of Natural Gas Distribution System

a) Municipal Approval

Before undertaking any Major Work, or in any case in which the Municipality specifically requests any Major Work, the Company will submit to and obtain the written approval from the Municipality, or its authorized officers, of the Plans and Specifications for the proposed Major Work and its location. Approval by the Municipality granted in accordance with this paragraph will be limited to an approval of the location and alignment of the Major Work only, and will not signify approval of the structural design or the ability of the work to perform the function for which it was intended.

Prior to commencing the Work, the Company will obtain such other applicable permits as are required by the Municipality. The Company will notify the Municipality of all Work done within the Municipal Service Area prior to commencing the Work where reasonably practicable. However, only Major Work is subject to a formal approval process.

The Company will obtain prior written approval from the Municipality for any traffic lane or sidewalk closures required to be made at least forty-eight (48) hours prior to the commencement of the proposed Work.

For the purposes of obtaining the approval of the Municipality for Major Work under this Agreement, the Company will provide the Municipality with the Plans and Specifications for the proposed Major Work in Electronic Format (or upon request, the Company will provide the Municipality with a hard copy of the materials). The Plans and Specifications will include a description of the project and drawings of a type and format generally used by the Company for obtaining approvals from municipalities and will illustrate the proposed changes to the Natural Gas Distribution System.

b) Restoration of Municipal Property

The Company agrees when it or any agent employed by it undertakes any Work on any Municipal Property, the Company will complete the said Work promptly and in a good and workmanlike manner and, where applicable, in accordance with the approved Plans and Specifications. Further, and unless otherwise agreed to by the Parties, the Company will forthwith restore the Municipal Property to the same state and condition, as nearly as reasonably possible, in which it existed prior to the commencement of such Work, subject to reasonable wear and tear and to the satisfaction of the Municipality acting reasonably.

The Company will, where reasonably practicable and prudent, locate its pipelines and related equipment in lanes and alleys rather than in the streets and main thoroughfares.

The Company further covenants it will not unduly interfere with the works of others or the works of the Municipality. Where reasonable and in the best interests of both the Municipality and the Consumer, the Company will cooperate with the Municipality and coordinate the installation of the Natural Gas Distribution System along the designated rights-of-way pursuant to the direction of the Municipality. During the performance of the Work, the Company will use commercially reasonable efforts to not interfere with existing Municipal Property and to cause as little damage as possible to the property of others (including the Municipality Property). If the Company causes damage to any existing Municipal Property during the performance of any Work, it will cause such damage to be repaired at its own cost.

Upon default by the Company or its agent to repair damage caused to Municipal Property as set out above, the Municipality may provide written notice to the Company to remedy the default. If the default is not remedied within two (2) weeks after receipt of the written notice or such further time as may be reasonably required and requested by the Company using best efforts on a commercially reasonable basis to remedy the default, the Municipality may undertake such repair work and the Company will be liable for the reasonable costs thereof.

c) Urgent Repairs and Notification to Municipality

If any repairs or maintenance required to be made to the Natural Gas Distribution System are of an urgent nature where the operation or reliability of the Natural Gas Distribution System is materially compromised or potentially materially compromised, the Company will be entitled to conduct such repairs or maintenance as are commercially reasonable without prior notice to the Municipality and, unless otherwise specified by the Municipality, the Company will provide notice to the Municipality as soon as practicable and, in any event, no later than seventy-two (72) hours after the repairs are commenced.

d) Company to Obtain Approvals from Other Utilities

The Company will be solely responsible for locating, or causing to be located, all existing utilities or utility mains, pipes, valves and related facilities in, on or adjacent to the Work site. The Company will notify all other utility operators and ensure utilities and utility mains, pipes, valves and related facilities are staked prior to commencement of construction. Unless the Municipality has staked the location for the utility property, staking will not be deemed to be a representation or warranty by the Municipality the utility or utility property are located as staked. The Municipality will not be responsible for any damage caused by the Company to any utility or any third party as a result of the Company's Work, unless the Municipality has improperly staked the utility property. Approval must be obtained by the Company from the owner of any third party utility prior to relocation of any facility owned by such third party utility.

e) Revised Plans and Specifications

Following completion of the Major Work, the Company will provide the Municipality with the revised Plans and Specifications, updated after construction, in Electronic Format, where available and upon request, the Company will provide the Municipality with a hard copy of the materials within three (3) months of the request. The Company will provide the Municipality with copies of any other revised Plans and Specifications as reasonably requested by the Municipality. For the purposes of this paragraph and paragraph 11, the Company may satisfy its obligations to provide revised Plans and Specifications in Electronic Format by:

- i. advising the Municipality the revised Plans and Specifications are posted to a web-based forum that contains such information; and
- ii. allowing the Municipality access to such web-based forum.

f) Approvals

Where any approvals are required to be obtained from either Party under this paragraph, such approvals will not be unreasonably withheld.

The Company will ensure all Work is performed in accordance with the requirements of all applicable legislation, rules and regulations. The Company will immediately notify the Municipality of any lien, claim of lien or other action of which it has or reasonably should have knowledge, and will cause the same to be removed within thirty (30) days (or such additional time as the Municipality may allow in writing), failing which the Municipality may take such action as it reasonably deems necessary to remove the same and the entire cost thereof will be immediately due and payable by the Company to the Municipality.

14) Responsibilities for Cost of Relocations

- a) Upon receipt of one (1) year's notice from the Municipality, the Company will, at its own expense, relocate to Municipal Property such part of the Natural Gas Distribution System that is located on Municipal Property as may be reasonably required by the Municipality due to planned municipal construction. In order to encourage the orderly development of Municipal facilities and the Natural Gas Distribution System, the Municipality and the Company agree they will meet regularly to:
 - i. review the long-term facility plans of the Municipality and the Company; and
 - ii. determine the time requirements and costs for final design specifications for each relocation. Providing the Municipality is not the developer requesting the relocation for commercial or residential resale to third parties, the Company will bear the expenses of the required relocation.

- b) Notwithstanding the foregoing, the Company will not be required to move any part of the Natural Gas Distribution System after receipt of notice from the Municipality in accordance with this paragraph where:
- i. the Company has illustrated to the satisfaction of the Municipality, acting reasonably, an appropriate Alternative Course of Action is available;
 - ii. the Municipality has provided the Company with its written approval of the Alternative Course of Action (which approval may not be unreasonably withheld by the Municipality); and
 - iii. the Company has provided its written undertaking to carry out the Alternative Course of Action promptly and within a sufficiently short period of time so as to ensure the Municipality will be left with sufficient time to complete the said planned municipal construction within the Intended Time Frame (taking into account any delays which the Municipality may encounter as a result of the Company utilizing the Alternative Course of Action).
- c) For the purposes of this paragraph 14, the term “Alternative Course of Action” will mean any course of action that will enable the Municipality to complete the said Municipal construction and will result in a net cost savings to the Company (taking into account all additional costs incurred by the Company in carrying out the Alternative Course of Action and any additional costs which the Municipality may incur and which the Company will be required to pay in accordance with this paragraph 14 and “Intended Time Frame” will mean the period of time within which the Municipality would have reasonably been able to complete the said Municipal construction if the Company would have relocated the Natural Gas Distribution System in accordance with this paragraph 14.

If the Municipality agrees to permit the Company to utilize an Alternative Course of Action, the Company will pay any and all costs incurred in carrying out the Alternative Course of Action and will pay on demand to the Municipality (on a full indemnity basis) any and all costs incurred by the Municipality:

- i. in conducting a review of the Alternative Course of Action to determine whether the Alternative Course of Action is acceptable to the Municipality;
- ii. in modifying any plans the Municipality may have prepared in respect of the said municipal construction (“Modified Plans”) or in preparing or developing plans and procedures (“Work Around Procedures”) to work around the Natural Gas Distribution System or any improvement, thing, or component utilized by the Company in effecting the Alternative Course of Action; and
- iii. in the course of conducting the said planned municipal construction where such costs would not have been incurred by the Municipality if the Company had relocated the Natural Gas Distribution System in accordance with this paragraph

14 (including any reasonable additional cost the Municipality may incur in completing the said municipal construction in accordance with the Modified Plans or in effecting any Work Around Procedures).

d) The following example illustrates the intended application of the foregoing provisions:

Where:

- i. The Municipality requires the Company to move a Natural Gas line so the Municipality can replace its own sewer lines. The cost of moving the Natural Gas line is \$10,000. The cost of carrying out the replacement of the sewer line after moving the Natural Gas line is \$40,000;
- ii. The Company proposes to simply brace the Natural Gas line (at a cost of \$2,000) and the Municipality, acting reasonably, approves of this as an Alternative Course of Action;
- iii. As a result of having to prepare Modified Plans and to prepare and implement Work Around Procedures to work around the braces, the actual cost incurred by the Municipality in replacing the sewer line is \$45,000 (being a net increase in cost of \$5,000); the Company is required to pay the \$2,000 cost of the bracing together and the additional cost of \$5,000 incurred by the Municipality (resulting in a net savings of \$3,000 to the Company).

In cases of emergency, the Company will take all measures that are commercially reasonable and necessary to ensure public safety with respect to relocating any part of the Natural Gas Distribution System that may be required in the circumstances.

If the Company fails to complete the relocation of the Natural Gas Distribution System or fails to repair or do anything else required by the Company pursuant to this subparagraph without valid justification and in a timely and expeditious manner to the satisfaction of the Municipality's representative, acting reasonably, the Municipality may, but is not obligated to, complete such relocation or repair and the Company will pay the reasonable costs of such relocation or repair forthwith to the Municipality. If the Municipality chooses to complete such relocation or repair the Municipality will ensure such work is completed using the Company's design specifications and standards, as provided by the Company, including the use of good and safe operating practices.

The Municipality is not responsible, either directly or indirectly, for any damage to the equipment which forms part of the Natural Gas Distribution System which may occur during its installation, maintenance or removal by the Company, nor is the Municipality liable to the Company for any losses, claims, charges, damages and expenses whatsoever suffered by the Company including claims for loss of revenue or loss of profits, on account of the actions of the Municipality, its agents or employees, working in, under, over, along, upon and across its highways and rights-of- ways or other Municipal Property other than direct loss or damage to the Company caused by the negligence or

willful misconduct of the Municipality, its agents or employees.

In the event the relocation or any part thereof requires the approval of a third party, the Municipality will use reasonable efforts to assist the Company in any negotiation with such third party to obtain the necessary approval(s).

In the event the relocation results from the demand or order of an authority having jurisdiction, other than the Municipality, the Municipality will not be responsible for any of the costs of such relocation.

15) Natural Gas Distribution System Expansion

Subject to the Terms and Conditions, and at no cost to the Municipality unless otherwise provided for under the Terms and Conditions, the Company will, on a timely basis, use its best efforts on a commercially reasonable basis to meet the Natural Gas Distribution System expansion requests of the Municipality or a Consumer and provide the requisite facilities for connections for new Consumers to the Natural Gas Distribution System.

16) Increase in Municipal Boundaries

Where the Municipality increases its geographical area, through annexation or amalgamation, as understood under the MGA, by the greater of 640 acres and twenty five (25%) percent of the current area or more, the Municipality will have the option to:

- a) terminate this Agreement provided the Municipality gives notice in writing to the Company of its intention to do so; or
- b) add the increased area to the Municipal Service Area already served by the Company so that the rights and obligations contained in this Agreement will apply in respect of the Municipal Service Area, including the increased area.

For all other increases to the Municipal Service Area through annexation or amalgamation as understood under the MGA, the rights and obligations contained in this Agreement will apply in respect of the whole Municipal Service Area, including the increased area.

17) Joint Use of Municipal Rights-of-Way

- a) Municipal Use

The Municipality will upon written notice to the Company have, for any reasonable municipal purpose, the right to make use of any municipal rights-of-way granted to the Company by the Municipality, provided such use complies with good and safe operating practices, as determined by the Company acting reasonably, applicable

legislation, and does not unreasonably interfere with the Company's use thereof, at no charge to the Municipality. The Municipality is responsible for its own costs and any necessary and reasonable costs incurred by the Company including the costs of any alterations that may be required in using municipal rights-of-way.

b) Third Party Use and Notice

If any third party, including other utilities, desire to jointly use the municipal rights-of-way, the Company agrees it will not grant the third party joint use except in accordance with this paragraph, or unless otherwise directed by any governmental authority or court of law having jurisdiction.

The Company agrees the following procedure will be used in granting permission to third parties desiring joint use of the municipal rights-of-way:

- i. first, the third party will be directed to approach the Company to initially request conditional approval from the Company to use that part of the municipal rights-of-way it seeks to use;
- ii. second, upon receiving written conditional approval from the Company, the third party will be directed to approach the Municipality to obtain its written approval to jointly use that part of the municipal rights-of-way. As a condition of granting its consent, the Municipality may require such third party enter into an agreement with the Municipality, and such agreement may require such third party pay compensation to the Municipality; and
- iii. third, upon receiving written conditional approval from the Municipality, the third party will be directed to obtain final written approval from the Company to jointly use that part of the municipal rights-of-way. Once a joint use agreement has been entered into between the Company and the third party, it will not be subsequently amended without the written consent of the Municipality (which consent will not be unreasonably withheld).

c) Cooperation

The Company and the Municipality agree they will use reasonable efforts to cooperate with each other in encouraging the use of joint trenching and in any negotiations with third parties desiring joint use of any part of the municipal rights-of-way located on Municipal Property.

d) Payment

The compensation paid or to be paid by such third party to the Municipality for the use of the Municipal Property including its rights-of-way, will be determined between the Municipality and the third party.

The compensation paid or to be paid by such third party to the Company for the joint use of any portion of the municipal rights-of-way will be determined between the Company and the third party, subject to the jurisdiction of any governmental authority over the matter and the Municipality's right to intervene in any related regulatory proceeding.

e) Provision of Agreements

Upon reasonable request by the Municipality, copies of these agreements will be updated by the Company and provided to the Municipality at no cost to the Municipality.

18) Municipality as a Retailer

The provisions of this Agreement will not in any way restrict the right of the Municipality to become a retailer within the meaning of the GUA.

19) Reciprocal Indemnification and Liability

a) The Company will indemnify and save the Municipality, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements), including indemnity from and against any claim, loss, cost, demand and legal or other expense, whether in respect of any lien, encumbrance or otherwise, arising out of any Work performed by or for the Company, which may be brought against or suffered, sustained, paid or incurred by the Municipality, its servants, agents, employees, contractors, licensees and invitees, arising from, or otherwise caused by:

- i. any breach by the Company of any of the provisions of this Agreement; or
- ii. the negligence or willful misconduct of the Company, or any of its servants, agents, employees, licensees, contractors or invitees in carrying on its business within the Municipal Service Area.

b) The Municipality will indemnify and save the Company, its servants, agents, employees, licensees, contractors and invitees, harmless from and against any and all liability, actions, demands, claims, damages, losses and expenses (including all legal costs and disbursements) which may be brought against or suffered, sustained, paid or incurred by the Company, its servants, agents, employees, licenses, contractors and invitees, arising from, or otherwise caused by:

- i. any breach by the Municipality of any of the provisions of this Agreement; or

- ii. the negligence or willful misconduct of the Municipality, or any of its servants, agents, employees, licensees, contractors or invitees, in carrying on the business of the Municipality.
- c) Notwithstanding anything to the contrary herein contained, in no event will the Municipality or the Company be liable under this Agreement, in any way, for any reason, for any indirect, special or consequential damages (including damages for pure economic loss, loss of profits, loss of earnings or loss of contract), howsoever caused or contributed to.

20) Assignment

In the event the Company agrees to sell the Natural Gas Distribution System to a third party purchaser, the Company will comply with paragraph 10 above. In addition, the Company will request the third party purchaser confirm in writing it will agree to all the terms and conditions of this Agreement between the Company and the Municipality. The Company agrees it will provide to the Municipality a copy of the third party purchaser's confirmation letter.

The Company agrees to provide the Municipality with reasonable prior written notice of a sale of the Natural Gas Distribution System to a third party purchaser. The Parties will thereafter meet to discuss the technical and financial capabilities of the third party purchaser to perform and satisfy all terms and conditions of the Agreement, and the compensation payable to the Municipality for all costs including administrative and legal costs relating to providing its written consent to the Assignment ("Municipal Compensation").

The Municipality has thirty (30) days from the meeting date with the Company to provide written notice to the Company of its intention to consent or withhold its consent to the assignment of the Agreement to the third party purchaser. The Company agrees the Municipality may provide notice of its intention to withhold its consent to the assignment of this Agreement to the third party purchaser if the Municipal Compensation is inadequate or if the third party purchaser fails to covenant, in favour of the Municipality, to perform and observe all of the covenants and obligations of the Company to be performed and observed under this Agreement and otherwise solely on the basis of reasonable and material concerns regarding the technical capability or financial wherewithal of the third party purchaser to perform and satisfy all terms and conditions of the Agreement. In this case, such notice to the Company must specify in detail the Municipality's concern.

Should the Municipality not reply within the thirty (30) day period, it is agreed the Municipality will be deemed to have consented to the assignment. The Company further agrees when it applies to the Commission for approval of the sale, it will include in the application any notice received from the Municipality, including the reasons given by the Municipality for withholding its consent. The Municipality will have the right to make its own submissions to the Commission.

Subject to the Company having fulfilled the obligations outlined in the preceding three paragraphs, the Company will be entitled to assign this Agreement to an arm's length third party purchaser of the Natural Gas Distribution System without the consent of the Municipality, subject to paying the Municipal Compensation for the assignment, and having obtained the Commission's approval for the sale of the Natural Gas Distribution System and, the third party purchaser's confirmation in writing that it agrees to all the terms and conditions of this Agreement.

Where the Commission approves such sale of the Natural Gas Distribution System to a third party and the third party provides written confirmation to assume all liabilities and obligations of the Company under this Agreement, then upon the assignment of this Agreement and the payment of the Municipal Compensation for its consent to the Assignment subject to Commission approval, the Company will be released from all its liabilities and obligations thereunder.

The Company will be entitled to assign this Agreement to a subsidiary or affiliate of the Company without the Municipality's written consent. Where the Company assigns this Agreement to a subsidiary or affiliate, the Company will remain jointly and severally liable.

Further, it is a condition of any assignment that the subsidiary, affiliate or third party purchaser, as the case may be, will provide written notice to the Municipality indicating it will assume all liabilities and obligations of the Company under this Agreement.

Any disputes arising under the operation of this paragraph will be submitted to the Commission for determination.

21) Notices

- a) All notices, demands, requests, consents, or approvals required or permitted to be given pursuant to the terms of this Agreement will be in writing and will be deemed to have been properly given if personally served, sent by registered mail or sent in Electronic Format to the Municipality or to the Company as the case may be, at the addresses set forth below:

To the Company:

ATCO Gas and Pipelines Ltd.
Attention: Vice President, District Operations
5302 Forand Street
Calgary, Alberta, T3E 8B4
Phone: (403) 292-7500

To the Municipality:

Municipality
Attention: XXXXX
XXXXXXXXXXXX
XXXX, Alberta, XXX XXX
Phone (XXX) XXX-XXXX

- b) The date of receipt of any such notice as given above, will be deemed to be as follows:
- i. In the case of personal service, the date of service;
 - ii. In the case of registered mail, the seventh (7th) business day following the date of delivery to the Post Office, provided, however, in the event of an interruption of normal mail service, receipt will be deemed to be the seventh (7th) day following the date on which normal service is restored; or
 - iii. In the case of delivery in Electronic Format, the date the notice was actually received by the recipient or, if not a business day, then the next business day.

22) Interruptions or Discontinuance of Delivery Service

Subject to its Delivery Tariff, the Company will use its best efforts on a commercially reasonable basis to avoid and minimize any interruption, reduction or discontinuance of Natural Gas Distribution Service to any Consumer. However, the Company reserves the right to do so for any one of the following reasons:

- a) Where the Company is required to effect necessary repairs or changes to the Natural Gas Distribution System;
- b) On account of or to prevent fraud or abuse of the Natural Gas Distribution System;
- c) On account of defective aspects of the Natural Gas Distribution Systems which in the opinion of the Company, acting reasonably, may become dangerous to life or property;
- d) Where required, under the Terms and Conditions, due to a Consumer's non-payment of Natural Gas bills.

To the extent the Company has any planned major interruptions, reductions or discontinuances in Natural Gas Distribution Service, it will notify the Municipality in writing as soon as practicable in the circumstances. For any other major interruption, reductions or discontinuances in Natural Gas Distribution Service, the Company will provide notice (in a format acceptable to the Municipality) as soon as is practicable in the circumstances.

23) Dispute Settlement

- a) If any dispute or controversy of any kind or nature arises relating to this Agreement or the Parties' rights or obligations hereunder, the Parties agree such dispute or controversy will be resolved by negotiation, and where such negotiation does not result in the settlement of the matter within thirty (30) days of notice of such dispute being provided by one Party to the other Party, and to the extent permitted by law, the Company and Municipality agree that unresolved disputes pertaining to this Agreement, other than those contemplated in paragraphs 3 and 20 and Section 3 of Schedule "A", or those related to the sale of the Natural Gas Distribution System as contemplated in paragraphs 10 and 12 hereof, or any other matter within the exclusive jurisdiction of a governmental authority having jurisdiction, will be submitted to arbitration for determination and may be commenced by either Party providing written notice to the other Party stating the dispute to be submitted to arbitration.

The Parties will attempt to appoint a mutually satisfactory arbitrator within ten (10) business days of the said notice. In the event the Parties cannot agree on a single arbitrator within the ten (10) business days, the dispute will be forwarded to the Commission for resolution or determination.

In the event the Commission declines to assist in resolving the dispute or declines to exercise or claim jurisdiction respecting the dispute, both Parties agree to have the dispute resolved by an arbitration panel in accordance with the following procedure.

Each Party will appoint an arbitrator within the ten (10) business days thereafter by written notice, and the two arbitrators will, together, appoint a third arbitrator within twenty-five (25) business days of written notice for arbitration. The dispute will be heard by the arbitration panel within forty-five (45) business days of the written notice for arbitration unless extended by mutual agreement between the Parties. The arbitration panel will render a decision within twenty (20) business days of the last day of the hearing.

Except, as otherwise expressly provided in this Agreement, the provisions of the Arbitration Act (Alberta) (as amended from time to time) will apply to any arbitration undertaken under this Agreement subject always to the Commission's jurisdiction over any matter submitted to arbitration. Pending resolution of any dispute, the Municipality and the Company will continue to perform their respective obligations hereunder.

- b) The Company will advise the Commission of any dispute submitted to arbitration within ten (10) business days of it being submitted and will advise the Commission of the results of arbitration within ten (10) business days following receipt of the decision of the arbitrator(s).

24) Application of Water, Gas and Electric Companies Act

This Agreement will be deemed to operate as consent by the Municipality to the exercise by the Company of those powers which may be exercised by the Company with the consent of the Municipality under and pursuant to the provisions of the *Water, Gas and Electric Companies Act* (Alberta), as amended.

25) Force Majeure

If either Party fails to meet its obligations hereunder within the time prescribed, and such failure is caused or materially contributed by an event of “force majeure”, such failure will be deemed not to be a breach of the obligations of such Party hereunder, but such Party will use its best efforts on a commercially reasonable basis to put itself in a position to carry out its obligations hereunder. The term “force majeure” will mean any acts of God, strikes, lock-outs, or other industrial disturbances, acts of the King’s enemies, acts of terrorism (either foreign or domestic), sabotage, war, blockades, insurrections, riots, epidemics, lightening, earthquakes, storms, fires, wash-outs, nuclear and radiation activity or fall-out, restraints of rulers and people, orders of governmental authorities or courts of law having jurisdiction, the inability to obtain any necessary approval from a governmental authority (excluding the Municipality) having jurisdiction, civil disturbances, explosions, mechanical failure, and any other causes similar in nature not specifically enumerated or otherwise specified herein that are not within the control of such Party, and all of which by the exercise of due diligence of such Party could not have been prevented. Lack of finances will be deemed not to be an event of “force majeure”.

26) Terms and Conditions

The Terms and Conditions applicable to the Company and approved by the Commission, as revised or amended from time to time by the Commission, will apply to the Municipality. Nothing in this Agreement is intended to supersede the Terms and Conditions.

27) Not Exclusive Against His Majesty

Notwithstanding anything to the contrary herein contained, it is mutually understood and agreed the rights, powers and privileges conferred and granted by this Agreement will not be deemed to be exclusive against His Majesty in right of the Province of Alberta.

28) Severability

If for any reason any covenant or agreement contained in this Agreement, or the application thereof to any Party, is to any extent held or rendered invalid, unenforceable or illegal, then such covenant or agreement will be deemed to be independent of the remainder of this Agreement and to be severable and divisible from this Agreement.

The invalidity, unenforceability or illegality will not affect, impair or invalidate the remainder of this Agreement or any part thereof. The intention of the Municipality and the Company is that this Agreement would have been executed without reference to any portion which may, for any reason or to any extent, be declared or held invalid, unenforceable or illegal.

29) Amendments

This Agreement may only be amended by written agreement of the Parties, such amendments to be subject to any regulatory approvals required by law.

30) Waiver

A waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver will be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party.

The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-compliance under this Agreement (whether of the same nature or any other nature).

31) Confidentiality

The Company acknowledges the Municipality is governed by the provisions of the *Freedom of Information and Protection of Privacy Act* (Alberta).

IN WITNESS WHEREOF the Parties hereto have executed these presents as of the day and year first above written.

Municipality

Company

PER: _____
Name
Title

PER: _____
Shane Ellis
Vice President, South Operations

PER: _____
Name
Title

PER: _____
Ryan Germaine
Vice President, Health & Safety
and Construction

SCHEDULE "A" Core Services

The Company will provide to the Municipality the following basic services as Core Services:

- 1) The Company will deliver Natural Gas to the Consumers in accordance with the Company's Terms and Conditions, the Company's Distribution Tariff, the GUA, any regulations thereto, and any Commission orders and decisions.
- 2) The Company will install all Natural Gas facilities required to provide service to the Consumers in accordance with all applicable regulations, codes, applicable standards and common industry practices.
- 3) As required by legislation, the Company will provide and install all necessary regulators and meters necessary for measuring the Natural Gas supplied to each Consumer.
- 4) The Company agrees to collaborate with the Municipality's emergency response services in an effort to mutually develop emergency response procedures relating to Natural Gas emergencies.
- 5) The Company will provide personnel twenty-four (24) hours a day to investigate and make safe any suspected gas leak inside or outside the Consumer's premises.
- 6) The Company will utilize the services of qualified personnel for designing all Natural Gas facilities to satisfy all applicable regulatory codes and standards, preparing necessary work order plans and monitoring the distribution network pressures to ensure the Company's facilities will satisfy the Consumer's current and future Natural Gas delivery requirements.
- 7) The Company will provide to the Municipality, on request, copies of any and all Natural Gas Distribution Service related written or electronic, where available information or reports required to be filed with the Commission by the Company.
- 8) The Company will provide to the Municipality, upon request and to the extent the information is available, an annual report on the following standards:
 - a) **System Reliability** - will be measured by:
 - i. The number of major outages resulting in a loss of service to Consumers;
 - ii. The number of Consumers affected by each major outage; and
 - iii. The duration of each major outage.
 - b) **Consumer Satisfaction** - will be measured by:
 - i. Company-wide call centre targets and statistics (wait times, abandoned calls, call

volumes, etc.); and

ii. any Consumer complaints received by the Commission.

c) **Public Safety** - will be measured by:

- i. the number of customer injuries and/or damages due to Natural Gas Distribution System failure;
- ii. the number of line hits per total locates completed;
- iii. the number of line hits as a result of inaccurate locates;
- iv. the percentage of the area of the Municipality surveyed for leaks and yearly cathodic protection measures;
- v. the number and nature of calls received from the Municipality and any of its Municipal agencies (including fire department, police department etc.) regarding the Natural Gas Distribution System.

9) Once per year, upon request and subject to any applicable privacy legislation, the GUA Code of Conduct Regulation or other rules prohibiting or restricting such disclosure, the Company will provide to the Municipality:

- a) The total number of sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
- b) The total gigajoules (GJ) of Natural Gas consumed by Consumers billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
- c) The franchise fee revenue billed to Consumers within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two(2) years;
- d) Where the Municipality is the customer of record and the Municipality provides a list of those sites to the Company on the form provided by the Company:
 - i. The total number of those sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
 - ii. The total gigajoules (GJ) of Natural Gas at those sites billed within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years;
 - iii. The franchise fee revenue billed to those sites within the Municipal Service Area, by Company rate class, per revenue month, for each of the last two (2) years; and

- e) Such other information as may be agreed upon by the Parties from time to time.

Where privacy legislation, the GUA Code of Conduct Regulation or other rules prohibiting such disclosure prevent the Company from providing the information above, the Company will make reasonable attempts to aggregate the information so as to comply with the applicable rules. The Company will not be obligated to provide such aggregated information if it believes such aggregation will not allow the Company to comply with the applicable rules.

- 10) Upon request by either Party, the Company will meet with the Municipality. Through a mutual exchange of information the Company will keep the Municipality apprised of the Company's construction and upgrading programs planned for the Municipal Service Area and the Municipality will advise the Company of any issues or plans relating to, or potentially impacting, the Natural Gas Distribution System.

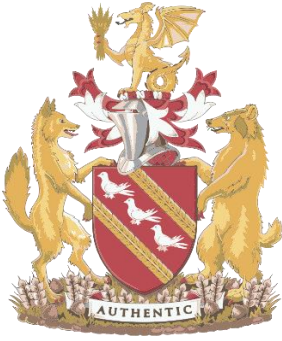
DRAFT FOR REVIEW

SCHEDULE “B” Extra Services

Nothing in this Agreement precludes the Parties from contracting for Extra Services outside the provisions of this Agreement. In the event the Parties do elect to contract for the provision of Extra Services within the provisions of this Agreement and unless otherwise agreed upon by the Parties, nothing in this Agreement will preclude the Company from sub-contracting with third parties for the provision of Extra Services.

Subject to Commission approval, as may be required, any payments from the Municipality to the Company for Extra Services, if agreed to by the Municipality, may be deducted from the Franchise Fee collected from Consumers and otherwise remitted to the Municipality pursuant to paragraph 5 of this Agreement. The timing and quantum of such payments will be as agreed upon by the Parties and set forth in (insert paragraph number from Schedule B) of this Schedule.

DRAFT FOR REVIEW



Town of Nanton

BYLAW NUMBER: 1397/XX

A BYLAW OF THE MUNICIPALITY OF THE TOWN OF NANTON IN THE PROVINCE OF ALBERTA TO EXECUTE AN AGREEMENT WITH ATCO GAS AND PIPELINES LTD., TO RENEW AN AGREEMENT WITH, AND TO CONFER A FRANCHISE ON THE COMPANY TO DELIVER NATURAL GAS TO CUSTOMERS WITHIN THE MUNICIPALITY

1. PURPOSE:

This bylaw authorizes the Chief Elected Official and Chief Administrative Officer of the Town of Nanton, Alberta, under the Municipal Government Act, to execute an agreement with ATCO Gas and Pipelines Ltd., renewing an existing arrangement and granting a franchise for the delivery of natural gas services within the municipality.

2. ENACTMENT

- 2.1 **WHEREAS** the ATCO Gas and Pipelines Ltd. (the “Company”), has requested a franchise be granted to provide natural gas services to customers within the Municipality;
- 2.2 **AND WHEREAS** it is deemed that such an agreement would be of benefit to customers within the Municipality;
- 2.3 **NOW THEREFORE** under the authority of the Municipal Government Act, R.S.A. 2000, Chapter M-26, Part 3, Division 3, Section 45 – 47, be it enacted that the Chief Elected Official and the Chief Administrative Officer be authorized to sign the agreement which is attached to and forming part of this Bylaw, as Schedule “A”, between the Municipality and the Company to renew a agreement with and to confer a franchise on the Company to deliver natural gas services within the Municipality;

3. INTERPRETATION

- 3.1 That this Bylaw shall come into force upon the agreement being approved by the Alberta Utilities Commission for the Province of Alberta, and upon being given third and final reading.

4. EFFECTIVE DATE AND READINGS

- 4.1 This bylaw repeals Bylaw #1156/04 and any amendments thereto.

4.2 Read a **first** time this ____ day of _____, 2024

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER

4.3 Read a **second** time this ____ day of _____, 2024.

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER

4.4 Read a **third** time this ____ day of _____, 2024.

TOWN OF NANTON

CHIEF ELECTED OFFICIAL

CHIEF ADMINISTRATIVE OFFICER



ATCO GAS AND PIPELINES LIMITED
Historic and Forecast Franchise Fee and Property Tax Information for the Town of Nanton

Historic Information	2018	2019	2020	2021	2022	Five Year Average
Franchise Fees - Current Method 19% Method A&P	\$112,202	\$114,150	\$115,484	\$143,859	\$138,063	\$124,752
Annual Franchise Fees - Average Residential Customer Using 115 GJ's per Year	\$85.47	\$84.69	\$89.70	\$105.46	\$103.62	\$93.79
Franchise Fee Percentage	17.00%	17.00%	17.00%	17.00%	19.00%	
Company Delivery Revenue	\$663,559	\$671,399	\$679,249	\$843,517	\$720,453	

Forecast Information

Franchise Fee Method "A" %	Forecast 2024 Annual Fee Total (\$)	Estimated 2024 Property Tax Total (\$)	Forecast 2024 Annual Fee+Tax Total (\$)	Forecast 2024 Annual Fee Average Residential (\$)	Forecast 2024 Annual Tax Average Residential (\$)	Forecast 2024 Annual Fee+Tax Average Residential (\$)	Forecast 2024 Company Delivery Revenue (\$)	Forecast 2024 Average Residential Delivery Revenue
5.00%	\$38,482	\$23,339	\$61,821	\$29.05	\$17.62	\$46.66	\$769,635	\$580.94
10.00%	\$76,963	\$23,339	\$100,302	\$58.09	\$17.62	\$75.71		
15.00%	\$115,445	\$23,339	\$138,784	\$87.14	\$17.62	\$104.76		
19.00%	\$146,231	\$23,339	\$169,570	\$110.38	\$17.62	\$128.00		
20.00%	\$153,927	\$23,339	\$177,266	\$116.19	\$17.62	\$133.80		
25.00%	\$192,409	\$23,339	\$215,748	\$145.24	\$17.62	\$162.85		
35.00%	\$269,372	\$23,339	\$292,711	\$203.33	\$17.62	\$220.95		

Estimated Property Tax Percent 3.03%

Method "A" franchise fee percent is applied to Company Delivery Revenue.

This spreadsheet was updated on 31 January 2024



ALBERTA
MUNICIPAL AFFAIRS

*Office of the Minister
MLA, Calgary-Hays*

AR114222

Dear Chief Elected Officials:

The Government of Alberta administers federal funding through the Canada Community-Building Fund (CCBF) to provide Alberta communities with flexible capital funding to invest in local infrastructure priorities. As you may be aware, the Canada-Alberta agreement for the CCBF for 2014-24 expired on March 31, 2024. The Alberta government is in active negotiations with the Government of Canada on a 10-year renewal agreement that will cover the 2024-34 period.

The Government of Canada sent a draft renewal agreement to Alberta late in 2023, and the agreement has several aspects that are concerning for Alberta and for local governments. As a result, we are standing up for the interests of Alberta in negotiations and doing our utmost to ensure funding continues to flow to local governments with as much flexibility as possible to address local priorities without unnecessary administrative burdens. As these negotiations are ongoing, there may be delays in the 2024 program, including the notification of allocation amounts and timing of payments to local governments.

As discussions with the federal government continue, we are working with the municipal associations to ensure the Alberta government understands the perspectives of local governments. We will continue to advocate for your interests and the interests of the province, and I will provide more information on the signing of the agreement as soon as possible.

Thank you for your understanding and patience during this renewal process.

Sincerely,

Ric McIver
Minister

cc: Chief Administrative Officers