



## **CITY OF FORT SASKATCHEWAN AGENDA**

### **Regular Council Meeting Tuesday, May 23, 2017 – 6:00 P.M. Council Chambers – City Hall**

- |                  |  |  |
|------------------|--|--|
| <b>6:00 P.M.</b> | <b>1. Call to Order</b>  | Mayor Katchur                                      |
|                  | <b>2. Approval of Minutes of May 9, 2017 Regular Council Meeting</b>   | (attachment)                                       |
|                  | <b>3. Delegations</b>  |  |
|                  | <i>Those individuals in attendance at the meeting will be provided with an opportunity to address Council regarding an item on the agenda, with the exception of those items for which a Public Hearing is required or has been held. Each individual will be allowed a maximum of five (5) minutes.</i> |  |
|                  | <b>4. Presentation</b>   |  |
| (5 min.)         | 4.1 West River's Edge Lions Community Pond Floating Dock Update  | Don Westman,<br>Lions Club<br>(attachment)         |
| (10 min.)        | 4.2 Truth and Reconciliation Indigenous Awareness Event  | Gerald Auger<br>(attachment)                       |
|                  | <b>5. Unfinished Business</b>  |  |
|                  | <b>6. New Business</b>   |  |
|                  | 6.1 RCMP 2017/2018 Annual Performance Plan Priorities  | Brad Ward /<br>Insp. Chris Culhane<br>(attachment) |
|                  | 6.2 Edmonton Metropolitan Region Economic Development Entity   | Mark Morrissey<br>(attachment)                     |
|                  | 6.3 Shell Theatre Housing Lighting   | Diane Yanch<br>(attachment)                        |
|                  | <b>7. Bylaws</b>   |  |
|                  | <b>8. Notice of Motion</b>   |  |
|                  | 8.1 Residential Property Rebates   | Coun. Randhawa<br>(attachment)                     |
|                  | <b>9. Points of Interest</b>   |  |
|                  | <b>10. Councillor Inquiries</b>  |  |
|                  | <b>11. Adjournment</b>   |  |



**CITY OF FORT SASKATCHEWAN**  
**MINUTES**  
**REGULAR COUNCIL**  
**Tuesday, May 9, 2017 - 6:00 p.m.**  
**Council Chambers – City Hall**

**Present:**

Members of Council:

Mayor Gale Katchur  
Councillor Birgit Blizzard  
Councillor Sheldon Bossert  
Councillor Frank Garritsen  
Councillor Stew Hennig  
Councillor Arjun Randhawa  
Councillor Ed Sperling

Administration:

Troy Fleming, Acting City Manager  
John Dance, General Manager, Corporate Services  
James Clark, Acting General Manager, Community & Protective Services and Fire Chief  
Brenda Molter, Director, Legislative Services  
Wendy Kinsella, Director, Corporate Communications  
Reade Beaudoin, Digital Media Coordinator  
Sheryl Exley, Recording Secretary

**1. Call to Order**

Mayor Katchur called the regular Council meeting of May 9, 2017 to order at 6:00 p.m.

**R87-17**

MOVED BY Councillor Garritsen that the May 9, 2017 regular Council Meeting agenda be amended by deleting item #7.2 - "Deferral of Off-Site Levy Payments for Fort Industrial Estates Stage 6", item 9.1 – In-Camera "Code of Conduct Matter", and item #9.2 – In-Camera "Councillor Code of Conduct."

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa,  
Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**2. In-Camera Session – Growth Study Update**

**R88-17**

MOVED BY Councillor Hennig that Council move in-camera at 6:02 p.m. to discuss a matter that falls under an exception to disclosure in Section 21(1) of the *Freedom of Information and Protection of Privacy Act* (FOIP).

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa,  
Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**R89-17** MOVED BY Councillor Hennig that Council return to open session at 6:17 p.m.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa,  
Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**3. Approval of Minutes of April 25, 2017 Regular Council Meeting**

**R90-17** MOVED BY Councillor Blizzard that the minutes of the April 25, 2017 regular Council meeting be adopted as presented.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa,  
Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**4. Delegations**

Howard Johnson, business owner and resident spoke regarding the delegations portion of Council Meetings and felt that there should be no restrictions on the ability for residents to speak at Council meetings. Howard Johnson requested Council to change the Procedures Bylaw.

**5. Presentation**

**5.1 Second Fire Station Build Timeline**

James Clark, Acting General Manager, Community & Protective Services and Fire Chief was in attendance to provide Council with information on the proposed timeline for design, construction and opening of a second fire station in Fort Saskatchewan.

**6. Unfinished Business**

None.

**7. New Business**

**7.1 Reschedule July 11, 2017 Regular Council Meeting**

Presented by: Brenda Molter, Director, Legislative Services

**R91-17** MOVED BY Councillor Garritsen that Council reschedule the Tuesday, July 11, 2017 regular Council meeting to Monday, July 10, 2017 commencing at 6:00 p.m. in Council Chambers.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa,  
Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**7.2 Election Campaign Provisions Policy GOV-012-C**

Presented by: Brenda Molter, Director, Legislative Services

**R92-17**

MOVED BY Councillor Blizzard that Council adopt Election Campaign Guidelines Policy GOV-012-C.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**8. Bylaws**

**8.1 Bylaw C11-17 - Elections Bylaw - 3 readings**

Presented by: Brenda Molter, Director, Legislative Services

**R93-17**

MOVED BY Councillor Blizzard that Council give first reading to Elections Bylaw C11-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**R94-17**

MOVED BY Councillor Blizzard that Council give second reading to Elections Bylaw C11-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**R95-17**

MOVED BY Councillor Blizzard that Council give unanimous consent to proceed with third and final reading of the Elections Bylaw C11-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**R96-17**

MOVED BY Councillor Blizzard that Council give third reading to the Elections Bylaw C11-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**8.2 Bylaw C12-17 - Election Signage Bylaw - 3 readings**

Presented by: Brenda Molter, Director, Legislative Services

**R97-17** MOVED BY Councillor Hennig that Council give first reading to Election Signage Bylaw C12-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**R98-17** MOVED BY Councillor Hennig that Council give second reading to Election Signage Bylaw C12-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**R99-17** MOVED BY Councillor Hennig that Council give unanimous consent to proceed with third and final reading of the Election Signage Bylaw C12-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**R100-17** MOVED BY Councillor Hennig that Council give third reading to the Election Signage Bylaw C12-17.

In Favour: Gale Katchur, Frank Garritsen, Stew Hennig, Arjun Randhawa, Birgit Blizzard, Sheldon Bossert, Ed Sperling

CARRIED UNANIMOUSLY

**9. Notice of Motion**

Councillor Randhawa gave notice that he will introduce the following motion at the May 23, 2017 regular Council meeting:

“That City Council direct Administration to create an implementation strategy to take \$1,000,000 of the total 2016 surplus funds and distribute a rebate evenly to all residential properties in the City of Fort Saskatchewan, and further that this implementation strategy is to be prepared and presented at the June 13, 2017 regular Council meeting.”

**10. Points of Interest**

Members of Council were given the opportunity to bring forward information that would be of interest to the public.

**11. Councillor Inquiries**

Members of Council were given the opportunity to ask questions and provide concerns and comments.

**12. Adjournment**

The regular Council meeting of May 9, 2017 adjourned at 6:57 p.m.

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Mayor

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Director, Legislative Services

## **CITY OF FORT SASKATCHEWAN**

### **West River's Edge Lions Community Pond Floating Dock Update**

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**Purpose:**

Mr. Don Westman, Fort Saskatchewan Lions Club will be in attendance to provide an update on the West River's Edge Lions Community Pond Floating Dock and to announce a date for the dock's grand opening.

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File No.:

Prepared by:	Sheryl Exley Legislative Officer	Date: May 15, 2017
Approved by:	Brenda Molter Director, Legislative Services	Date: May 16, 2017
Reviewed by:	Troy Fleming Acting City Manager	Date: May 16, 2017
Submitted to:	City Council	Date: May 23, 2017

## CITY OF FORT SASKATCHEWAN

### Truth and Reconciliation Indigenous Awareness Event

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**Topic Identification:**

Mr. Gerald Auger will be in attendance to provide information on a proposed intensive, all-inclusive three day education and teaching program aimed to show people who Indigenous people are, the culture and land based teachings that focus to pre-colonization days.

**Action Required:**

That Mr. Gerald Auger be thanked for his presentation.

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Prepared by:	Sheryl Exley Legislative Officer	Date: May 17, 2017
Approved by:	Brenda Molter Director, Legislative Services	Date: May 17, 2017
Reviewed by:	Troy Fleming Acting City Manager	Date: May 18, 2017
Submitted to:	City Council	Date: May 23, 2017



## **CITY OF FORT SASKATCHEWAN**

### **RCMP 2017/2018 Annual Performance Plan Priorities**

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#### **Motion:**

That Council approve the RCMP 2017/2018 Annual Performance Plan Priorities as identified in the May 23, 2017 Council Report.

#### **Purpose:**

To summarize the results of the activities and efforts of the RCMP against the objectives of the past year's Annual Performance Plan (APP) and present the APP priorities for the Detachment for the current year ending March 31, 2018.

#### **Background:**

The Municipal Police Service Agreement empowers a municipality to work with its police agency to set annual priorities, goals and objectives provided these are not inconsistent with the priorities of the RCMP and the Minister of Public Safety Canada. Council's feedback, feedback from other sources, an analysis of the previous year's calls for service and the results of last year's efforts are used by the Officer in Charge to prioritize what is important to Council and the community.

In February 2017, input for APP priorities was requested from Council, the Policing Committee, community groups and several partner agencies. The feedback form included 4 previously identified categories and allowed space to identify up to 2 other categories. From a possible 6 categories, feedback was requested to identify each responder's 3 most important priorities. Space was provided for any additional comments.

Feedback provided the RCMP a strong mandate to focus on four issues:

- Crime reduction;
- Substance Abuse;
- Traffic Safety; and
- Youth Engagement

Council's feedback was consistent with input from other sources and aligns with the priorities established by the RCMP and Minister.

#### **2018 Annual Performance Plan Priorities:**

Based on Council's input and feedback from other key stakeholders, the Fort Saskatchewan Detachment APP priorities for the 2017/2018 policing year have been established as:

1. Traffic Safety (improving traffic safety through enforcement and education);
2. Substance Abuse (reducing substance abuse through education and enforcement);
3. Crime reduction (reducing crime and crime severity including person and property crime); and
4. Youth Engagement

The Officer in Charge and his team subsequently developed a number of measureable strategies, initiatives and tasks to achieve each priority.

**Attachments:**

RCMP Annual Performance Plan Update Year End Report dated April 28, 2017

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Prepared by:	Brad Ward Director, Protective Services	Date: May 16, 2017
Approved by:	Brenda Rauckman General Manager, Community & Protective Services	Date: May 17, 2017
Reviewed by:	Troy Fleming Acting City Manager	Date: May 18, 2017
Submitted to:	City Council	Date: May 23, 2017



# **RCMP FORT SASKATCHEWAN Municipal Detachment: Annual Performance Plan Update Year End Report**

**April 28<sup>th</sup>, 2017**

**Prepared for:**

The City of Fort Saskatchewan

**Prepared by:**

Christopher Culhane, Insp.  
RCMP Fort Saskatchewan  
Detachment

**In Consultation With:**

Operations Strategy Branch  
RCMP "K" Division

### ***Royal Canadian Mounted Police***

This is the year-end report for the Royal Canadian Mounted Police in its 2016/2017 fiscal year. The year-end report consists of sections related to Royal Canadian Mounted Police staffing, significant investigations, the Annual Performance Plan and statistics.

Overall the majority of the targets were attained during the fiscal year of the Annual Performance Plan. Targets that were not achieved were extremely close to the goal set.

### ***RCMP Staffing and Personnel***

1. On March 24<sup>th</sup>, 2017 Inspector Chris Culhane announced that he will be unable to continue on as the Officer in Charge of the Fort Saskatchewan RCMP Detachment due to a medical issue. The process to identify a permanent replacement has commenced. Staff Sergeant Mike McCauley will assume detachment commander responsibilities (acting Officer in Charge) should Inspector Culhane depart prior to his permanent successor being named.
2. The Detachment currently has one human resource vacancy. Two members have been on long term sick leave (one expected back to work on modified duties in mid-April). Another member is on maternity leave and three other members are on modified duties. At this time, the second Traffic position is vacant. We have three members working in the Fort Saskatchewan RCMP Detachment under the Graduated Return to Work program (at no cost to the Municipality of Fort Saskatchewan). This has maintained our staffing at 28 positions (fully staffed).
3. The Fort Saskatchewan RCMP Detachment transition to a four watch system to reduce overtime, enhance coverage during peak hours of 1700 to 2000, and work life balance will be reassessed following the completion of a year (set for the fall of 2017).

### ***Significant Investigations/Initiatives***

The significant investigations and initiatives were reported during the quarter four report which was a culmination of the RCMP fiscal year. Planning has already commenced for the new Annual Performance Plan which is anchored by four priorities: Traffic Safety, Crime Prevention/Crime Reduction, Youth, and Substance Abuse. Each priority is accompanied by an enforcement and education strategy.

## **Upcoming Initiatives for 2017/2018**

June of 2017 it is anticipated Fort Saskatchewan detachment will become a signatory on the Violence Threat Risk Assessment (VTRA) Protocol.

### Violence Threat Risk Assessment Model

The Elk Island VTRA Protocol is based on the Canadian Centre for Threat Assessment and Trauma Response (CCTATR) model of VTRA. The work of the CCTATR reflects scientific research conducted by a number of disciplines including medical and mental health professionals, law enforcement and specialists in the field of threat management.

The VTRA process involves:

- immediate response, data collection and initial assessment;
- comprehensive risk assessment and intervention by a multidisciplinary team; and
- longer-term treatment planning and follow-up support

Each watch is going to identify a crime reduction/prevention initiative and implement it.

Numerous professional relationships have been established with local stakeholders and each watch has selected a liaison to facilitate this.

### NEW Annual Performance Plan (APP) Objectives for 2017/2018

During the upcoming year, in addition to regular policing, the Royal Canadian Mounted Police will continue initiatives to best meet the following policing priorities approved by Council:

- Crime Reduction - Reduce Crime/Severity against Persons/Property
- Improving traffic safety
- Reducing substance abuse
- Youth Engagement

Each aforementioned priority includes enforcement and educational measures/targets, except for Youth Engagement, which includes two educational measures/targets.

## **2016 – 2017 Annual Performance Plan Results / Reporting**

During each quarter, in addition to regular policing, the Royal Canadian Mounted Police focused resources toward initiatives to best meet the following policing priorities approved by Council:

- Reducing crime frequency and severity
- Improving traffic safety
- Reducing substance abuse

## **Strategic Priority One: Crime Reduction - Reduce Crime/Severity against Persons/Property**

### **Objective: Reduce crimes against persons**

#### Fiscal Year Results:

- To reduce the total number of reported offences by 20% during the APP reporting period. Results: Persons crimes went from 392 to 393, representing a .3% increase, target not met.
- Conduct 270 directed patrols. Results: A total of 499 directed patrols were conducted, target achieved.
- Select one candidate for the Habitual Offender Management Program. Results: One individual was identified, target achieved.
- Conduct 100 prolific Offender checks. Results: 97 prolific offender checks were completed, target not met.

#### Calendar Year Statistics (January 1 to December 31 2015 vs 2016):

- Persons Crime – 12.6% Increase
- Property Crime – 4.4% Decrease
  - Overall Criminal Code 2.1% Increase
- Total Files Created in 2016: 8,413
- Total Files Created in 2015: 8,149
  - Percent change in number of files created 2015 to 2016 – 3.2% Increase

## **Strategic Priority Two: Improving Traffic Safety**

### **Objective: Reduce Frequency/Severity of Injury/Property Damage Collisions**

The following Measures & Targets were specific to the aforementioned objective: Reduce Frequency/Severity of Injury/Property Damage Collisions






#### Fiscal Year Results:

- By April 1, 2017, to reduce the total number of reportable collisions in Fort Saskatchewan by 10% from the number of reportable collisions in 2015. Results: The total number of traffic collisions increased from 722 to 749 representing an increase of 3.7%. Target not met.
- Twelve Joint Traffic Operations with Municipal Enforcement. Results: Sixty five joint traffic operations were completed, target achieved.
- Ten Traffic Safety Education presentations to youth. Results: Nineteen presentations were done, target achieved.
- Four Check-stop Programs - Impaired Drivers. Results: A total of seventeen check-stop programs were done, target achieved.
- Fifteen Traffic Operations in Targeted Areas. Results: Seventy-six targeted traffic operations were conducted, target achieved.
- Ten Media Releases disseminated regarding; traffic. Results: Sixteen traffic related media releases were done, target achieved.

### Fiscal Year Statistics:

Collision Categories	April 1 2015- March 31 2016	April 1 2016 to March 31 2017	% Change
Fatal MVC	0	2	200.0%
Injury MVC	53	40	-24.5%
Property Damage MVC (Reportable)	608	639	5.1%
Property Damage MVC (Non Reportable)	61	68	11.5%
<b>TOTAL MVC</b>	<b>722</b>	<b>749</b>	<b>3.7%</b>

### Calendar Year Results:

Fort Saskatchewan Municipal Detachment						
Statistical Comparison						
January to December: 2012 - 2016						
CATEGORY	Trend	2012	2013	2014	2015	2016
Fatals		0	0	0	0	1
Injury MVC		44	57	51	53	47
Property Damage MVC (Reportable)		560	557	561	630	627
Property Damage MVC (Non Reportable)		59	57	57	62	80
<b>TOTAL MVC</b>		<b>663</b>	<b>671</b>	<b>669</b>	<b>745</b>	<b>755</b>

- 683 Reportable Collisions in 2015 (includes fatal and injury)
- 675 Reportable Collisions in 2016 (includes fatal and injury)
- Represents a 1.2% Decrease for the calendar year.

### **Strategic Priority Three: Reducing Substance Abuse**

#### **Objectives: Reduce substances abuse**

#### Fiscal Year Results:

The following Measures and Targets support the aforementioned objective of; Reducing Substances Abuse.

- To increase the number of people charged with trafficking offences by 10% over 2015 values (target of 40 people charged). Results: A total of 33 individuals were charged, target not achieved.
- Provide Thirty Substance Abuse Presentations. Results: A total of seventy-eight substance abuse presentations were completed, target achieved.
- Complete twelve media releases regarding substance abuse. Results: A total of three were completed, target not met.
- Three street level drug operations conducted. Results: A total of five were completed, target met.

## **CITY OF FORT SASKATCHEWAN**

### **Edmonton Metropolitan Region Economic Development Entity**

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#### **Motion:**

- 1) That the City of Fort Saskatchewan subscribe for a share in the Part 9 Company to be incorporated for Regional Economic Development in the Edmonton Metropolitan Region, and agree to a 3-year funding commitment to the Company with such annual payout not to exceed \$50,000 for 2017 to be funded from the Financial Stabilization Reserve, \$100,000 in 2018 and \$150,000 in 2019 to be funded from the ongoing operating budget.
- 2) As required by the Articles of Association of the Company, appoints \_\_\_\_ [name 1] \_\_\_\_ to serve as the elected representative of the City of Fort Saskatchewan and in the event that \_\_\_\_ [name 1] \_\_\_\_ is unable to attend any meeting of the shareholders appoints \_\_\_\_ [name 2] \_\_\_\_ to serve as the alternate elected representative.

#### **Purpose:**

To ensure the City of Fort Saskatchewan is part of the Regional Economic Development Entity that is being created to promote the Edmonton Metropolitan Region.

#### **Background:**

In September 2014 the Capital Region Board (CRB) facilitated a round-table discussion with Economic Development professionals from capital region municipalities to gather their feedback on regional economic development and what, if any, role the CRB should play. From this consultation a report was generated which called for the creation of an Economic Development Entity, which would promote investment for the entire metro region. Following this, the Metro-Mayors Alliance developed a report which called for a regional economic development initiative to promote investment attraction. It also recommended the creation of a stand-alone Entity to promote the region. It was proposed that the new Entity would take a lead role in promoting investment opportunities. Proposed activities included the creation and implementation of a regional marketing strategy, as well as the creation of a regional brand, and development of a regional database that included sub-regional information.

Through continued discussion with stakeholders and municipalities, a final proposal has been developed that is being presented to municipalities for approval.

#### **Current Situation:**

May 24, 2017 is the deadline for municipalities to sign on as shareholders of the proposed Entity. As outlined in the attached presentation, the proposal calls for the creation of a Part 9 Company that will engage in the promotion of the Edmonton Metropolitan Region, specifically for investment attraction. Using a pay-to-play model, municipalities that wish to participate must provide annual financial contributions to support ongoing operations.



The proposed structure of the Entity is as follows:



Municipalities that do decide to participate will become shareholders of the newly created Entity. Shareholders will operate on the principle of one share – one vote, regardless of the amount of financial contribution. At this time, only municipalities within the capital region are eligible to be shareholders. The role of the shareholders will be to appoint the Board of Directors, accept the budget and audited financial statements.

The Board of Directors will be comprised of between 6 and 12 positions (as determined by the Shareholders) and selected by the Shareholders with one representative from each of the following sub-regions, at this time we do not know which sub-region Fort Saskatchewan would be part of:

- Parkland;
- Leduc;
- Strathcona;
- Sturgeon; or
- Edmonton.

The remainder of the Board will be comprised of business and professional leaders based on a skill-set matrix to be determined by the interim board and approved by the Shareholders.

The Board of Directors will be responsible for overseeing the development and implementation of the strategic plan, hire a CEO, and seek Federal and Provincial funding commitments.

Reporting to the Board of Directors, the CEO and staff will be responsible for the day to day operations of the Entity.

The proposed Entity will be guided by the following principles:

- inclusive;
- respect for local autonomy;
- consensus based; and
- speak with one voice.

### **Anticipated Outcomes/Benefits:**

The anticipated outcomes of the Entity are as follows:

- 1) A database that provides regional and sub-regional information relevant to investment attraction. This type of resource is currently lacking in the region and is a powerful tool to attract investment and increase awareness of opportunities. It will house important statistics, and information specific to business development such as demographics, labour, infrastructure, assets, and resources.
- 2) A regional brand that can be used to promote the entire capital region to potential investors. Having a brand that is reflective of, and supported by, the entire region will be a useful asset in attracting investment and promoting opportunities in the metro region, particularly when used to augment and enhance existing attraction efforts.
- 3) A regional strategy will serve as a guideline promoting the opportunities that exist within the Edmonton region as a whole. The strategy will identify target sectors, messaging, resources, stakeholders/partnerships, and existing business clusters to help increase the scope and reach of the regional promotional message.
- 4) Regional advocacy to all levels of government to remove barriers to development within the region. A regional approach to advocacy is an effective tool as it demonstrates a shared value within the message.

In preparation for the establishment of this Entity, the interim board has received \$300,000 in funding from the Province to conduct a comprehensive environmental scan, which will inform them of who the individuals and organizations engaged in regional economic development and investment attraction are, and what efforts they are undertaking to that effect. The intent going forward then is that this Entity will not duplicate or interfere with local municipal economic development departments, or organizations such as the Alberta's Industrial Heartland Association (AIHA), rather it will seek to compliment them.

### **Financial Implications:**

The Entity will be funded through a combination of annual shareholder contributions, and anticipated Provincial/Federal funding. A proposed 3-year budget has been provided to illustrate the projected annual operations and funding requirements.

Operating Year	Total Budget	Shareholder Contribution	Other Levels of Government
Year 1	\$1,000,000	\$500,000	\$500,000
Year 2	\$3,000,000	\$1,000,000	\$2,000,000
Year 3	\$5,000,000	\$2,000,000	\$3,000,000

Shareholder contributions will be determined based on population and assessment, which will result in municipalities such as Edmonton, Strathcona, and St. Albert paying larger shares than Fort Saskatchewan and other communities.

To provide ongoing certainty in regard to funding, municipalities that commit to becoming a shareholder must provide two years' notice should they choose to withdraw from the Entity; meaning their financial contribution is guaranteed for the two-year notification period.

As noted in the budget, it is anticipated that other levels of government (Provincial/Federal) will provide ongoing operational funding to reduce the cost to Shareholders. At this time, there has been no firm commitment from either the Provincial or Federal governments as what they will provide in terms of ongoing operating funding. Discussions between the interim board and Provincial/Federal departments and agencies are ongoing.

At this time, the final number of shareholders who will be participating in this Entity, as well as the Provincial and Federal contributions are unknown. As a result, the annual contribution required by Fort Saskatchewan can only be estimated. If the required amount exceeds the proposed motion this item would come back to Council for discussion and a decision. As noted by the interim board and CRB, these funds should not have a negative impact on existing municipal department budgets.

If approved by Council, Fort Saskatchewan's contribution for the 3-year timeframe would not exceed \$300,000 which is broken down annually as follows:

- **2017** – not to exceed \$50,000, funded from the Financial Stabilization Reserve;
- **2018** – not to exceed \$100,000, funded through ongoing operations; and
- **2019** – not to exceed \$150,000, funded through ongoing operations.

#### **Project Risk Factors:**

The Economic Development Department has identified the following risk factors/concerns with the proposed Entity:

- 1) **Funding and Budget** – There has been no firm commitment from the Provincial or Federal government to provide ongoing operational funding to help offset costs. As noted by the interim board during the recent open house discussions, there is no contingency plan in place should funding from other levels of government not be received.
- 2) **Governance** – The overall operations of the Entity, including the development and implementation of the strategic plan, overall budget, business plan and management of the CEO are the responsibility of an appointed Board of Directors and not the municipalities, which are the shareholders. Under the proposed articles, elected officials from the shareholder municipalities are not eligible to sit as Board members. This creates a disconnect between the Entity that is funded by public dollars, and municipal shareholders that are accountable for those dollars.
- 3) **Timelines** – The proposed timelines for creating the Entity are aggressive and does not permit a thorough review by municipalities, or allow for sufficient public consultation given that public funds will be used to fund operations. The timelines also do not permit municipalities to conduct an adequate legal review of the draft articles of association that have been proposed (attached).

## **Regional Comparators:**

Parkland County, City of Leduc, and Strathcona County recently approved motions to become shareholders of the Entity.

## **Summary:**

While there remains some concerns with the proposed Entity, there is a general agreement that there needs to be increased regional collaboration to attract investment to the region. Regional organizations, when developed and implemented properly, can be a useful tool in attracting investment and leveraging resources to extend the reach and scope of promotional efforts beyond what individual municipalities can achieve on their own; AIHA is a good example of this. To ensure this regional Entity's creation and operation is thoughtful and effective, as well as meeting the needs of the region, it is important for Fort Saskatchewan to be at the table to provide input and guidance.

In addition, the proposed resources, such as a regional brand, database, and strategy are also significant and important tools that are currently lacking in the region and would support improved investment attraction activities.

The resources that Fort Saskatchewan will be putting into supporting the regional Entity will be combined with the resources and funds of our regional partners and other levels of government to expand the scope and reach of what we could achieve on our own.

As such, Administration is recommending that Fort Saskatchewan participate as a shareholder in the proposed Part 9 Company for the outlined 3-year commitment. We would suggest that this decision be reviewed annually to ensure accountability and that the City is receiving sufficient return on our investment going forward.

## **Attachments:**

1. Appendix A – Proposed Articles of Association
2. Appendix B – Interim Board Presentation to Information Session
3. Appendix C – Question & Answer Transcripts from Information Sessions

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Prepared by:	Mark Morrissey Director, Economic Development	Date: May 17, 2017
Reviewed by:	Jeremy Emann Chief Financial Officer	Date: May 17, 2017
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## ARTICLES OF ASSOCIATION OF [ENTITY]

[ENTITY] is a not-for-profit company established to carry out a broad range of economic development activities on behalf of the citizens and taxpayers located in the Edmonton Metropolitan Region.

The [ENTITY] has multiple Shareholders defined in Schedule "A" and the interests of the citizens and taxpayers of the Edmonton Metropolitan Region are represented by the Shareholders and the appointed directors. The Shareholders agree in principal to pursue a model of shared cost for shared benefit.

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## **INTERPRETATIONS AND DEFINITIONS**

## 1. TABLE A

The regulations contained in Table “A” in the First Schedule to the Companies Act shall not apply to this Company.

## 2. DEFINITIONS

In these Articles, unless the context otherwise requires:

- a) “Act” means the Companies Act being chapter C-20 of the Revised Statutes of Alberta, 1980;
- b) “Annual Contribution Fee” means the fee set by the Shareholders each year for the annual contribution of each of the Shareholders to be set in accordance with Funding Formula and to be approved by the Shareholders on a three year rolling basis;
- c) “Articles” means these Articles of Association as altered or added to from time to time;
- d) “Board” means the board of directors of the Company;
- e) “CEO” means the Chief Executive Officer;
- f) “Company” means [Entity] brought into existence by the issuance of a certificate of incorporation under the Act pursuant to the Memorandum and Articles;
- g) “Conflict of Interest” means any matter that a person or any member of that persons immediate family has any direct or indirect financial interest;
- h) “Director” means a person appointed to the Board by the Shareholders as a director of the Company;
- i) “Edmonton Metropolitan Region” means the region with boundaries identified in Schedule “C” as may be amended from time to time by resolution of the Shareholders;
- j) “Elected Representative” means a municipal councillor of the participating Shareholder appointed by the Shareholder as the Shareholders Elected Representative pursuant to article 68;
- k) “Funding Formula” means the formula set out in schedule “D” hereto;
- l) “Funding Model” means the three year rolling budget commitment approved annually and set by the Shareholders as set out in article 50 and in accordance with any policies of the Company;
- m) “Memorandum” means the Memorandum of Association of the Company as altered from time to time;
- n) “meeting of the Shareholders” includes the annual general meeting of the Shareholders required by the Act, a special, extraordinary or other meeting of the Shareholders;
- o) “Non-Business Day” means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Canada);
- p) “Officers” means the Chair of the Board appointed by the Shareholders and the Vice-Chair, Secretary and any other officer that the Directors may appoint in accordance with these Articles and the Act;
- q) “Public Official” means an elected official from either municipal or provincial government or a city manager, county manager, or chief administrative officer;
- r) “Recorded Address” means in the case of an Elected Representative or Shareholder, the address of that Representative or Shareholder as recorded in the register of Representatives and Shareholders maintained by the Company and, in the case of a Director, Officer, auditor, member of a committee of the Board, advisor or member of an advisory body, the last address of that person as recorded in the records of the Company;
- s) “share” means a share in the capital stock of the Company;
- t) “Shareholders” means the member municipalities that each own one share of the Company and “Shareholder” means each of them;
- u) “Special resolution” means a resolution approved by at least seventy-five (75%) of the votes cast by the Elected Representatives of the Shareholders;
- v) “Transition Board” has the meaning given to it in Section 82.

## 3. INTERPRETATION

Except where stated in article 2 or where the context does not permit:

- a) words and expressions defined in the Act have the same meanings when used in the Articles;
- b) the reference in the Articles to the “Shareholders” in the context of any record, register, authority, action, meeting or resolution shall be synonymous with a reference in the Act to the Shareholders or Members;
- c) words importing the singular number include the plural and vice versa;
- d) words importing gender include the masculine, feminine and neuter genders; and
- e) words importing a person include a body corporate.

#### 4. DETERMINING AUTHORITY OF LISTED OFFICERS

Subject to any resolution of the Shareholders or the Board, where the authority or responsibility for any duty or function is prescribed to a list or series of Officers in these Articles or any Board policy, that authority or responsibility shall be discharged or undertaken by the Officers in priority of the order listed.

#### 5. LEGISLATION REFERENCES

Except where specifically limited or where specifically provided to the contrary in any legislation, the reference to any legislation shall be deemed to include all amendments thereto and regulations thereunder and all statutes, including all amendments thereto and regulations thereunder, that may be substituted for that legislation.

#### 6. INTERNAL REFERENCES

Except where otherwise stated, all references to;

- a) “appoint” includes “elect” and vice versa;
- b) “Articles” mean only these Articles and all references to article numbers refer to the numbered paragraphs in these Articles;
- c) “members” means Shareholder throughout this document;
- d) “month” means a calendar month; and
- e) “in writing” and “written” includes printing, typewriting, lithographing, telefacsimile recording, email and other methods of representing or reproducing words in visible form.

#### 7. HEADINGS

The headings to any article or group of articles are inserted for convenience of reference and do not define, enlarge or limit the terms and provisions of that article or group of articles or the Articles, generally.

#### 8. CONTINUOUS EFFECT

The Articles shall be construed as always speaking and shall be interpreted and applied to circumstances as they arise.

#### 9. SUPREMACY OF AUTHORITIES

Whether or not expressly stated in the Articles, the Act or the Memorandum, at all times the Articles are subject to the Act and the Memorandum in that order.

#### 10. METHOD OF GIVING NOTICES

Any notice (which term includes any communication or document) to be given (which term includes “sent”, “delivered” or “served”) pursuant to the Act, the Articles or otherwise to any Shareholder,, Director, Officer, Elected Representative, auditor or member of a committee of the Board, shall be sufficiently served or sent:

- a) if delivered personally to that person;
- b) if delivered to the Recorded Address of that person;
- c) if mailed by prepaid ordinary mail to the Recorded Address of that person;
- d) if the Secretary knows of no address for that person, by posting the notice in the registered office of the Company; or
- e) if transmitted prepaid to the Recorded Address of that person by any means of electronic recorded transmission.

#### 11. DEEMED RECEIPT OF NOTICE

A notice given in any of the ways provided in article 10 shall be deemed to have been received by the person to whom it is to be given:

- a) on the day of actual delivery if delivered personally to that person;
- b) on the day following the day of actual delivery, if delivered to the Recorded Address of that person;
- c) three days (excluding Non-Business Days) following the day when the notice was deposited, prepaid, in a post office or public letter box;
- d) on the day when the notice was posted-up in the registered office of the Company when the Secretary knows of no address for that person; or
- e) on the day of actual transmission, if delivered by any means of electronic recorded transmission.

#### 12. CHANGE OF RECORDED ADDRESS

The Secretary may change the Recorded Address of any Shareholder, Director, Officer, Elected Representative, auditor or member of a committee of the Board in accordance with any information believed by the Secretary to be reliable.

#### 13. COMPUTATION OF TIME

In computing the date when notice must be given under any provisions requiring a specified number of days' notice of any meeting or other event, the deemed date of receipt of the notice shall be excluded and the date of the meeting or other event shall be included.

#### 14. CERTIFICATE OF NOTICE

A certificate of the Secretary or other duly authorized officer of the Company in office at the time of the making of the certificate as to the facts in relation to the mailing or telecommunicating or delivery or posting up of any notice to any person or publication of any notice, shall be prima facie evidence thereof and shall be binding on the Company and every person affected by that notice.

## **GENERAL BUSINESS**

#### 15. COMMENCEMENT OF BUSINESS

The business of the Company may be commenced as soon after the incorporation of the Company as the Directors may see fit.

#### 16. FINANCIAL YEAR

The fiscal year of the Company shall end on December 31 in each year.

#### 17. AUTHORITY TO EXECUTE INSTRUMENTS

The Board shall specify the manner in which and the Officer or Officers by whom any particular instrument or class of instruments may or shall be signed. Except as the Board may otherwise authorize from time to time, any two of:

- a) the Chair or Vice Chair of the Board; and
- b) any Director,

shall have the authority to execute all documents or contracts on behalf of the Company and have the authority to bind the Company. Any authorization made by the Board may be general or confined to specific instances. Except as provided in this article or as otherwise authorized by the Shareholders or the Board within their respective authority, no Director, officer, agent or employee shall have any power or authority to bind the Company.

#### 18. MECHANICAL SIGNATURES

The signature of any person authorized to sign any deed, document or instrument on behalf of the Company may be engraved, lithographed or otherwise mechanically reproduced upon any negotiable instrument, bond, debenture, warrant, share certificate or notice and any negotiable instrument, bond, debenture, warrant, share certificate or notice so signed shall be deemed to have been manually signed by the person whose signature is so engraved, lithographed or otherwise mechanically reproduced and shall be as valid for all intents and purposes as if it had been manually signed.

#### 19. BANKING ARRANGEMENTS

The banking business of the Company shall be transacted with the banks, trust companies and other persons and in the manner as may be specified by the Board.

#### 20. CORPORATE SEAL

The Company shall have a corporate seal which shall be of the form and device as may be adopted by the Board, and the Board may make all provisions with respect to the custody and use of the seal and the appointment of a Director or Directors or other Officers, to attest by their signatures that the seal was duly affixed.

#### 21. OFFICIAL FACSIMILE SEAL

The Company may exercise the powers conferred by the Act and may have for use in any other province state or country, an official seal, which shall be a facsimile of the corporate seal of the Company with the addition on its face of the name of the province, state, country or jurisdiction where it is to be used. Subject to the Act,



the Board may make all provisions respecting the use of that facsimile seal and may comply with the requirements of any local law.

## 22. NO DIVIDENDS

No dividends may be declared or paid by the Company.

## 23. LIMITATION OF LIABILITY

No Director or officer shall be liable for:

- a) the acts, omissions or defaults of any other Director, officer, manager or employee of the Company or of the Company itself;
- b) any loss or damage suffered by the Company or any expense incurred through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company;
- c) the insufficiency or deficiency of any security in or upon which any of the monies of the Company were invested;
- d) any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the monies, securities or valuables of the Company shall be deposited;
- e) any loss occasioned by any error of judgment or oversight on the part of that Director or officer; or
- f) any other loss, damage or misfortune which shall happen in the execution of the duties of any office or in relation to it.

## 24. INDEMNITY OF DIRECTORS, OFFICERS, MANAGERS, EMPLOYEES

The Company shall indemnify every Director, officer, manager, employee, former Director, officer, manager, employee and person who acts or has acted at the request of the Company as a director or officer of a body corporate of which the Company is or was a Shareholder or creditor, and the heirs and legal representatives of every such person, against all costs, charges and expenses, including amounts paid to settle an action or satisfy a judgment and all expenses, reasonably incurred by that person (including legal costs and expenses on a solicitor-and-his-own-client basis) in respect of any contract entered into or act or thing done by that person or any civil, criminal or administrative action or proceeding to which that person is made a party by reason of being or having been a Director, officer, manager or employee of the Company or a director, officer, manager or employee of that body corporate, if:

- a) that person acted honestly and in good faith in discharging the duties of that person with a view to the best interests of the Company or that body corporate as the case may be; and
- b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that person had reasonable grounds for believing that his or her conduct was lawful.

## 25. INDEMNITY OF OTHERS

The Company shall also indemnify those persons in all other circumstances as the Act permits or requires. Nothing in the Articles shall limit the right of any person entitled to be indemnified to claim indemnity apart from the provisions of the Articles. None of the provisions hereof shall be construed as a limitation upon the right of the Company to exercise its general power to enter into a contract or undertaking of indemnity with or for the benefit of any Director, director, officer, manager or employee.

## 26. INSURANCE

The Company may purchase and maintain insurance for the benefit of any person referred to in article 24 against the liabilities and in the amounts as the Board may specify.

## 27. REGISTERED OFFICE

The registered office of the Company may only be changed by the Shareholders.

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## **SHARE SUBSCRIPTIONS AND TRANSFERS**

## 28. SHARES UNDER CONTROL OF SHAREHOLDERS

Subject to the provisions of the Articles, the shares shall be under the control of the Shareholders, who may accept subscriptions, allot, issue, grant options in respect of or otherwise dispose of them to those persons on terms and conditions, at times and for such consideration as the Shareholders determine appropriate.

## 29. RECOGNITION OF TRUST AND CONTRACTS

Except as herein otherwise provided or in any trust instrument directed to the Company or in any contract to which the Company is a party, and subject to the provisions of the Act and any other relevant legislation, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and shall not be bound to recognize any equitable or other claim to or interest in that share on the part of any other person.

## 30. NO SHARE SUBSCRIPTIONS RECEIVABLE

A share shall not be issued by the Company until the consideration for the share is fully paid.

## 31. SHARE REGISTERS

The Company shall, at its registered office, maintain one or more registers in which it records the shares issued by it, the Shareholders of the Company and all transfers of shares approved by the Shareholders.

## 32. ENTITLEMENT TO SHARE CERTIFICATES

Every Shareholder shall be entitled to one certificate evidencing, in the aggregate, the number of shares held by that Shareholder as shown on the share register.

## 33. SHARE CERTIFICATE FORM

Share certificates shall be in a form approved by the Board. To be valid, every share certificate must be signed by two Directors or Officers designated by the Board and unless otherwise permitted by the Board, must be under the corporate seal of the Company.

## 34. RECORDING TRANSFERS

All transfers of shares shall be entered and particulars of all transfers shall be recorded in the register of members and in such other registers that the Board establishes for this purpose.

## 37. TRANSFER FORMALITIES

No transfer of shares be valid until the transfer has been approved by the Shareholders, entered in the register of members and in such other registers that the Board establishes for this purpose and the certificates representing the shares to be transferred have been surrendered and cancelled.

## 35. LOST AND DESTROYED CERTIFICATES

Upon such terms and conditions as to indemnity or otherwise as the Board deems expedient, the Board may direct that a new certificate for shares be issued to replace any certificate theretofore issued by the Company that has been worn out, lost or destroyed.

### 36. PURCHASE OF SHARES

Subject to the Act, the Shareholders may authorize the Company to repurchase any of its shares on such terms and conditions as the Shareholders may determine by Special Resolution.

### 37. LIMITATION OF NUMBER OF SHAREHOLDERS

The number of Shareholders of the Company is limited to fifty not including persons who are in the employment of the Company, and persons who, having been formerly in the employment of the Company, were, while in that employment, and have continued after the determination of that employment to be Shareholders of the Company, two or more persons holding one or more shares jointly being counted as a single Shareholder.

### 38. NO INVITATION TO PUBLIC

Any invitation to the public to subscribe for any shares of the Company is prohibited.

## **SHAREHOLDERS AND SHAREHOLDER MEETINGS**

### 39. SHAREHOLDERS ELIGIBILITY, TERM, AND COMMITMENTS

Participation in the Company as a Shareholder shall be limited to municipalities in Alberta that meet the following criteria:

- a) the municipality is located within the Edmonton Metropolitan Region; and,
- b) the municipality has paid the one-time share purchase applicable at the time in exchange for the issuance of shares; and,
- c) the municipality is added to the membership by special resolution of the Shareholders; and,
- d) the municipality commits to be a Shareholder for a period of three years and to the Company's Funding Model; and
- e) the municipality agrees in principle that the Company will pursue a model of shared cost for shared benefit.
- f) the municipality must agree to a three year budget commitment to the Company

### 40. INITIAL SHAREHOLDERS

The initial Shareholders of the Company are as set out in Schedule "A" to these Articles and are deemed to have received Shareholder approval as required by article 39(c).

### 41. ADDITION OF SHAREHOLDERS

A municipality may join the Company after the initial incorporation if they meet all of the eligibility criteria set out in article 39 and pay the buy-in fee that may be set by the Shareholders from time to time. The Shareholders will have the discretion to admit a new municipality at any time that the Shareholders see fit through a special resolution and make such resolutions as necessary setting out the new municipality's contribution to the three year commitment model for any partial year of membership.

### 42. WITHDRAWAL OF SHAREHOLDER

A Shareholder may withdraw from the Company by providing written notice to the Company at least two years in advance of termination and to such termination will only be effective at the end of the Shareholders then current three year commitment to the Company (the "Notice Period"). The Shareholder shall continue to make an annual contribution to the Company during each year of the Notice Period that is fixed at the rate of the current year's Annual Contribution Fee to which the Shareholder is bound.

### 43. REMOVAL OF SHAREHOLDERS

A Shareholder shall be deemed to have been removed as a Shareholder and such Shareholders shares shall transfer back to the Company on the occurrence of any of the following events:

- a) the expiry of the termination notice period when the Shareholder voluntarily withdraws under article 42; or
- b) the Shareholder is no longer a municipality within the boundaries of the Edmonton Metropolitan Region; or
- c) the Shareholder fails to pay any Annual Contribution Fee that the Shareholders approve by special resolution; or

- d) the Shareholder is removed from membership by special resolution of the Shareholders.

Notwithstanding that a Shareholder may be removed from membership pursuant to article 43(c) and 43(d), the Shareholder shall continue to be bound by any three year funding commitment in place between the Shareholder and the Company, unless the Shareholders by special resolution have determined otherwise.

A Shareholder who is removed from the membership pursuant to this article 43 shall not be permitted to rejoin the Company for a period of at least five (5) years from the date of termination. Notwithstanding the foregoing, a Shareholder who is removed from the membership according to article 43(b) shall be permitted to rejoin the Company if and when the boundaries of the Edmonton Metropolitan Region are amended to include the municipality.

#### 44. RESTRICTIONS ON TRANSFER

No transfer of shares shall be permitted.

No right or privilege of any Shareholder shall be in any way transferable or transmissible, and all such rights and privileges shall cease upon the Shareholder ceasing to hold shares.

#### 45. SHAREHOLDER ELECTED REPRESENTATIVES

Each Shareholder of the Company shall appoint an Elected Representative as directed in article 66 and such Representative shall have the authority to vote on behalf of the Shareholder at any meeting of the Shareholders.

#### 46. SPECIFIC SHAREHOLDER AUTHORITY

In addition to all other matters which are subject to the exclusive authority of the Shareholders of a company under the Act or are subject to some approval or action of the Shareholders under the Articles, the following matters pertaining to the business and affairs of the Company are reserved exclusively to the authority and approval of the Shareholders who shall have all power to:

- a) make, amend and repeal the Memorandum and the Articles through special resolution;
- b) in addition to any qualifications prescribed in the Act, specify all eligibility and residency criteria for Directors ;
- c) elect, re-elect and remove Directors and fill vacancies in the Board;
- d) establish rules, duties, powers and provide for the accountability of Directors;
- e) approve compensation and benefit plans, if any, for Directors but in respect only to their services in those capacities and in accordance with Article 104 and any policy of the Company with respect to Conflict of Interest and Directors Compensation;
- f) appoint and remove the auditors of the Company;
- g) authorize any investigation of the business and affairs of the Company or any part thereof and appoint and remove any person or persons to conduct any investigation so authorized;
- h) approve the issuance of shares to a new Shareholder and establish rules and policies setting out shareholder eligibility criteria in addition to those set out in article 39;
- i) cause or enable the Company to enter into any merger or amalgamation with any other entity;
- j) approve the sale, lease, exchange or disposal of all or substantially all or a material portion of the property of the Company;
- k) approve all borrowing requirements of the Company within its operating and capital budgets where the borrowing exceeds one hundred thousand (\$100,000.00) dollars;



- l) approve the continuance of the Company under any other legislation including the laws of another jurisdiction;
- m) establish a committee to recommend a slate of candidates for initial Board appointments and the terms of reference for such committee;
- n) establish a skill matrix based process and selection policies for future Board appointments;
- o) appoint and reappoint the Chair of the Board and remove any person appointed or reappointed to that office provided that except for the first Chair of the Board, the Chair of the Board shall have previous experience as a director on the Board;
- p) authorize modification of Funding Formula;
- q) set the Annual Contribution Fee;
- r) allot, issue, sell, transfer, exchange or otherwise dispose of or option or agree to allot, issue, sell, exchange or otherwise dispose of any of the shares;
- s) authorize the Company to create and distribute its securities; and
- t) receives annual presentations from the Board and management team.

#### 47. SHAREHOLDER CONTRIBUTIONS

Each year, the Shareholders shall set the Annual Contribution Fee to be paid by each Shareholder using the Funding Formula. Other sources of funding will be considered when calculating membership contributions.

#### 48. CONFIDENTIALITY

Each Shareholder and Elected Representative shall maintain as confidential the business and affairs of the Company. However, such restrictions shall not restrict any Shareholder or Elected Representative in promoting the lawful objects of the Company.

#### 49. ANNUAL GENERAL MEETINGS

The annual general meeting of the Company required by the Act, shall be held in the Edmonton Metropolitan Region (or elsewhere if the Shareholders consent), in each year and at such place as the Board may specify.

#### 50. APPOINTMENT OF CHAIR

At each annual general meeting the Shareholders shall select a Chair for that meeting from the Elected Representatives in attendance at the meeting

#### 51. SECRETARY AT MEETINGS OF SHAREHOLDERS

If the Secretary of the Company is absent, the Chair of the meeting shall appoint some person, who need not be an Officer, to act as secretary of the meeting.

#### 52. BUSINESS AT ANNUAL GENERAL MEETINGS

At every annual general meeting of the Company required by the Act, the Shareholders shall consider and may pass one or more resolutions or Special Resolutions with respect to:

- a) accepting the financial statements of the Company;
- b) accepting the auditor's report;
- c) the appointment or reappointment of any person as a Director;
- d) on the expiration of the term of office of the Chair of the Board, the appointment or reappointment of any Director as Chair of the Board;

- e) the appointment or reappointment of any auditor; and
- f) all outstanding matters requiring the approval of the Shareholders.

At each annual General meeting the shareholders will approve a three year budget commitment and the Annual Contribution Fee for the current year.

#### 53. EXTRAORDINARY GENERAL MEETINGS

The Board or Shareholders holding more than 50% of the issued shares have the right to call an extraordinary general meeting of the Company.

#### 54. MID-YEAR MEETING

There shall be a mid-year information meeting of the Shareholders held in the Edmonton Metropolitan Region in each year at such place as the Board may specify.

#### 55. ADJOURNMENT

With the consent of the meeting, the Chair of a meeting of the Shareholders may adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### 56. TIME OF NOTICE OF MEETINGS

Not less than seven days before the date thereof, notice of the time and place of each meeting of the Shareholders shall be given in one or more of the manners provided in article 10 to each Shareholder and Elected Representative.

#### 57. INFORMATION IN NOTICE

Notice of a meeting of the Shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of Directors and reappointment of the incumbent auditor shall state the nature of the business to be brought before the meeting, in sufficient detail to permit the Shareholders or the Elected Representatives to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting.

#### 58. LIST OF PERSONS ENTITLED TO NOTICE

For every meeting of the Shareholders, a list of persons entitled to receive notice of the meeting, arranged in alphabetical order shall be prepared. The list shall be available for examination by any Director, Elected Representative, Officer or auditor during usual business hours at the registered office of the Company and at the meeting for which the list was prepared.

#### 59. MEETINGS WITHOUT NOTICE

A meeting of the Shareholders may be held without notice at any time and place permitted by the Act if all of the Shareholders or Elected Representatives of the Shareholders are present or waive notice of or otherwise consent to the meeting being held so long as a Shareholder or Elected Representative of a Shareholder present is not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

#### 60. PERSONS ENTITLED TO BE PRESENT

The only persons entitled to be present at a meeting of the Shareholders shall be the Shareholders or the Elected Representatives of the Shareholders, the Directors and Officers and the auditors, if any, of the Company, and others who, although not entitled to vote, have been invited or permitted to attend the meeting. Any other person may be admitted only on the invitation of the Chair of the meeting or with the consent of those persons present and entitled to vote thereat. Subject to the Act and the Articles, the Chair of any meeting has the right to exclude any person from the meeting or require any person in attendance to leave the meeting.

#### 61. QUORUM

A quorum of Shareholders is present at a meeting of Shareholders, irrespective of the number of persons actually present at the meeting, if more than fifty percent (50%) of the Elected Representatives of the Shareholders are present in person.

#### 62. RIGHT TO PROCEED WITH BUSINESS

If a quorum is present at the opening of any meeting of the Shareholders, the Elected Representatives of the Shareholders present may proceed with the business of the meeting.

#### 63. CONTINUATION OF BUSINESS

If quorum is lost the meeting is automatically adjourned and any remaining business will be dealt with at a future meeting.

#### 64. ABSENCE OF QUORUM

If a quorum is not present at any meeting of the Shareholders, the Elected Representatives must not open the meeting and may not transact any business.

#### 65. RIGHT TO VOTE

On every question or resolution before any meeting of the Shareholders each Shareholder present at the meeting of the Shareholders by its appointed Elected Representative or alternative method of representation as contemplated in Article 66 shall be entitled to one vote.

#### 66. CERTIFICATE OF ELECTED REPRESENTATIVES

Each Shareholder shall appoint an Elected Representative to vote on behalf of the Shareholder as legal holder of the shares at a meeting of the Shareholders and shall provide the Company with a certificate naming the Shareholders Elected Representative for the following twelve month period. If the Elected Representative of a Shareholder is unable to attend a meeting of the Shareholders, the Company, on the request of the Shareholder, shall approve an alternative method of representation for the Shareholder at that meeting.

#### 67. APPARENT AUTHORITY OF ELECTED REPRESENTATIVES

The Company and all persons having business with the Company shall be entitled to rely upon the apparent authority conferred upon each person named as an "Elected Representative" to exercise voting rights as herein provided.

#### 68. DURATION OF AUTHORITY

A certificate from a Shareholder may confer the authority of any elected official of the shareholders to be an “Elected Representative” for a twelve month period meetings of the Shareholders unless an alternative method of representation has been granted by the Shareholders in accordance with Article 66.

#### 69. CERTIFICATE OF LOSS OF STATUS

A Shareholder may also deposit with the Secretary a certificate certifying that the status of any person previously certified to be an “Elected Representative” has been terminated and replaced.

#### 70. TIME FOR DEPOSIT OF ELECTED REPRESENTATIVE CERTIFICATES

The Board may specify in a notice calling a meeting of the Shareholders, a time, preceding the time of that meeting by not more than two days exclusive of Non-Business Days, before which certificates (as contemplated in article 66 to be used at that meeting) must be deposited.

#### 71. NO DELEGATION OF VOTING AUTHORITY

An Elected Representative of a Shareholder may not delegate any voting right or authority to vote for that Elected Representative unless a Shareholder’s request for an alternative method of representation has been approved by the Shareholders in accordance with article 66.

#### 72. VOTES TO GOVERN

Except as required pursuant to article 76, at every meeting of the Shareholders, every question shall be determined by a simple majority being fifty percent plus one or more of the votes cast on the question. In case of an equality of votes, the vote is deemed to have failed.

#### 73. VOTING PROCEDURE

Each question and resolution before a meeting of the Shareholders shall be decided by a show of hands or by any other means which clearly indicates the affirmative vote, negative vote or abstention from voting by each person voting.

#### 74. DECLARATION OF CHAIR

Whenever a vote shall have been taken upon a question or resolution, a declaration by the Chair of the meeting that the vote upon the question or resolution has or has not been carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the determination of the question or resolution without proof of the number of the votes recorded in favour of or against that question or resolution and where a majority of the Elected Representatives present vote in favour of or against a question or resolution, the result of their vote shall be conclusively deemed to be the unanimous decision of the Shareholders upon the question or resolution.

#### 75. RESOLUTION IN LIEU

A resolution in writing signed by all of the Elected Representatives of the Shareholders is valid as if it had been duly and unanimously passed at a meeting of the Shareholders.

## 76. SPECIAL MAJORITIES

Notwithstanding anything to the contrary expressed or implied elsewhere herein, the following actions shall require a Special Resolution of the Shareholders:

- a) the altering or adding to the Articles or the Memorandum;
- b) the approval and issuance of shares to a new municipality;
- c) the removal of a Shareholder; and,
- d) the dissolution of the Company.

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## **DIRECTORS AND BOARD MEETINGS**

#### 77. AUTHORITY OF THE BOARD

The Board shall have all power necessary to manage the business and affairs of the Company except only where:

- a) the Act reserves a matter to the exclusive authority of the shareholders; or
- b) the power of the Board with respect to any particular matter has been expressly limited by the Articles. For greater certainty, the power of the Board with respect to the matters listed in article 46 and with respect to any other matter which is expressed to be subject to any action or approval of the Shareholders, is hereby restricted and reserved to the Shareholders.

#### 78. SOME SPECIFIC BOARD AUTHORITY

Without limiting the generality of article 77, for greater certainty, the Board shall have all power to:

- a) approve and set the operating and capital budgets in accordance with the Annual Contribution Fees set by the Shareholders ;
- b) approve the compensation to be paid to and benefit plans, if any, to be established for the Officers of the Company but in respect only to their services as officers;
- c) set and approve the strategic plan for the Company and its divisions;
- d) safeguard the assets of the Company;
- e) prepare and approve annual financial operating reports and deliver them to the Shareholders in a timely fashion;
- f) delegate authority to Officers, management or staff as necessary;
- g) recommend to the Shareholders for their approval all necessary or desirable alterations or additions to the Memorandum and the Articles to enable and better facilitate the efficient management of the Company and the pursuit of its objects;
- h) appoint a Chief Executive Officer for the Company who hires other employees according to a Board-approved plan for the proper operation of the Company;
- i) manage and monitor performance of the Chief Executive Officer;
- j) establish or revise employee compensation and benefit plans;
- k) meet regularly with and receive the reports of the auditor;
- l) delegate to committees of the Board or any one or more Officers, special powers with respect to the execution of instruments and the use of the corporate seal;
- m) approve all borrowing requirements of the Company within its operating and capital budgets provided that such borrowing does not exceed one hundred thousand (\$100,000.00) dollars;
- n) subject to the requirements of Article 17, authorize and delegate to one or more financial Officers of the Company the authority to deal directly with one or more persons designated by the Board in respect of the short term borrowing requirements of the Company;
- o) other than the Chair of the Board, appoint and reappoint all Officers of the Company and, other than the Chair of the Board, remove any person appointed or reappointed to any office.
- p) subject to the requirements of Article 17, establishes signing authorities for the Company;
- q) approve financial Statements;
- r) approve the allocation of costs;
- s) approve the economic development strategies for the Company; and
- t) provide advice and direction to the CEO on the strategic direction of the Company.

#### 79. NUMBER OF DIRECTORS

The Board shall consist of a minimum of six (6) to a maximum of twelve (12) Directors with the composition and length of terms as is set forth in Schedule "B" attached hereto. The term of appointment for directors shall be a maximum of two terms of three (3) years in accordance with article 82. Directors' terms shall be staggered so that no group of Directors as set out in Schedule "B" shall be completely replaced in any given year.

#### 80. QUALIFICATIONS

No person shall be qualified for election as a Director if that person:

- a) is less than eighteen years of age;
- b) is of unsound mind and has been so found by a court in Canada or elsewhere or by a physician licensed to practice medicine in Alberta;
- c) has the status of a bankrupt;
- d) has a prior conviction of fraud
- e) is not an individual;
- f) is not a resident within the Edmonton Metropolitan Region;
- g) has a conflict of interest by virtue of being an elected official of any Shareholder or otherwise has a conflict of interest as determined by the Shareholders in accordance with any policy of the Company with respect to conflict of interest; has served as a director of the Company for two consecutive terms; or,
- h) is not a Canadian citizen.

#### 81. NO QUALIFYING SHARE

A Director shall not be a Shareholder of the Company. No Public Official may hold a Board position until two years after their term has expired.

#### 82. TERMS AND ELECTION OF INITIAL BOARD; TRANSITION BOARD

The Shareholders shall elect the initial Board, from a slate of Directors presented to the Shareholders by the Nominating Committee for the initial term of the Board, to hold office for a term of three years subject to the Shareholders being permitted to elect the first Directors of the Company to terms of one, two or three years as recommended by the Nominating Committee. At the expiration of a Director's term, that Director shall be deemed to have retired but, if the Director continues to be qualified to act as a Director as required by Article 80, the Director shall be eligible for re-election to a second three year term. If an election of Directors is not held at the proper time, then subject to article 80, the incumbent Directors shall continue in office until their successors are elected. A retiring Director shall retain office until the dissolution of the meeting at which the successor of that Director is elected. A Director shall not be permitted to serve any more than two (2) consecutive terms.

Notwithstanding Article 79 and the foregoing Article 82, the Shareholders shall be permitted to elect a transition board (the "Transition Board") to assist with the establishment of the Company, to allow the Shareholders to establish the Nominating Committee, and to allow the Nominating Committee to put forward a slate of directors for the initial Board. The Transition Board will be appointed for such period of time as the Shareholders determine but in any event such term shall not extend past the first fiscal year end. The Shareholders shall not be required to comply with Schedule "B" when appointing the Transition Board provided that each Director appointed to the Transition Board has industry, governance or professional experience.

#### 83. REMOVAL OF DIRECTORS

At any time, the Shareholders may remove any Director from office.



#### 84. VACATION OF OFFICE

Except as hereafter provided, a Director ceases to hold office:

- a) upon the death of that Director;
- b) upon the removal of that Director from office by the Shareholders;
- c) except as hereafter provided, when that Director ceases to have the qualifications for election as a Director; or
- d) when the written resignation of that Director is received by the Company, or, if a time is specified in the written resignation, at the time so specified, whichever is later.

The automatic cessation of office of a Director shall not apply merely because the Director fails to meet the qualifications of section (g) of article 80.

#### 85. VACANCIES

The Shareholders may at any time appoint a Director to a vacancy in the Board. Nothing in the foregoing shall require the Shareholders to fill a vacancy on the Board prior to the next annual general meeting.

#### 86. QUORUM

The quorum for the Board is fifty (50) percent plus one.

#### 87. ACTION BY THE BOARD

The Board may transact any business within its power at a meeting at which a quorum is present at the commencement thereof notwithstanding a loss of a quorum thereafter unless any Director present at the meeting objects to the continuance of proceedings at the time the quorum is lost.

#### 88. BOARD ACTION DESPITE VACANCY

Where there is a vacancy in the Board, the remaining Directors shall constitute and may exercise all the powers of the Board so long as a quorum remains in office.

#### 89. MEETING BY TELEPHONE

If all of the Directors or members of any committee of the Board consent, one or more Directors may participate in a meeting of the Board or a committee of the Board (as the case may be) by means of telephone or other communication facilities which permit all persons participating in the meeting to hear or communicate with each other, and a Director participating in a meeting by that means is deemed to be present at that meeting. Any consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and of committees of the Board.

#### 90. PLACE OF MEETINGS

Meetings of the Board shall ordinarily be held at any place inside the Edmonton Metropolitan Region but, with the approval of the Shareholders, may be held at any place inside Alberta.

#### 91. CALLING MEETINGS

Meetings of the Board shall be held at the times and at the places as the Chair of the Board or a majority of the Directors may specify.

#### 92. NOTICE OF MEETING

Notice of the time and place of each meeting of the Board shall be given in the manner provided in article 10 to each Director, not less than one day before the day when the meeting is to be held. A notice of a meeting of the Board need not specify the purpose of, or the business to be transacted at the meeting except where the Act requires that purpose or business to be specified.

#### 93. MEETINGS WITHOUT NOTICE

A meeting of the Directors may be held without notice at any time and place permitted by the Act if all of the Directors are present or waive notice of or otherwise consent to the meeting being held so long as a Director is not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

#### 94. MEETING OF THE BOARD FOLLOWING SHAREHOLDERS' MEETING

Provided a quorum of Directors is present, the Board may, without notice, hold a meeting immediately following any meeting of the Shareholders.

#### 95. REGULAR MEETINGS

The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be fixed or later named. Notwithstanding the foregoing, the Board shall meet at least quarterly. A copy of any resolution of the Board fixing the place and time of these regular meetings shall be sent to each Director forthwith after being passed, and no other notice shall be required for any of these regular meetings except where the Act requires the purpose of or the business to be transacted at the meeting to be specified.

#### 96. CHAIR OF A BOARD MEETING

The Chair of any meeting of the Board shall be the Chair of the Board, and in the absence of the Chair of the Board, shall be the Vice-Chair. If neither of these Officers is present, the Directors present shall choose one of their number to be the Chair of that meeting.

#### 97. MEETING AGENDA

The agenda for any meeting of the Board may be set or approved by the person who is the Chair of that meeting pursuant to article 96.

#### 98. RULES OF PROCEDURE

The Chair of any meeting of the Board may establish and rule on the rules of procedure to be followed at the meeting at which that person is the Chair.

#### 99. VOTES TO GOVERN

At all meetings of the Board, every question shall be decided on a consensus basis. When a consensus cannot be reached each of the 10 Directors may cast one vote and a majority of the votes cast on the question will decide the question. In case of an equality of votes, the vote is deemed to have failed.

#### 100. SIGNED RESOLUTION

A resolution in writing, signed by all the Directors entitled to vote on that resolution at a meeting of the Board, is as valid as if it had been passed at a meeting of the Board and a resolution so signed shall be held to relate back to any date therein stated to be the effective date thereof.

#### 101. CONFLICT OF INTEREST

A Director who has a Conflict of Interest in any matter before the Board shall declare that Conflict of Interest by written notice to the Chair or by verbal declaration before the start of a meeting of the Board of Directors and that Director shall not vote on any question pertaining to that matter ( and if such Director does vote, such vote, shall not be counted) and at the request of any other Director, that Director shall not be permitted to be present during such portion of the meeting which such matter is under discussion and during any vote on such matter.

#### 102. CONFIDENTIALITY

Each Director shall maintain as confidential the business and affairs of the Company. However, such restrictions shall not restrict any Director in promoting the lawful objects of the Company or providing reasonable information to its Shareholders.

#### 103. DUTIES OF DIRECTORS

Every Director shall act honestly and in good faith with a view to the best interests of the Company and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

#### 104. HONORARIUM, REMUNERATION AND EXPENSES

Any honorarium for the Directors for their service on the Board shall be approved by the Shareholders in accordance with any policy of the Company approved by the Shareholders with respect to Conflict of Interest and honorariums. Directors shall be reimbursed for expenses properly incurred by them for travel or otherwise in connection with the attending of meetings of the Shareholders, the Board or other committee meetings as may be required of the Directors. Nothing contained in the Articles shall preclude any Director from serving the Company in any other capacity and receiving remuneration for those services.

#### 105. REGISTRATION AND FILING DUTIES

The Board shall duly comply with the provisions of the Act or any and all other relevant legislation with respect to the registration of mortgages and securities, and to keeping the registers of Directors and managers, and recording their addresses and occupations, and to filing with the Registrar of Corporations (Alberta) and all other competent authorities, all reports and copies of special resolutions, and of any changes in the address of the registered office of the Company or of any Director.

#### 106. MINUTES

The Board shall cause minutes to be duly entered in books provided for the purpose:

- a) of all appointments of Officers;

- b) of the names of the Directors present at each meeting of the Board and of any committee of the Board;
- c) of all resolutions made by the Board and of committees of the Board;
- d) of all resolutions and proceedings of meetings of the Shareholders and of meetings of the Board and of committees of the Board; and any of those minutes if purporting to be signed by the Chair of that meeting, or by the Chair of the next succeeding meeting, shall be receivable as prima facie evidence of the consideration of the matters stated, business conducted and resolutions considered and passed as stated therein.

#### 107. COMMITTEES OF THE BOARD

The Board may establish and thereafter appoint committees of the Board consisting of at least of one (1) Director and any other persons as the Board may determine. Each committee shall have a Director as Chair. The Board may establish the terms of reference for each committee established, delegate to the committees any of the powers of the Board that are permitted to be delegated under the Act or Articles, or dissolve a committee at any time. The Board shall annually review the terms of reference for each committee established by it and the Board may dissolve any committee at any time.

#### 108. TRANSACTION OF BUSINESS

The powers of a committee of the Board may be exercised by a meeting at which seventy-five (75%) percent of the members of that committee are present or by resolution in writing signed by all members of that committee who would have been entitled to vote on that resolution at a meeting of that committee.

#### 109. COMMITTEE PROCEDURES

Unless otherwise determined by the Board, each committee of the Board shall have power to elect its Chair, from amongst the Director(s) on the committee, and to regulate its procedure.

#### 110. REMOVAL FROM BOARD COMMITTEE

At any time, a vote by the Board through simple majority may remove any committee member from any committee of the Board.

#### 111. ADVISORS AND ADVISORY BODIES

The CEO may appoint advisors and advisory bodies, to advise the Board on any matters deemed important.

## **OFFICERS**

#### 112. REQUIRED OFFICERS AND OTHER OFFICERS

The Shareholders will appoint the Chair of the Board in accordance with article 46(m). The Board may appoint, and thereafter may reappoint, one or more Vice-Chairs and any other Officers as the Board may consider advisable.

#### 113. DUTIES OF OFFICERS

In addition to the duties and powers specified in the Articles, the Board shall specify the duties of and may delegate to the Officers, powers to manage the business and affairs of the Company.

#### 114. CONFIDENTIALITY

Each Officer shall maintain as confidential the business and affairs of the Company. However, such restrictions shall not restrict any Officer in promoting the lawful objects of the Company or providing reasonable information to its Shareholders.

#### 115. SEVERAL OFFICES

With the exception of the Chair of the Board, any person may hold more than one officer position.

#### 116. CHAIR OF THE BOARD

The Shareholders shall appoint and, thereafter, may reappoint or remove the Chair of the Board from the Directors. The Chair of the Board shall:

- a) preside as Chair of all meetings of the Board
- b) set or approve the agenda of all meetings of the Board or of the Shareholders called by the Chair of the Board;
- c) except as otherwise provided herein, call all meetings of the Board;
- d) except as otherwise provided herein, establish the rules of procedure to be followed at meetings of the Board and meetings of the Shareholders;
- e) review the performance of the Directors and take reasonable measures to ensure that all Directors are active and contributing members of the Board;
- f) plan for and make recommendations to the Shareholders with respect to the succession of Directors;
- g) recommend to the Board, the appointment of Directors to committees of the Board;
- h) together with the CEO:
  - i. advise the Board of the business and affairs of the Company;
  - ii. sign reports, recommendations and proposals of the Board to be presented to the Shareholders; and
  - iii. attend at and report to all meetings of the Shareholders and the Board.

Subject to the right of removal as hereinbefore provided, the term of office of the Chair of the Board shall be concurrent with that officer's term as a Director.

#### 117. VICE-CHAIR

The Board shall appoint and thereafter, may reappoint or remove the Vice-Chair. During the absence or disability of the Chair of the Board, the duties and powers of the Chair of the Board shall be performed and

may be exercised by the Vice-Chair. Subject to the right of removal as hereinbefore provided, the term of office of the Vice-Chair shall be concurrent with that officer's term as a Director.

#### 118. REMOVAL FROM OFFICE

With the exception of the Chair of the Board, the Board may remove any officer of the Company without prejudice to the rights of that officer under any employment contract with the Company. Until an officer is removed, resigns, or becomes ineligible to hold office, that officer shall hold office until a successor to that officer is appointed.

#### 119. CONFLICT OF INTEREST

An Officer who has a Conflict of Interest in any material contract or proposed contract with the Company or in any other matter that is of interest to the Company shall disclose such Conflict of Interest in writing to the Board.

#### 120. REMUNERATION

Any remuneration or honorarium to be paid to the Officers of the Company shall be fixed, from time to time by the Board. For greater certainty, except for in the case of the Chief Executive Officer, where an Officer is also an employee of the Company the Board shall delegate to the Chief Executive Officer or management the authority to set the salary remuneration for such Officer's service to the Company as an employee.

## **FINANCIAL MATTERS**



#### 121. RESERVES

From time to time the Board may create a reserve or reserves to provide for the maintenance of the property of the Company, replacing the wasting assets, meeting contingencies, forming an insurance fund or for any other purpose whatsoever.

#### 122. FUNDS

The Board may create a fund or funds out of the assets of the Company not greater in amount than the reserve or reserves contemplated in article 121 and may apply the fund or funds either by employing them in the business of the Company or by investing them in the manner (not being the purchase of, or by way of loan, upon the shares of the Company) as the Board determines, and the income arising from that fund or funds shall be treated as part of the profits of the Company for the year in which that income arose. That fund or funds may be applied for the purpose of maintaining the property of the Company, replacing the wasting assets, meeting contingencies, forming an insurance fund or for any other purpose for which the profits of the Company may be lawfully used.

The Board may create policies for the management of the fund or funds and policies that set out any funding models for the Company.

#### 123. DUTY TO KEEP ACCOUNTS

The Board shall cause the Company to keep proper books of account and accounting records as and where required by the Act.

#### 124. INSPECTION OF BOOKS AND RECORDS

Unless the Board determines otherwise, the books of account and accounting records of the Company shall be kept at the registered office of the Company and those books and records shall always be open to the inspection of any Shareholder or Director in accordance with the Act.

#### 125. FINANCIAL STATEMENTS

At every annual general meeting, the Board shall lay before the Company the financial statements and other reports pertaining thereto, including the report of the auditors, as required by the Act.

#### 126. FORWARDING FINANCIAL STATEMENTS

At least seven days prior to every annual general meeting the Secretary shall send a copy of the financial statements and the auditors' report to each of the Shareholders and each of the Elected Representatives, in the manner in which notices are to be served.

#### 127. APPOINTMENT OF AUDITORS BY SHAREHOLDERS

At each annual general meeting, the Shareholders shall appoint the auditors to hold office until the close of the next annual general meeting. If the Shareholders do not appoint the auditors at any annual general meeting, the auditor or auditors in office shall continue in office until a successor is appointed. The first auditors shall be appointed by the Board.

#### 128. REMOVAL OF AUDITORS

The Shareholders may remove any auditor before the expiration of the appointed term of office of that auditor and may appoint another auditor for the remainder of that appointed term.

#### 129. REMUNERATION OF AUDITORS

The remuneration of the auditors shall be fixed by the Board.

#### 130. DEPOSITS

The funds of the Company may be deposited to the credit of the Company with those financial institutions authorized to receive and hold deposits as the Board may approve.

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The foregoing Articles hereto annexed shall be the Articles of Association of the [ENTITY].

SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

Name

Address

City, province

Postal Code

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**Schedule “A”  
Shareholders**

List of participating municipalities

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**Schedule “B”**  
**Composition of Board**

1. The Board shall consist of six (6) to twelve (12) Directors selected by the Shareholders in accordance with the articles.
2. The Board will consist of :
  - a. Five (5) appointees who have business or professional experience aligned with the Skill Based Matrix AND personal or business residency in:
    - i. One (1), the Leduc sub-region
    - ii. One (1), the Strathcona sub-region
    - iii. One (1), the Sturgeon sub-region
    - iv. One (1), Parkland sub-region
    - v. One (1), the City of Edmonton
  - b. Five (5) appointees who have business or professional experience aligned with the Skill Based Matrix AND are industry leaders with subject matter expertise.

In the event that none of the Shareholders of the Company are located in one of the sub-regions set out in section 2(a) of this Schedule “B” or one of the sub-regions is no longer part of the Edmonton Metropolitan Region due to a change in boundaries as contemplated by the Articles, the director seat for that region shall become an additional industry leader seat in accordance with section 2(b) of this Schedule “B”.

**Schedule “C”**

**Edmonton Metropolitan Region Economic Development Board Boundaries**

To be determined by the Shareholders

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## Schedule "D"

### Funding Formula

Source Data for year 2013:		<b>Formula Variables</b>							
Municipal Affairs		Total Project Cost	\$		500,000	A			
Population									
Equalized Assessment									
		<b>Part 1: Core Fee Calculation</b>							
		Total Core Fee % Project Cost			10.00%	B			
Instructions: Insert the project amount in to cell A		Maximum Total Core Fee \$ to be Allocated (A x B)	\$		50,000	C			
The spreadsheet will automatically calculate		Divided by the number of municipalities			13	D			
each municipal share per project.		Core Fee per municipality (C/D)	\$		3,846	E			
		Municipality with lowest Operating Expenses			Morinville				
		This Municipality's 2017 Operating Expenses	\$		21,536,194	F			
		Core Fee - 1% of Operating Expenses	\$		0.01	G			
		Total Core Fee - \$ of Operating Expenses (FXG)	\$		215,362	H			
		Core Fee per municipality for this project (H/D)	\$		16,566	I			
			\$		284,638	J			
		<b>Part 2: Weighting</b>							
		50% - Population	\$		142,319	K			
		50% - Total Equalized Assessment	\$		142,319	L			
		Total	\$		500,000				
			Cost Allocation by Population %	Cost Allocation by Population \$	Total Equalized Assessment (\$)	Cost Allocation by Eq. Assessment %	Cost Allocation by Total Equalized Assessment	Cost Allocation Total (\$)	
Municipality	Core Fee (\$)	Population							
City of Edmonton	\$ 16,566	817498	70.65%	\$ 100,551	\$ 144,126,383,870.0	64.46%	\$ 91,742	\$ 208,859.11	
City of Fort Saskatchewan	\$ 16,566	21795	1.88%	\$ 2,681	\$ 4,974,941,069.0	2.23%	\$ 3,167	\$ 22,413.79	
City of Leduc	\$ 16,566	27241	2.35%	\$ 3,351	\$ 4,463,073,744.0	2.00%	\$ 2,841	\$ 22,757.82	
City of Spruce Grove	\$ 16,566	27875	2.41%	\$ 3,429	\$ 4,240,524,704.0	1.90%	\$ 2,699	\$ 22,694.14	
City of St. Albert	\$ 16,566	61466	5.31%	\$ 7,560	\$ 10,279,575,862.0	4.60%	\$ 6,543	\$ 30,669.86	
Leduc County	\$ 16,566	13524	1.17%	\$ 1,663	\$ 6,685,759,816.0	2.99%	\$ 4,256	\$ 22,485.47	
Parkland County	\$ 16,566	30568	2.64%	\$ 3,760	\$ 8,517,816,913.0	3.81%	\$ 5,422	\$ 25,748.03	
Strathcona County	\$ 16,566	92490	7.99%	\$ 11,376	\$ 28,760,464,369.0	12.86%	\$ 18,307	\$ 46,249.55	
Sturgeon County	\$ 16,566	19578	1.69%	\$ 2,408	\$ 5,236,336,962.0	2.34%	\$ 3,333	\$ 22,307.49	
Town of Beaumont	\$ 16,566	14916	1.29%	\$ 1,835	\$ 2,144,638,877.0	0.96%	\$ 1,365	\$ 19,766.09	
Town of Devon	\$ 16,566	6510	0.56%	\$ 801	\$ 798,252,665.0	0.36%	\$ 508	\$ 17,875.14	
Town of Morinville	\$ 16,566	8569	0.74%	\$ 1,054	\$ 1,105,294,389.0	0.49%	\$ 704	\$ 18,323.84	
Town of Stony Plain	\$ 16,566	15051	1.30%	\$ 1,851	\$ 2,249,871,831.0	1.01%	\$ 1,432	\$ 19,849.68	
TOTAL	\$ 215,362	\$ 1,157,081	100.00%	\$ 142,319	\$ 223,582,935,071.0	100.00%	\$ 142,319	\$ 500,000.00	
Note 1: Assumes a membership of 13									
Note 2: Increased core fee as a result of Morinville replacing Warburg as the municipality with the lowest Operating Expenses (\$21,536,194 v. \$1,031,942)									

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

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# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

- WHO?

- Interim Board: Mary Cameron, Chair
  - Karen Adams
  - Sheldon Hudson
  - Elan MacDonald
  - Reg Milley
  - Stephen Petasky
  - Tracey Scarlett

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

- **VISION:**

The Edmonton Metropolitan Region is a business location of choice for global investment, collaboratively built on regional assets

- **MISSION:**

Together, we strengthen the Edmonton Metropolitan Region's global competitiveness, growth and innovation.

- **VALUES:**

Innovation, collaboration, sustainability, excellence, respect.

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

## • PRINCIPLES

- Inclusive
- Respect for local autonomy
- One share, one vote
- Speak with one voice

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

## • OUTCOMES

- Regional branding
- Regional database
- Regional strategy
  - Attract business
  - Attract talent
  - Shared value proposition

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

## •ARTICLES

- One share, one vote
- Initial three year commitment
- Three year rolling budget adjusted annually
- Shareholders agree in principle to pursue a model of shared cost for share benefit
- 95% complete, early adopters to finalize upon incorporation

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

- **FUNDING FORMULA**
  - Based on assessment and population
  - Assumes balance may be made up by other levels of government and partners

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

## • BUDGET PROJECTIONS

- Year One: \$1 million budget, \$500,000 membership contribution
- Year Two: \$3 million budget, \$1 million membership contribution
- Year Three: \$5 million budget, \$2 million membership contribution

# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

## • **TIMELINE**

- May 10 – Send out revised Articles & MOA
- May 24 – Early adopters sign on



# EDMONTON METROPOLITAN REGION ECONOMIC DEVELOPMENT

Questions?  
Comments?

## AM Session

Monday April 24, 2017

MoA refers to Memorandum of Association and **Articles** refers to Articles of Association

Ref.	Topic	Question	Response
1	<b>Timeline</b>	What is the next opportunity to opt in after May 24th?	The intent of the May 24th deadline is to identify those municipalities wanting to be the early adopters of the organization and will form the Shareholders of the Entity. The expectation is that the early adopters will be able to commit to the deadline, with few exceptions not to exceed a week or so more. The intent is that the early adopters would be the ones making decisions about opportunities to opt in following the initial deadline.
2	<b>Coordination with CRB</b>	Explain how the relationship between the Economic Development Entity and the CRB will work going forward?	The Regional Economic Development Entity is a separate entity from the CRB. The CRB will continue to support the start up of the Entity until the Board is appointed by the Shareholders, and the CEO is hired. Once the Entity is formed, and staffed, CRB Admin will no longer be involved other than another Regional Stakeholder. The CRB's interest would be to ensure alignment with the Growth Plan. Currently the CRB is overseeing the completion of the Environmental Scan through a provincial Grant.
3	<b>Coordination with Local Economic Development Officers</b>	Explain what the process will be to coordinate between the Regional Economic Development Entity and the Local Economic Development Officers (EDOs)?	The interim Board recognizes the intellectual capital that exists in the Region among the local EDO's and that a lot of good work is underway across the Region. The intent is to work within the Principles of the Entity, one of which is to respect Local Autonomy, which will require an ongoing relationship with the local EDO. The first significant initiative underway is the Environmental Scan which is intended to map out existing relationships, and regional assets (people, industries, strengths and unique capabilities and enabling infrastructure). This information will be critical to inform the Regional Economic Development Strategy to compliment existing work across the Region. We expect the local EDO's to play a large part in the collection of this information. Once we understand all the relationships, as a Regional Economic Development Board, we will need to work together to define how best to support each others efforts. As part of the Governance Model being proposed, we have identified forming a Business Advisory Council who will bring a range of business expertise to the Board and provide insights into how to improve our competitive position globally.
4	<b>Focus of Regional Economic Development Entity</b>	Foresee overlap between Local EDO efforts and a Regional Entity, what will the Regional Entity do differently than what is being done today?	The intent of the Regional Economic Development Entity is to compliment the work being done at a local level and specifically within the first three years develop: A Regional Brand that provides common messaging to promote the Region; coordinate the development of a Site Selector database of regional assets; and build a Regional Economic Development Strategy. The bottom line is as a Region we need to increase our profile to be able to attract investment, jobs and talent to this Region and to grow the economic pie.

# Edmonton Metropolitan Regional Economic Development Entity - Information Session

5	<b>Timeline</b>	Is the timeline for this initiative realistic? Have all of the critical questions been answered? One of the critical pieces of work to inform the structure of the entity should be to complete the Environmental Scan first. The Articles also don't acknowledge the existing Economic Development entities in the Region such as AIHA, Leduc- Nisku Economic Development and EEDC, as examples.	What we have is real opportunity with the leadership that exists now within municipalities in the Region coupled with access to a range of funding programs from other levels of government who are keen to support efforts involving regional collaboration and coordination to increase economic prosperity. We agree we may not have all the answers, and as an interim Board we are confident that the Memorandum of Association and the Articles sets out the right framework for the Shareholders to work with and fine tune. We believe they are 95% complete and actually takes us closer to forming an Entity than has ever been accomplished before. We believe it is a balance between moving too quickly and losing an opportunity. We also believe the risk is greater in deferring or delaying rather than moving forward. Discussions of forming a regional Economic Development began in January 2015, which lead to a Motion by the CRB to incubate a separate entity under a pay to participate model in March , 2016. Our work has largely been focused on defining a Governance Structure and Funding Model. The functional outputs for the organization have remained unchanged from what was identified by the regional economic development stakeholders back in 2015. The Interim Board recognizes the importance of the Environmental Scan as critical to the future work of the Board, which is why it has sought \$300K in funding from Province and is working with CRB Administration to complete this work by the end of June, 2017.
6	<b>Membership</b>	Is membership open to any Municipality?	Membership is open to the 24 member municipalities of the Capital Region Board. Based on the examples provided of the funding, the Entity does not need all members to move forward. The funding will scale up or down depending on who agrees to participate.
7	<b>Best Practices in Regional Economic Development</b>	What examples of regional economic development did you look at? What about the Con's?	The interim Board researched many examples noting the best Canadian example is Toronto, the best US examples were Denver and Minneapolis, St. Paul and internationally London, England. In researching other entities, the interim Board was able to consider the lessons learned and where appropriate, included the best practices in the MoA and the Articles. In terms of the Con's, it was much harder to find information on as most people would rather not talk about what didn't work.
8	<b>Provincial/ Federal Involvement</b>	How is the Province or the Federal Government involved?	We see the role of the Provincial and Federal Governments as partners in providing matching funding for the Entity, and being an important stakeholder in the Economic Development Strategy for the Region supporting growth of existing sectors/ business/industry attraction, education, coordinating infrastructure and policy development. As an interim Board we have had preliminary conversation with both Provincial and Federal governments who are supportive and are willing to invest in regional economic development.
9	<b>First Nations Involvement</b>	Are First Nations involved in the Entity?	The interim Board has discussed the importance of including First Nations as an regional stakeholder. To date we have not defined how to include them and will be recommending that this is something the Shareholders should discussion as they finalize Articles. Including First Nations in some way will open up access to Federal Programs and is the right thing to do as a valued partner in Economic Development.
10	<b>Impact on existing Economic Development Entities</b>	In your research of other regional economic development entities, what happened to the existing economic development entities when a regional entity was formed?	The experience in Toronto was that when the Regional Economic Development entity was up and running the existing three organizations folded. We have been quite open in talking with the existing organizations about the role of this Entity and we do expect it will have an impact on EEDC on some level, however, it is not in our purview to speculate on what they may be if any. Other EDAs and EDOs are anticipated to remain largely as they are.

# Edmonton Metropolitan Regional Economic Development Entity - Information Session

11	<b>Communications</b>	How is information being shared - Shareholders/ CRB from the new Entity?	This will be a decision of the Shareholders of the Entity.
12	<b>3 year Work plan</b>	What does the three year work plan look like?	Based on the outcomes defined for the Entity, we would see that within the first year the focus would be on completing the Environmental Scan and hiring the Board and CEO. In Year two work would begin on developing a Brand Strategy, and Engagement and Communications Strategy among stakeholders, and begin work on a sectoral analysis and a Site Selector Data Base. In 2018, we also have an opportunity to Host an International Site Selector Conference which will require effort on the part of the Entity. In year three the focus would be on implementation of the Economic Development Strategy. The intent will be to scale up the organization over the three years and to be fully operational at the end of three years.
13	<b>Shared Benefit</b>	What does shared benefit look like?	We agree this is an important principle, that was expressed by several municipalities, and will be something that the Shareholders will need to defined as the Entity evolves.
14	<b>Regional Economic Development Model</b>	What is the reason for Economic Development being separate from the CRB?	On March 10, 2016 the CRB approved a Motion directing CRB Administration to "incubate a formal regional economic development model, which would be independent of the CRB, for further development and that administration seek Provincial support for the next steps, and administration to report on progress in June". Currently the CRB does not have the authority to create a separate entity - commissions or Part 9 (Not for profit Companies).The CRB is a planning organization and not involved in Service Delivery.
15	<b>Funding Formula</b>	Is the Funding Formula the same as the CRB?	Yes.
16	<b>Council Decision</b>	What are councils being asked for on May 24th? Sign on and fund later or sign on and fund now?	The Ask is for Municipalities to sign on as a Shareholder and make the three year funding commitment. The funding commitment will be determined in the first year based on the number of early adopters. Once the Municipality has made the commitment the first years funding will be required (in 2017) for the start up costs of the Entity. Confirmation of the initial slate of Shareholders will be important to be able to apply for matching funding from both provincial and federal programs. We have assumed in the planning budget for the organization that roughly 1/3 of the funding would come from the shareholders and 2/3 would come from other orders of government. CRB Administration will be providing a draft Motion to present to Councils that defines ASK of the municipality.
17	<b>Municipal Budgets</b>	Can municipalities sign on in principle with budgets coming later for approval?	See response (16)
18	<b>Funding</b>	When would the funding be due from the municipalities?	See response (16)
19	<b>Selection of Board Members</b>	When will the skills Matrix be developed?	As part of the Transition Work, the interim Board will be preparing a draft Skills Matrix for the Shareholders to consider. It is likely that a Executive Search Firm would be used to identity potential Board members. The slate of Board members would be presented to the Shareholders to approve and select the Board Chair.
20	<b>Strategic Plan</b>	What will be the Shareholder's role in the Strategic Plan?	The Shareholders would receive the Strategic Plan. The Shareholders set the budget for the Organization, which includes the annual contribution amount by the shareholders, and approve the auditors. The Board 's role would be to oversee operations, draft the budget, and prepare the strategic plan.

# Edmonton Metropolitan Regional Economic Development Entity - Information Session

PM Session		Monday April 24, 2017	
	Topic	Question	Response
21	<b>Board Governance Model</b>	What is the relationship between the Board and the Shareholders of the Entity?	As set out in the Articles under section 46. Specific Shareholder Authority; section 52 Business at Annual General Meeting; section 77 Authority of the Board; section 78 Some Specific Board Authority
22	<b>Existing Economic Development</b>	How will the entity leverage the current strengths within the region?	The interim Board recognizes the need to work collaboratively and respects the good work and relationships that exist within the Region. The Environmental Scan is a key tool to document all the relationships that will be critical to the overall regional strategy. The intent is not to duplicate efforts but to strengthen and leverage what is in place today to deliver on the outcomes of the Entity. It will be important to work collaboratively, and not to create conflict.
23	<b>Membership</b>	Who is eligible for membership?	Membership is open to the 24 member municipalities of the Capital Region Board. Based on the examples provided of the funding, the Entity does not need all members to move forward. The funding will scale up or down depending on who agrees to participate. It will be up to the Shareholders to define the final membership to include consideration for First Nations, Non Municipal Regional Stakeholders (i.e. EIA) and those wishing to opt in at a later date.
24	<b>Funding</b>	Are Municipalities expected to pay for all three years at once?	The expectation is that when a Municipality commits to the Entity that they would pay for Yr. 1 funding in 2017. Year 2 & 3 funding will be due in 2018 and 2019 respectively.
25	<b>Funding</b>	Is funding due upon sign up?	See response (4).
26	<b>Membership</b>	Can more than 24 members join the Entity?	See response (3)
27	<b>Membership</b>	Is it a contract between Municipalities and the Entity? Does the Entity have the ability to requisition funds?	The structure of the Entity is for a Part 9 (Not-for-Profit) Company in which the Shareholders agrees to the terms and conditions set out in the Articles in section 39. Shareholders eligibility, Term and Commitment and section 46. Specific Shareholder Authority - is found in section 46 sub section o.
28	<b>Communication/ Coordination</b>	How do we ensure coordination between all the initiatives - local EDO, CRB, Regional Stakeholders and Regional Ec Dev Entity?	The importance of existing economic development entities are recognized and what will be important going forward is to identify the appropriate business protocol as part of future discussion once we have the results of the Environmental Scan.
29	<b>Communications</b>	What are the Plans to inform/educate the public about the Economic Development Entity?	As part of the Communications & Engagement Strategy, the Public will be identified as an important audience and we will need to ensure key messages focus on the benefits to the Region. Key messages need to address the ROI, the importance of creating good jobs, and to attract talent and to emphasize we are investing in building for the future generations and economic prosperity. Of note is that for every dollar we invest as a Region we are able to leverage 3 or more.
30	<b>Relationship to GEEDT</b>	Relationship with GEEDT? Where will it fit with the new regional entity?	The value of existing economic development entities like GEEDT are recognized and what will be important going forward will be to identify the appropriate business protocol as part of future discussion once we have the results of the Environmental Scan.

# Edmonton Metropolitan Regional Economic Development Entity - Information Session

31	<b>Board Composition</b>	Can you share thoughts of the Board Composition?	Establishing the first Board will be critical. It will be important to select between 8- 12 wise individuals from across the Region and ensure no one comes with a single purpose issue. We want broad thinkers representing a cross section of business leaders, experts in governance, legal and finance, representative from key industries, and people who value education and have government experience, which will be important relationships. The Skills Matrix will be critical to identifying the right individuals. The Shareholders will approve the Board members. See Articles section 79. Number of Directors, section 80. Qualifications will be based on a Skills Matrix approved by the Shareholders.
32	<b>Focus of Entity</b>	Will this Entity focus on business attraction/ incubation/expansion and retention initiatives?	Yes, the intent will be to consider not only new opportunities but to focus on growing the existing industries and sectors and building from already exists in the Region, and what we are good at.
33	<b>Opting In/ Out</b>	What mechanism is there for opting in and out of the Entity?	As defined in the Articles, once a municipality makes a commitment to become a Shareholder, they are making a three year financial commitment. Should a Shareholder wish to withdraw, requires 2 year notice. This allows the Entity to have financial security so it can carry out its plans. When a Shareholder elects to opt out, the remaining two year commitment will be at the level of your financial commitment in the year in which notice to withdraw is given.
34	<b>Value of Shares</b>	What are the shares worth?	The structure of the Memorandum of Association is to create a Part 9 company (Not for Profit) and would not be accumulating assets per se, therefore the Shares would have a nominal value. Refer to MoA 4.
35	<b>Impact of Delaying</b>	What are the consequences for waiting to make the decision about the entity until the Fall 2017?	See response (5)
36	<b>Timeline</b>	When is the next intake date?	It is expected that the Shareholders of the Entity will need to address the addition of Shareholders as part of finalizing the Articles. See response (23).
37	<b>Requirement on May 24</b>	What is required by May 24th?	See response (16)
38	<b>Budget</b>	Is the Budget set? Can early adopters change the numbers?	The three year funding for the Entity is an estimate based on what the Interim Board believes will be needed to establish the entity and to build the capacity of the organization over-time and should be understood as an order of magnitude to create and sustain this type of regional entity. Once the shareholders are in place they will be responsible to set the financial framework for the organization. The intent in providing the funding examples was to ensure municipalities understand that the level of financial commitment will need to scale up to achieve the outcomes of the organization and will depend on the number of shareholders.
39	<b>Funding Options</b>	Do you have a Plan B if funding does not occur from other orders of government?	As the interim Board, we have been in contact with both the Provincial and Federal Government and are aware there is interest and support for regional Economic Development initiatives, and are confident we can get matching funding, not just for start up, but ongoing. Important criteria for some federal economic development programs are Green initiatives and First Nations (involvement/ benefits).

Edmonton Metropolitan Regional Economic Development Entity - Information Session

40	<b>Cost Sharing Formula</b>	How often is the Cost Sharing Formula updated?	The intent is to update the funding formula with the release of Federal Census Population numbers (i.e 2016). Some municipalities would like to include municipal census. The intent is to use a consistent data source, which is why we are using the Federal Census. The municipal assessment data, which comes from the province can be updated, as it becomes available.
41	<b>Measure of Success</b>	What will success look like for the new entity?	Success for the Entity will be based on achieving the Outcomes defined for the Entity, which include Regional Branding, Regional Database and Economic Development Strategy.

## CITY OF FORT SASKATCHEWAN

### Shell Theatre House Lighting

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**Motion:**

That Council amend the 2017 Capital Budget and approve \$87,412 to replace existing house lighting fixtures with LED fixtures at the Shell Theatre from the Self-Financing Infrastructure Reserve.

**Purpose:**

Request funding to replace existing house lighting fixtures with LED fixtures at the Shell Theatre.

**Background:**

In the 2017 budget, two capital plan requests funded from the Equipment Reserve were approved for lighting at the Shell Theatre. The first was the life cycle replacement of the lighting console that controls all theatre lighting and the dimmers. The second project was the life cycle replacement of the theatre dimmer system which is the system that powers all of the theatre lighting adding visual effect. The system also provides power and control to the house, or audience, lights and some building lighting.

The replacements ensure that the Shell Theatre is able to meet the need for increased lighting channel counts that the new fixtures and equipment require and ensures we are able to continue to accommodate regional and national touring productions.

In preparing the information for the new light console and dimmer system it was determined that an existing design flaw with the house lighting, that has become a major operational maintenance concern, could be addressed.

The existing 22 lighting fixtures are a poor design, which uses a light bulb that is difficult to source and is very inefficient. Due to the design flaw, the light bulbs are only lasting 30% of lamp life so the bulbs are having to be replaced every 1,000 hours, which equates to a 2 – 4 month lifespan for the bulbs.

The house lighting fixtures are located at a significant height, which because of their design makes some of the fixtures very inaccessible. It can take four staff up to eight hours to replace the bulbs. With the number of booking dates each year, there are limited opportunities for staff to schedule and perform this maintenance. When the maintenance cannot be done, the audience area is left dark for those locations.

In the past, there was time allotted to schedule the maintenance required for the house lighting. With the increased scheduling at the Shell Theatre and the increased maintenance required due to lighting failures, bookings have been impacted.

The replacement fixtures are LED sources that require less maintenance, use less energy, produce less heat and provide a more even field of light. A new design in the space will be incorporated to ensure coverage is maintained with less fixtures. The prescribed lamp life expectancy for these LEDs is 7-10 years.

Culture Services has applied to the Canada Cultural Spaces Fund for \$87,412 to offset the short fall costs of these combined projects. The Fund supports the improvement, renovation and construction of arts and heritage facilities, as well as the acquisition of specialized equipment. A



decision on the grant should be received by the end of June. The lighting project needs to start in the next couple of weeks to ensure the fixtures can be received in time for the installation in July and August. Any amount received from the grant would offset the amount approved by Council.

**Financial Implications:**

\$87,412 would be required from the Self-Financing Infrastructure Reserve, but the amount could be reduced should Canada Culture Spaces funding be received.

**Internal Impacts:**

The expanded scope of the project can be accommodated within current staffing and existing vendor contract resources.

**Alternatives:**

1. That Council amend the 2017 Capital Budget and approve \$87,412 to replace existing house lighting fixtures with LED fixtures at the Shell Theatre from the Self-Financing Infrastructure Reserve.
2. That the Shell Theatre continue with the existing house lighting. Additional staff time will be required to complete the necessary maintenance.

**Recommendation:**

That Council amend the 2017 Capital Budget and approve \$87,412 to replace existing house lighting fixtures with LED fixtures at the Shell Theatre from the Self-Financing Infrastructure Reserve.

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Prepared by:	Josh Gennings Theatre Supervisor	Date: May 15, 2017
Approved by:	Diane Yanch Director, Culture	Date: May 15, 2017
Approved by:	Jeremy Emann Chief Financial Officer	Date: May 16, 2017
Approved by:	Brenda Rauckman General Manager, Community and Protective Services	Date: May 16, 2017
Reviewed by:	Troy Fleming Interim City Manager	Date: May 18, 2017
Submitted to:	City Council	Date: May 23, 2017

## **CITY OF FORT SASKATCHEWAN**

### **Notice of Motion – Residential Property Rebates**

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#### **Motion:**

That Council direct Administration to create an implementation strategy to take \$1,000,000 of the total 2016 surplus funds and distribute a rebate evenly to all residential properties in the City of Fort Saskatchewan. The implementation strategy is to be prepared and presented at the June 13, 2017 regular Council meeting.

#### **Purpose:**

To consider directing Administration to create an implementation strategy to distribute a rebate evenly to all residential properties within the City.

#### **Background:**

At the May 9, 2017 regular Council meeting, Councillor Randhawa presented a notice of motion that Council direct Administration to create an implementation strategy to take \$1,000,000 of the total 2016 surplus funds and distribute a rebate evenly to all residential properties in the City.

Pursuant to Council Resolution R89-15 (Council report April 25, 2017), the 2016 annual operating surplus of \$4,956,680 was allocated equally between the Self-Financing Infrastructure Reserve, the Land Purchases Reserve, and the Financial Stabilization Reserve.

An implementation strategy to distribute a rebate evenly to all residential properties within the City would need to consider the following:

- appropriate funding source(s);
- definition of what an even distribution looks like;
- criteria to determine which residential properties would be eligible to receive rebates;
- effective date to establish rebate eligibility;
- methods of distributing the rebates and associated costs;
- sources of surplus funds and distribution equity;
- impacts on reserve balances and implications to long-term infrastructure plans and contingency reserves to respond to unforeseen issues; and
- *Municipal Government Act* requirements, and/or other applicable legislation.

On May 19, 2017, 10,087 Assessment and Property Tax Notices were mailed to residential property owners listed on the 2017 Property Assessment Roll. Therefore, a \$1,000,000 rebate distributed evenly to all residential properties, as at May 19, 2017, could equal a rebate of \$99.14 per residential property (\$1,000,000 divided by 10,087 residential properties).

In general terms, one rebate could apply for each Assessment and Property Tax Notice sent to residential property owners. Therefore, one rebate could apply for each:

- single and multi-family housing unit;
- apartment complex (individual rental suites not included);
- condominium;
- condominium parking stall (separately assessed only);
- farmland and farm residence; or
- vacant residential land

A criteria would be required to determine which residential properties would be eligible to receive rebates.

**Financial Implications:**

The appropriate funding source(s) for the \$1,000,000 total residential property rebates would be identified in the implementation strategy, along with the associated costs of processing and distributing the rebates.

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File No.:

Prepared by:	Jeremy Emann Chief Financial Officer	Date: May 15, 2017
Approved by:	John Dance General Manager, Corporate Services	Date: May 17, 2017
Reviewed by:	Troy Fleming Acting City Manager	Date: May 17, 2017
Submitted to:	City Council	Date: May 23, 2017