

# AGENDA

December 10, 2018 6:00 p.m.  
Council Chambers  
502 – 2 Avenue Bassano

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**1. CALL TO ORDER**

**2. EXCUSED FROM MEETING**

**3. ADOPTION OF AGENDA**

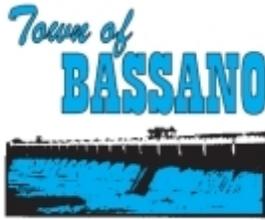
**4. UNFINISHED BUSINESS**

- 4.1 In Camera FOIP (19) 25(1)(c)
- 4.2 Annexation – Town of Bassano/County of Newell

**5. NEW BUSINESS**

- 5.1 2019-2021 Proposed Budget – Department (41)
- 5.2 2019-2021 Human Resources
- 5.3 2019-2021 Proposed Consolidated Operations Budget – Addition
- 5.4 Assessment Services – Contract Renewal

**6. ADJOURNMENT**



# REQUEST FOR DECISION

Meeting: December 10, 2018  
Agenda Item:4.2

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## Annexation – Town of Bassano and County of Newell

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### BACKGROUND:

A notification email was received from the County of Newell on November 28, 2018 in regard to the annexation initiated by the Town of Bassano. The purpose of the email is to determine whether the parties will be taking action on the file moving forward.

In early 2016, the Town of Bassano submitted a request for a two-way annexation between the Town and the County. The Town wanted to annex some land within the County and also proposed that one farm parcel within the Town could be annexed by the County as the Town felt it would not be required for future development anytime in the distant future.

County Council agreed to support both proposals and directed the County's Planner at ORRSC to formally initiate the community consultation process. This was about the same time that changes in Town Administration occurred. The end result is that while the County is ready to proceed with a community meeting, no action has been taken by the County because they have been waiting for the Town to complete their preparations in advance of proceeding further with the file.

M#119/16 "Moved by Councillor Beddows that Council send a letter to the County of Newell regarding annexation and separation of lands to and from the Town of Bassano." Carried.

M#176/16 "Moved by Councillor Barlow that Council approve the cost estimate from Oldman River Regional Planning Services Commission for the Preparation of the Annexation Report File: 12F-12 in the amount of \$2,500.00 to \$3,500.00" Carried,

Given the fact that discussions are underway regarding regionalization, it is logical for any actions on this file to remain on hold. From an administrative standpoint, we do not have the resources to manage this file in 2019 and any work would have to take place in 2020.

### OPTIONS:

#1 – That the annexation file initiated by the Town of Bassano in 2016 (M#119/16) with the County of Newell is put on hold until further notice to enable all parties to focus on the regional governance initiative.

#2 – That the annexation file initiated by the Town of Bassano in 2016 (M#119/16) with the County of Newell is postponed until the first quarter of 2020.

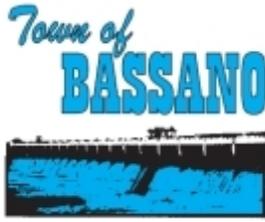
#3 – That the annexation file initiated by the Town of Bassano in 2016 (M#119/16) with the County of Newell is rescinded.

### PROPOSED RESOLUTION:

#### Attachments:

- n/a

**Prepared By:** Amanda Davis, Interim CAO



# REQUEST FOR DECISION

Meeting: December 10, 2018  
Agenda Item:7.1

## Water System Budget 2019-2022

### BACKGROUND:

The Town of Bassano is part of a regional water line. Water is provided to the town by Newell Regional Services Corporation (NRSC).

Fees are paid to NRSC that include:

- A per cubic meter rate for treated water. This rate is set annually by the NRSC board and increases on average, \$0.05 per cubic meter annually. The basic per cubic meter rate is for costs incurred to treat water only. It does not account for any expenses within the town's distribution system (e.g. water meters, water mains, cc valves, administration to process utilities, meter reading, insurance, etc.). The municipality must set an annual utility rate to offset these costs.
- A \$0.04 per cubic meter administrative fee is charged for all bulk water sales. NRSC completes all administrative functions regarding bulk water. On average, the town sells 5,000 cubic meters of bulk water per annum. The administrative fee for this is approx. \$200. Bulk water rates are set by the City of Brooks.

The proposed/projected budget includes:

- New operations agreement with NRSC to provide water system operations as defined in Attachment 1 (\$26,000) per annum,
- Replacement of two watermain valves per annum (\$16,000),
- Water meter replacement and installation (\$20,000) per annum,
- General water line repairs (\$30,000) per annum,
- Transfer to reserves (\$50,000) per annum, and
- Debenture payments of approx. \$133,000 per annum.

### **Total Expenditures**

2018	2019	2020	2021	2022
\$558,025	\$574,635	\$587,934	\$601,234	\$614,534

### **Water Consumption**

A three-year comparison shows that approx. 250,000 cubic meters of water is consumed annually in Bassano (see Table 1). Table 1 shows how the \$0.05 per cubic meter NRSC increase changes the town's expenses over a four-year period.

Table 1.

Fees	2019	2020	2021	2022
NRSC per cubic meter fee	\$0.90 = \$225,000	\$0.95 = \$237,500	\$1.00 = \$250,000	\$1.05 = \$262,500

Over a four-year period, there is a \$37,500 increase in NRSC expenses. This means, the town's utility rate must be increased to cover the additional operating expense.

Currently, the utility system is operating at a loss and water rates have not increased overtime to account for the total expenditures.

The Town of Bassano's utility rates are charged in accordance with Utility Bylaw #868/17. There are various rates depending on the water service supplied (e.g. metered, unmetered, residential and commercial) (see Appendix 2). However, the cost to treat and deliver water is static in that the process is the same. The cost to replace infrastructure such as water meters will increase based on the size of the meter required to service a location.

The municipal water system should operate at a point of cost recovery. The most effective approach is to follow a user pay model by charging a flat cubic meter fee. This ensures the utility is not subsidized by property taxes. A review of the town's previous years' budgets show that the water utility is subsidized by general taxation. In 2018, this was -\$148,525.

The water debenture will be paid off in 2024. This will free up approx. \$133,000 per annum for asset replacement.

### **Items that require attention**

#### Contract Operator

The Town of Bassano does not have a certified water operator and receives contracted support from the Village of Rosemary. Rosemary is unable to fulfill the terms of the contract at this time due to a change over in employees. As a result, NRSC is providing contract support to Bassano. Our public works department tests the water daily under the supervision of the contract operator (Rosemary or NRSC).

Beyond physical operations of the water system, there is an administrative component that must be completed by certified water operators to ensure a municipality meets all legislative and operational requirements (e.g. adhering to the guidelines of the water license, developing and maintaining a Drinking Water Safety Plan, and Standard Operating Procedures (SOP's)).

*Recommendation: Terminate the contract with the Village of Rosemary and enter into a contractual agreement with NRSC for contract operator services.*

#### Watermain Valves

As part of a regular maintenance program, the public works department should be actuating valves. This has not occurred over the past +/- 3 years due to the condition of the water main valves. The town must budget to replace/repair deteriorated watermain values. The proposed budget enables the town to repair/replace two watermain values per annum. Currently, there are nine (9) non-functioning watermain values. This is a concern because:

- a. Public works is unable to properly maintain the distribution system. They cannot actuate/cycle the valves.
- b. Public works cannot isolate quadrants when there is a break in the distribution system because watermain valves do not work. This means, when repairs are required in the distribution system, the entire town's water supply may have to be shut off for a duration of time.

#### Water Meters

The Town of Bassano does not have a water meter replacement plan. There are 43 properties that do not have water meters and there are 26 meters that do not work properly and must be replaced. As a result, usage is estimated which does not reflect true costs. Further, the life expectancy of a water meter is 20 years. Bassano has approx. 620 water meters (installed around 1994 and mid-1980's). Water meters have reached their life expectancy.

Moving forward, any meters that are replaced should enable remote reading capabilities to simplify work processes and reading errors.

A new systematic approach needs to be taken to properly charge and manage the water utility.

**OPTIONS:**

#1 – Enter negotiations with NRSC for asset management and ownership of the utility and distribution system. Municipalities and organizations are continually looking for innovative ways to deliver services in a more efficient and effective manner. This is one of the reasons why the region is considering a form of regionalization. Regionalization may result in the transfer of ownership of various assets to a “new entity”. The town can advance its efforts to properly manage its utility by transferring its assets and operations to NRSC, an entity that was formed and specializes in this service.

#2 – Adopt a progressive utility fee structure to reach cost recovery of the utility (not subsidized).

Based on current departmental expenses and the consumption of 250,000 cubic meters of water per annum, utility rates would be:

2019	2020	2021	2022
\$2.29/m <sup>3</sup>	\$2.35/m <sup>3</sup>	\$2.40/m <sup>3</sup>	\$2.45/m <sup>3</sup>

*\*Note, these rates do not include asset recovery/replacement values.*

#3 - Remain status quo and continue to subsidize the utility through general taxation. As you can see from the summary in Table 1, this is not a viable option.

**PROPOSED RESOLUTION:**

1. That the Town of Bassano changes their water utility structure to adopt a user pay method for the system in 2019 in accordance with the proposed 2019 budget. Rates shall be set in a new Utility Rates Bylaw and will come into effect on January 1, 2019.
2. That the Town of Bassano invokes the termination clause defined in the Service Agreement with the Village of Rosemary for water operator services as a result of their inability to provide a certified operator. Further, that the Town of Bassano enters into a contractual agreement with Newell Regional Services Corporation to provide contract services as defined in Attachment 1.
3. That the Town of Bassano directs administration to enter into negotiations with Newell Regional Services Commission for asset management and ownership of the water utility and distribution system.

**Attachments:**

1. NRSC Operations Proposal
2. Utility Bylaw #868/17
3. 2019-2022 Budgetary Summary (41)

**Prepared By:** Amanda Davis, Interim CAO



**“The Best in the West by a Damsite”**

Chief Administrative Office  
502 - 2nd Avenue  
P.O. BOX 299  
BASSANO, ALBERTA T0J 0B0

PHONE: 403-641-3788  
FAX: 403-641-2585  
www.bassano.ca

November 15, 2018

Newell Regional Services Corporation  
P.O. Box 638  
Brooks, AB T1R 1B6

Sent via email: [brollag@nrsc.ca](mailto:brollag@nrsc.ca)

Attention: Brian Rollag

Dear Mr. Rollag,

Re: Bassano Water Operations

The Town of Bassano is in the process of preparing a three-year operations budget. As a result, administration has thoroughly reviewed department budgets and operations.

Based on our conversation over the past four weeks, you have been apprised of Bassano's water department challenges which includes but is not limited to:

1. A change in the status of our water operations contract with the Village of Rosemary as they do not currently have a certified operator. NRSC is providing this service to Bassano in the interim.
2. The need to do a complete water audit and water costing model to reach a level of departmental cost recovery.
3. Ensuring the town develops a life cycle plan for all capital infrastructure (e.g. valves, cc's/curb stops, and water meters).

As part of the budgetary planning process, it is necessary to look beyond our current practices to gain operational efficiencies. Thus, we seek a proposal from Newell Regional Services Corporation as follows:

- Fulfill the contract obligations as defined in the attached agreement. Plus, provide administrative support to update and manage all water system policies and procedures that includes the Drinking Water Safety Plan to ensure the town's water system is compliant with all legislation. Manage and maintain the town's water license.

If possible, please provide a preliminary cost estimate to provide this service by November 26, 2018 as it will support budget deliberations.

Pending the discussion of council on November 26, 2018, the town may seek a further proposal to turn the water system and all its infrastructure over to Newell Regional Services Corporation.

As a reminder, this has not been discussed by town council and I must stress the sensitivity of this matter. Administration is investigating all possible avenues to create long-term viability in Bassano because if the town does not make changes to their current operations, its future may be compromised.

If you have any questions or require additional information, please contact the undersigned at 403-641-3788 or [cao@bassano.ca](mailto:cao@bassano.ca).

Sincerely,

A handwritten signature in black ink, appearing to read "Amanda".

Amanda Davis, MBA  
Interim CAO

Enc.

## SERVICE AGREEMENT

BETWEEN:

Village of Rosemary  
Box 128  
Rosemary, AB TOJ 2W0

(herein referred to as "Rosemary")

-and-

Town of Bassano  
Box 299  
Bassano, AB TOJ 0B0

(herein referred to as "Bassano")

Whereas Bassano requires services that Rosemary can supply;

And Whereas Rosemary has agreed to supply a Licensed Operator and other services for the Bassano Water Distribution, Wastewater Collection and Treatment Systems;

Now therefore Bassano and Rosemary agree as follows:

### TERM OF AGREEMENT

1. This Agreement shall be for an initial period beginning on May 5, 2015 and ending on December 31, 2015. This Agreement shall be automatically renewed from year to year unless either party has provided the other party with sixty (60) days written notice of its intention to terminate the Agreement.

### SUPPLY OF SERVICES BY ROSEMARY TO BASSANO

2. Rosemary agrees to provide the services of a Licensed Operator as well as such other services as may be requested by Bassano from time to time to monitor, check, sample, test, and maintain the Bassano Water Distribution System and to monitor and operate the Wastewater Collection and Treatment System.
3. In the event that repairs to the Water Distribution or Wastewater Collection and Treatment Systems require any outside trades persons, or the making of repairs or improvements, Bassano shall be responsible for arranging for and paying the costs of such trades persons, repairs and improvements.
4. Rosemary agrees to provide Bassano annually with current Water and Wastewater Certificates for its Operator(s).

### REMUNERATION

5. All services provided by Rosemary to Bassano will be charged at a rate of \$60/hour, inclusive of all travel, operating, and reporting time.

6. In December of each year, Rosemary shall provide Bassano with any changes to the rate per hour of services for the coming year.
7. Rosemary shall invoice Bassano on a quarterly basis.

**GENERAL TERMS**

8. Rosemary and Bassano agree to continuously maintain in full force and effect, comprehensive general liability insurance with limits of not less than five million dollars (\$5,000,000.00) for risk associated with the services provided under this agreement.
9. Rosemary agrees to indemnify and hold harmless Bassano, its agents, servants, officers, employees with respect to any claim, action, suit, proceeding or demand including those relating to negligence, made or brought against Bassano, its agents, officers, employees or elected officials or any third party with respect to any occurrence, incident, accident or happening relating to the services supplied by Rosemary to Bassano excepting any occurrence, incident, accident or happening involving negligence or intentional torts by Bassano, its agents, officers, or employees.
10. Bassano agrees to indemnify and hold harmless Rosemary, its agents, servants, officers, employees with respect to any claim, action, suit, proceeding or demand including those relating to negligence, made or brought against Rosemary, its agents, officers, employees or elected officials or any third party with respect to any occurrence, incident, accident or happening relating to the services received by Bassano from Rosemary excepting any occurrence, incident, accident or happening involving negligence or intentional torts by Rosemary, its agents, officers, or employees
11. In the event that there is a dispute between either Rosemary or Bassano with regards to any terms of this Agreement, the same shall be settled firstly by Mediation between the parties and if the parties are not able to agree upon a Mediator or Mediation is not successful, then the parties will determine such dispute by Arbitration in accordance with the Arbitration Act of Alberta.
12. Any notice to be given by one party to the other shall be mailed to the address set forth above or personally delivered to the receiving party.

**IN WITNESS WHEREOF** the parties hereto have executed this agreement on the date first above written.

*Town of Bassano*

Per: Tom Rose

Per: Stevie

*Village of Rosemary*

Per: Don L. Smith

Per: Agachanar



Box 638  
Brooks, Alberta  
T1R 1B6

Ph. 403.794-4000  
Fax 403.794-4051  
www.nrsc.ca

November 20<sup>th</sup>, 2018

Town of Bassano  
P.O Box 299  
Bassano, AB  
T0J 0B0

Attn: Amanda Davis

Dear Ms. Davis

RE: Bassano Water Operations

In response to your request a proposal to operate the Water Works system in the Town of Bassano I have attached a spreadsheet breaking down our cost estimation to this letter. Please note that operations will include the time our staff need to ensure the town meets all of their regulator requirements and to manage your water license.

As Newell Regional Services Corporation currently performs these duties for some of our other municipal partners. We believe we have the skills and dedication to meet the Town of Bassano's needs. We are able to achieve an operational efficiency due to the work we already perform in your area as well as other Villages and Hamlets around the County. As a result, we are able to operate at a lower cost and save residents funds for other projects. All of our work is done at cost, plus 5%.

Please note that this is just a preliminary cost estimate.

If you have any questions or concerns please feel free to contact me at (403)794-4000 or [brollag@nrsc.ca](mailto:brollag@nrsc.ca)

Sincerely,

Brian Rollag,  
General Manager

Attached: Bassano Operating Cost Estimate

## Bassano 2019 Operating Cost Estimate

### **Operating:**

Staff: 33\$/hr (approx)  
Vehicle: \$14/hr  
Benefits: 26% of hourly wage

Attendance requirements: 5 days a week  
1.5 hrs per visit  
390 hrs per year

Estimated annual cost for operations:	\$ 12,870.00	Staff
	\$ 5,460.00	Vehicles
	\$ 3,346.20	Benefits
	<u>\$ 21,676.20</u>	
Add 5%:	\$ 1,083.81	
GST:	\$ 1,138.00	
Total	<u><u>\$ 23,898.01</u></u>	

### **Drinking Water Safety Plan:**

Estimating 20hrs to complete the Drinking Water Safety Pla

Estimated cost: \$ 1,111.60

Add 5%: \$ 55.58

GST: \$ 58.36

Total \$ 1,225.54

### **Operations setup:**

One time cost to set up our SCADA, maintenace and sampli

Estimating 10hrs

Estimate cost: \$ 555.80

Add 5%: \$ 27.79

GST: \$ 29.18

Total \$ 612.77

### **Maintenance and Repairs:**

We can perform or arrange all maintenance and repairs that  
(Cost includes: Cost of Repair, hourly v

t would be requested by the Town of Bassano at Cost + 5%

**BYLAW 868/17**  
**UTILITY RATES**

of the  
**TOWN OF BASSANO**  
in the Province of Alberta

A BYLAW OF THE TOWN OF BASSANO IN THE PROVINCE OF ALBERTA  
AMENDING BYLAW 858/15 BEING THE UTILITIES RATES BYLAW OF THE  
TOWN OF BASSANO.

**WHEREAS** it is deemed expedient to amend the Utilities Rate Bylaw,

**AND WHEREAS** the Town's cost of providing Utility Services has increased;

**NOW THEREFORE**, under the authority and subject to the provisions of the  
Municipal Government Act, R.S.A. 2000, Chapter M-26, as amended, the Council of the  
Town of Bassano duly assembled, enacts as follows:

1. Bylaw 858/15 is hereby is repealed.
2. Utility Rates Schedule "A" is attached.
3. This Bylaw shall come into force on March 1, 2017.

Read a first time this 9th day of January 9<sup>th</sup>, 2017.

Read a second time this 9th day of January 9<sup>th</sup>, 2017.

Read a third time and finally passed this 9th day of January 9<sup>th</sup>, 2017.

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Mayor

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Chief Administrative Officer

**Schedule "A"  
Utility Rates**

	DESCRIPTION OF USER	Water Bi-Monthly	Sewer Bi-Monthly	Garbage Bi-Monthly	Recycling Bi-Monthly
1)	<i>All developed residential premises(*) - excepting unmetered lots in trailer parks</i>	\$40.00 basic bi-monthly plus \$1.15 per cubic meter of water consumed	\$26.00	\$18.00	\$7.00
2)	<i>All developed residential lots (*) in unmetered trailer parks</i>	\$78.00	\$26.00	\$18.00	\$7.00
3)	<i>All developed commercial/industrial premises (*) - Low volume users (**)</i>	\$47.00 basic bi-monthly charge plus \$1.25 per cubic meter for the first 600 cubic meters and \$1.45 for each additional cubic meter of water consumed	20% of water consumption, minimum charge \$42.00	\$42.00	\$11.00
4)	<i>All developed commercial premises (*) - High volume users (***): Hotels/Motels/Restaurant s/Retail Gas Stations excepting unmetered premises</i>	\$47.00 basic bi-monthly charge plus \$1.25 per cubic meter for the first 600 cubic meters and \$1.45 for each additional cubic meter of water consumed	20% of water consumption, minimum charge \$42.00	\$60.00 Private garbage pick up is required.	\$11.00
5)	<i>All developed industrial premises (*) - high volume users (***)</i>	\$98.00 basic bi-monthly charge plus \$1.25 per cubic meter for the first 600 cubic meters and \$1.45 for each additional cubic meter of water consumed	20% of water consumption, minimum charge \$72.00	\$60.00 Private garbage pick up is required.	\$11.00
6)	<i>All developed unmetered commercial/industrial premises (*)</i>	\$235.00	\$42.00	\$60.00 Private garbage pick up is required.	\$11.00

**Schedule "A"  
Utility Rates**

	DESCRIPTION OF USER	Water Bi-Monthly	Sewer Bi-Monthly	Garbage Bi-Monthly	Recycling Bi-Monthly
7)	<i>All developed institutional premises (*)</i>	\$98.00 basic bi-monthly charge plus \$1.25 per cubic metered for the first 600 cubic meters and \$1.45 for each additional cubic meter of water consumed	20% of water consumption, minimum charge \$72.00	\$60.00 Private garbage pick up is required.	\$11.00
8)	<i>Unmetered property used for livestock pasture</i>	\$93.00			
9)	<i>Bulk Water Rates</i>	Same rates as charged at the City of Brooks Bulk Fill Station.			
10)	<i>Processing Fee</i>	\$5.00			

- \* a) all single family dwellings - whether occupied or vacant
- b) all multi family dwellings - each unit whether occupied or vacant
- c) all developed commercial/industrial premisses - whether occupied or vacant

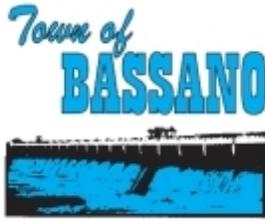
\*\* Low volume users to be determined by the Town of Bassano

\*\*\* High volume users to be determined by the Town of Bassano

**Town of Bassano  
2019 - 2022 Operations Budget and Projections**

**(41) Water**

Revenue	Descriptive Summary	2018 Budget	2018 YTD	2019 Proposed	2020 Projected	2021 Projected	2022 Projected
Processing Fee		\$ 18,000	\$ 15,964	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000
General Water Revenue		\$ 380,000	\$ 347,486	\$ 574,635	\$ 587,934	\$ 601,234	\$ 614,534
Water Penalties		\$ 8,500	\$ 10,992	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500
Water - Cost Recovered		\$ 3,000	\$ 139	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
<b>Revenue Subtotal</b>		<b>\$ 409,500</b>	<b>\$ 374,581</b>	<b>\$ 604,635</b>	<b>\$ 617,934</b>	<b>\$ 631,234</b>	<b>\$ 644,534</b>
Expenditure	Descriptive Summary	2018 Budget	2018 YTD	2019 Proposed	2020 Projected	2021 Projected	2022 Projected
Contract Services		\$ 11,000	\$ 2,550	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000
Freight, internet, phone		\$ 1,400		\$ 1,540	\$ 1,540	\$ 1,540	\$ 1,540
Professional Services		\$ 5,000	\$ 164	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Admin Customer Billing		\$ 15,000	\$ 35	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
R&M		\$ 57,900	\$ 14,017	\$ 75,000	\$ 75,100	\$ 75,100	\$ 75,200
Insurance		\$ 23,000	\$ 9,556	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300
Goods and Supplies		\$ 2,030	\$ 677	\$ 2,100	\$ 2,100	\$ 2,100	\$ 2,100
Consumption to NRSC		\$ 230,200	\$ 183,911	\$ 225,200	\$ 237,700	\$ 250,200	\$ 262,700
Utilities		\$ 30,000	\$ 28,981	\$ 32,000	\$ 32,700	\$ 33,500	\$ 34,200
Transfer to Capital		\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Debenture Interest		\$ 39,021	\$ 37,364	\$ 33,654	\$ 27,978	\$ 21,976	\$ 15,630
Debenture Principal		\$ 93,474	\$ 93,474	\$ 98,841	\$ 104,517	\$ 110,518	\$ 116,864
<b>Expenditure Subtotal</b>		<b>\$ 558,025</b>	<b>\$ 370,729</b>	<b>\$ 574,635</b>	<b>\$ 587,934</b>	<b>\$ 601,234</b>	<b>\$ 614,534</b>
<b>Total</b>		<b>(\$148,525)</b>	<b>\$ 3,852</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
<i>Expenditure Variance Previous Year Budget</i>				2.98%	2.31%	2.26%	2.21%



# REQUEST FOR DECISION

Meeting: December 10, 2018  
 Agenda Item:5.2

## 2019-2021 Human Resources

### BACKGROUND:

The figures presented below are reflected in the Town of Bassano's proposed 2019-2021 consolidated operations budget.

### Salaries Allocation (Administration, Public Works, Parks and Recreation)

2018 Budget	2019 Budget	2020 Budget	2021 Budget
\$510,890	\$510,890	\$521,822	\$551,100
	0.00%	2.13%	5.61%

*\*does not include pool salaries.*

The Town of Bassano's employment compensations is on the low end of the spectrum according to the 2018 Wage & Compensation Survey prepared by Banister Research on behalf of AUMA based on 73 like sized municipalities in Alberta.

Wages and compensation must clearly align with employee performance, training, experience and education. As part of the Phase 2 contract, an HR training and development strategy was prepared with Key Performance Indicators for employees. The salaries budget reflects potential development and training opportunities for all municipal employees. Over the next three years, the town's compensation model will increase to better reflect the market.

A change in benefits is not reflected in the salaries budget (e.g. employee benefits will remain as 90/10 split with the employee paying 100% of LTD and STD, and a matching monthly RRSP contribution up to \$100 per employee per month). Our objective is to enhance educating and training opportunities to develop skills within the current workforce.

A 3.0% Cost of Living Allowance (COLA) is reflected in the budget.

Employee summary:

- One full-time CAO,
- Two full-time administrative assistants,
- One full-time public works supervisor,
- Three full-time public works assistants, and
- Two part-time/summer public works labourers.

If operational changes occur (increase/decrease), the employee summary may have to be revised.

### Salaries Allocation (Pool)

2018 Budget	2019 Budget	2020 Budget	2021 Budget
\$89,800	\$89,800	\$89,800	\$92,600
	0.00%	0.00%	3.11%

*\*only includes pool salaries.*

The salaries budget for the pool will remain unchanged for years 2019-2020 at \$85,000. This enables up to 4,600 hours of guarding and 2.5 months of programming. The increase in 2021 is caused by the advancement of junior and senior guards.

**Combined Salaries (Administration, Public Works, Parks and Recreation, and Pool)**

<b>2018 Budget</b>	<b>2019 Budget</b>	<b>2020 Budget</b>	<b>2021 Budget</b>
\$600,690	\$600,690	\$611,622	\$647,700
	0.00%	1.81%	5.89%

**OPTIONS:**

#1 – That council approves the combined salaries budget as presented with a 0.00% increase in 2019, 1.81% increase in 2020 and 5.89% increase in 2021.

#2 – That council provides direction to revise the combined salaries budget as presented. DEFINE.

#3 – That council declines the combined salaries budget as presented.

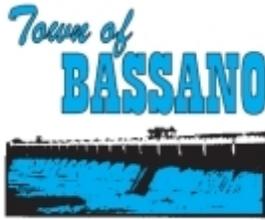
**PROPOSED RESOLUTION:**

That council approves the combined salaries proposed and projected budget as presented with a 0.00% increase in 2019, 1.81% increase in 2020 and 5.89% increase in 2021.

**Attachments:**

- n/a

**Prepared By:** Amanda Davis, Interim CAO



# REQUEST FOR DECISION

Meeting: December 10, 2018  
Agenda Item:5.4

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## Assessment Services – Contract Renewal

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### **BACKGROUND:**

The Town of Bassano contracts Assessment Services through Benchmark Assessment Consultants. The contract is set to expire.

An updated contract was prepared as requested by administration. Benchmark Assessment Consultants has agreed to freeze their current rate for service (0%), over the next five years which averages \$18,800 per annum.

### **OPTIONS:**

#1 – That council accepts Benchmark Assessment Consultants 5-year proposal effective March 1, 2019 as amended to include a refined termination clause should the regional governance process be successful.

#2 – That council accepts Benchmark Assessment Consultants 5-year proposal effective March 1, 2019 as presented.

#3 - That council directs administration to prepare a five-year (2019-2024) assessment services Request for Proposal commencing in 2019 Q2.

### **PROPOSED RESOLUTION:**

That council accepts Benchmark Assessment Consultants 5-year proposal effective March 1, 2019 as amended to include a refined termination clause. The refined termination clause must take into consideration the regional governance process currently underway.

### **Attachments:**

1. Town of Bassano – Letter dated September 27, 2018
2. Benchmark Assessment Services – Contract Renewal dated November 27, 2018

**Prepared By:** Amanda Davis, Interim CAO



**"The Best in the West by a Damsite"**



Chief Administrative Office  
502 - 2nd Avenue  
P.O. BOX 299  
BASSANO, ALBERTA T0J 0B0

PHONE: 403-641-3788  
FAX: 403-641-2585  
[www.bassano.ca](http://www.bassano.ca)

September 27, 2018

Benchmark Assessment Consultants Inc.  
#4 – 320 W.T. Hill Blvd. S.  
Lethbridge, AB T1J 4W9

**Sent via email: [ryan@benchmarkassessment.ca](mailto:ryan@benchmarkassessment.ca)**

Attention: Ryan Vogt

Dear Mr. Vogt,

**RE: Contract Renewal**

The assessment services contract between the Town of Bassano and your firm expires on December 31, 2018 as shown in Section 2.2 of the attached contract.

The Town is pleased with the services provided by your firm and seek to update a new five (5) year contract. If you are favorable to this request, please prepare the necessary documentation and forward it to the Town of Bassano by November 1, 2018 for review and approval.

Contact the undersigned should you have and comments or concerns at [cao@bassano.ca](mailto:cao@bassano.ca) or 403-641-3788.

Sincerely,

A handwritten signature in black ink that appears to read "Amanda".

Amanda Davis  
Interim CAO

Enc.



#4, 320 W.T. Hill Blvd  
Lethbridge, AB T1J 4W9  
Phone: 381-0535 Fax: 381-1596  
email: [admin@benchmarkassessment.ca](mailto:admin@benchmarkassessment.ca)

Ms. Amanda Davis, Interim CAO  
Town of Bassano  
P.O. Box 299  
Bassano, AB T0J 0B0

November 27, 2018

**Re: Contract Renewal**

Dear Ms. Davis,

We at Benchmark Assessment Consultants Inc. are thrilled to submit the assessment services proposal contained herein. I'm very excited to discuss this opportunity with you at your earliest convenience and would like to propose our services at a rate of \$23.00 per parcel (a freeze on the current rate) and 0% increase over the next five years.

For over 20 years, our company has provided the assessment services to our existing 49 municipal clients. Our consulting experience in municipalities such as Claresholm, Taber, Nanton, Vulcan, Coaldale, and Redcliff would continue to be an asset to the Town of Bassano.

Benchmark Assessment Consultants Inc. is fully staffed with 8 accredited assessors, 3 candidate assessors, and an office manager. We bring a diverse team that is well-suited to assess the specific property types located in Bassano. Whether it is excellent public relations, unique valuations, or assessment defense hearings, I believe our team is qualified to meet your needs.

If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Morgan Strate".

Morgan Strate AMAA, President

**PROFESSIONAL SERVICES AGREEMENT**

THIS AGREEMENT MADE THIS 1st DAY OF MARCH, 2019  
BETWEEN:

THE TOWN OF BASSANO  
(referred to as the "Municipality")

OF THE FIRST PART

-and-

BENCHMARK ASSESSMENT CONSULTANTS INC.  
(referred to as the "Consultants")

OF THE SECOND PART

WHEREAS:

- A. The Municipality requires assessments of all lands and premises within the Municipality's boundaries primarily for taxation purposes;
- B. The Consultant is in the business of supplying assessment services to various municipalities throughout Alberta;
- C. The Municipality and the Consultant wish to enter into a written agreement for the supply of the assessment services.

NOW THEREFORE, the Municipality and Consultant, in consideration of the covenants and agreements hereinafter contained, agree as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 Definitions: For the purpose of this Agreement and the Schedules hereto or any certificate, opinion or other document, agreement, undertaking or assurances delivered in accordance with or in furtherance of the purposes and intent of this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following expressions shall have the following meanings respectively:

1.1.1. "Agreement" or "hereof", "hereto", "herein", "hereby", "hereunder" and similar expressions when used in this agreement and any attached schedules refer to this Agreement and to any Schedules attached hereto and not to any particular Articles, Sections, paragraphs, sub-paragraphs or other portion hereof, and

including any and every instruments supplemental hereto; and any reference to a Section or Article by number of the alphabet means the appropriate paragraph, sub-paragraph, Section or Article of this Agreement unless the context otherwise requires; and any reference to a Schedule by number or letter of the alphabet means the appropriate Schedule attached to this Agreement;

- 1.1.2 “Claims” means claims, losses, actions, suits, proceedings, causes of action, demands, damages (direct, indirect, consequential or otherwise), judgments, executions, liabilities, responsibilities, losses, costs, charges, payments and expenses including, without limitations, any professional, consultant and legal fees (on a solicitor and his own client basis);
- 1.1.3 “Consultant” means BENCHMARK ASSESSMENT CONSULTANTS INC.
- 1.1.4 “Consultant’s Fee” shall have that meaning set out in Article 4.1;
- 1.1.5 “Injury” means bodily injury, personal discomfort, mental anguish, shock, sickness, disease, death, false arrest, detention or imprisonment, malicious prosecution, libel, slander, defamation of character, invasion of privacy wrongful entry or eviction and discrimination, or any of them, as the case may be;
- 1.1.6 “Municipality” means THE TOWN OF BASSANO;
- 1.1.7 “Property” as defined in the Municipal Government Act;
- 1.1.8 “Services” shall have that meaning set out in Schedule “A”;
- 1.1.9 “Tax Year” means the calendar year commencing January 1;
- 1.1.10 “Term” shall have the meaning set out in Article 3.1;
- 1.2 This Agreement shall in all respects be governed by and be construed in accordance with the laws of the Province of Alberta.
- 1.3 If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 1.4 Whenever the singular or masculine is used herein the same shall be deemed to include the plural or feminine or the body politic or corporate where the context or the parties so require.

- 1.5 The headings to the clauses of this Agreement are inserted for convenience only and shall not affect the construction hereof.
- 1.6 Unless otherwise stated, a reference herein to a numbered or lettered clause or paragraph refers to the clause or paragraph of each Section bearing that number or letter in this Agreement.
- 1.7 All accounting terms not defined in this Agreement shall have those meanings generally ascribed to them in accordance with generally accepted accounting principles in Canada, applied consistently.
- 1.8 Business Day: In any case where time limited by this Agreement expires on a Saturday, Sunday, legal holiday, or a day on which chartered banks in the Town of Bassano, Alberta are not open for business, the time shall be extended to and shall include the next day on which the said banks are open for business.
- 1.9 All references to dollars of “\$” shall mean legal money of Canada.
- 1.10 The following Schedules are incorporated by reference to this Agreement and form a part hereof.
- Schedule “A” - Definition of “Services”
  - Schedule “B” - Designated Assessor(s)
  - Schedule “C” - Equipment to be supplied by Consultant
  - Schedule “D” - Equipment to be supplied by Municipality

2. APPOINTMENT

- 2.1 The Municipality hereby appoints the Consultant to perform the Services and the Consultant hereby agrees to perform the Services for the Municipality during the Term.
- 2.2 During the Term, the Consultant shall perform the Services for each of the following Tax Years:
- 2.2.1 January 1, 2019 to December 31, 2019
  - 2.2.2 January 1, 2020 to December 31, 2020
  - 2.2.3 January 1, 2021 to December 31, 2021
  - 2.2.4 January 1, 2022 to December 31, 2022
  - 2.2.5 January 1, 2023 to December 31, 2023
- 2.3 For year Tax Year, the Consultant shall have reported to the Municipality all assessments for that particular Tax Year and report to the Municipality on or before February 28<sup>th</sup> in each of said Tax Years.

TERM

3.1 The Consultant shall provide the Services of the Municipality commencing March 1, 2019 (the “Commencement Date”) to February 28, 2024 (therein referred to as the “Term”).

4. CONSULTANT FEE

4.1 In Consideration of the Services supplied by the Consultant, the Municipality shall pay to the Consultant a fee (the “Consultant’s Fee”) to be calculated as follows:

4.1.1 March 1, 2019 to February 28, 2024 - \$23.00 Per Parcel Plus GST (Parcel count based on current CAMA count each year and will be adjusted accordingly)

4.1.2 Local Assessment Review Board and Composite Assessment Review Board;

The Fee stated in section 4.1.1 shall include 7 man-days (8 hours per man-day) for preparation, defense and expenses associated with Local Assessment Review Board hearings.

If the time exceeds the included 7 man-days, the additional time shall be charged at a rate of \$80.00 per hour and \$0.50 per kilometer.

Further to the appeal process, the costs associated with the provincial level of appeal known as the Composite Assessment Review Board are not included in the fee set out under section 4.1.1.

In either of the two levels of the appeal process should expert or legal opinion be required, these costs shall be the responsibility of the Municipality.

4.2 Except as otherwise provided for in this Agreement, the Consultant will be solely responsible for:

4.2.1 all mileage and automobile expenses associated with the preparation of the contemplated assessment;

4.2.2 all accommodation, meals and related living expenses incurred or experienced by employees and representatives of the Consultant in the execution of this Agreement.

4.3 The Municipality shall pay the Consultant's Fee as follows:

4.3.1 the Municipality will be invoiced on a monthly basis for work in progress and payment of the invoice is due and payable within 30 days of receipt of the invoice.

4.4 Should the Municipality request the consultant to undertake work that is not set out in Schedule "A", additional fees determined by the Consultant (within reason) will be charged regarding same. Should the amount of these additional fees exceed 10% of the amount set out in Article 4.1, such arrangement shall be handled by way of an amendment to this Agreement.

4.5 Any new or changed provincial legislation that creates additional services, studies and inspections will be negotiated as a separate contract.

## 5. COVENANTS OF THE CONSULTANT

5.1 The Consultant covenants and agrees with the Municipality as follows:

5.1.1 that the assessor(s) supplied by the Consultant for the performance of the Services shall be an Accredited Municipal Assessor of Alberta (AMAA) and shall designate those assessor(s) listed in Schedule "B" as the individuals to be the assessor(s) supplied;

5.1.2 the appointed assessor will endeavor to maintain proper equity in assessments within the Municipality;

5.1.3 the appointed assessor will be required to exercise independence and judgment in equating all of the relevant data involved in property assessment and determining final assessment value of property;

5.1.4 unless required by law, any data or other information concerning the Municipality, which is obtained by the Consultant in its dealings with the Municipality under this Agreement, shall be treated as confidential and shall not be disclosed without prior approval by the Municipality;

5.1.5 in the event that the Worker's Compensation Act of Alberta requires the Consultant to register with the Worker's

Compensation Board (“WCB”) the Consultant shall do so and upon demand by the Municipality, it shall deliver to the Municipality certification from WCB;

- 5.1.6 the Consultant shall comply with the provisions of:
  - 5.1.6.1 any Act of the legislature of the Province of Alberta and of the Parliament of Canada now in force or enacted thereafter;
  - 5.1.6.2 any regulations in force from time to time under any of the Acts referred to in Clause 5.1.6.1;
  - 5.1.6.3 any bylaw or resolution of the Municipality that expressly or by implication applies to the Consultant in respect of this Agreement;
- 5.1.7 the Consultant will ensure that its employees, when on assignment pursuant to this Agreement, will comply with any safety and security regulations and procedures in effect regarding the properties being assessed;
- 5.1.8 in addition to any authorizations, consents, licenses, right of entry or other estates or interest in land that have been obtained by the Minister, the Consultant shall obtain all lawfully required authorizations, consents, licenses and right to entry to land or other estates or interests in land necessary for the Consultant to perform the Services;
- 5.1.9 the Consultant shall undertake the Services in an efficient, good and workmanlike manner, and in accordance with the Municipality’s reasonable good standards;
- 5.1.10 the Consultant shall supply all equipment and motor vehicles necessary to carry out and record the Services including, without limitation, that equipment listed in Schedule “C”;
- 5.1.11 the Consultant shall agree that all assessment documents and related information shall remain the property of the Municipality.

6. REPRESENTATIONS AND WARRANTIES OF CONSULTANT

- 6.1 The Consultant warrants that all the Services will be conducted strictly in accordance with the provisions of any relevant Provincial Legislation and Regulations thereto.

7. COVENANTS OF THE MUNICIPALITY

- 7.1 The Municipality covenants and agrees with the Consultant as follows:

- 7.1.1 that the Municipality will provide notice either directly or indirectly to all rate payers affected by the assessments that the Consultant has been retained to perform the inspections and prepare assessment reports;
- 7.1.2 that the Municipality will be responsible for costs that may be incurred as a result of ratepayer information brochures, requests for information, newspaper advertisements, etc.;
- 7.1.3 the Municipality shall make available to the Consultant all existing assessment information in the possession of the previous consultant relating to the land and premises forming the subject matter of this Agreement;
- 7.1.4 the Municipality agrees that the Consultant may utilize staff (other than AMAA staff) to assist the assessor(s) in performing the Services;
- 7.1.5 unless required by law, any data or other information concerning the Consultant, which is obtained by the Municipality in its dealings with the Consultant under this Agreement, shall be treated as confidential and shall not be disclosed without prior approval by the Consultant;
- 7.1.6 the Municipality shall supply to the Consultant, at no cost to the Consultant, the equipment listed in Schedule "D".

8. INSURANCE AND INDEMNIFICATION

8.1 The Consultant, at its expense, shall acquire and maintain throughout the Term the insurance (the "Insurance") described in Article 8.2.

8.2 The Insurance is as follows:

8.2.1 Two million (\$2,000,000.00) dollars inclusive limits commercial general liability insurance. The insurance will:

8.2.1.1 include personal injury, employers, provisions for cross liability, and occurrence property damage;

8.2.1.2 name the Municipality as an insured;

8.2.1.3 contain a provision that precludes invalidation as respects the interest of the Municipality by reason of any breach or violation of warranties, representations, declarations or conditions;

8.2.2 one million (\$1,00,000.00) dollars inclusive limits automobile liability insurance on a non-owned form, and on an owner's form, covering all licensed vehicles operated by or on behalf of the Consultant.

8.3 The Consultant shall cause each insurance policy to:

8.3.1 be primary, non-contributing with, and not excess of , any other insurance available to the Municipality;

8.3.2 contain a prohibition against cancellation or material change that reduces or restricts the Insurance except on 30 days prior written notice to the Municipality; and

8.3.3 be in a form and with insurers satisfactory to the Municipality, acting reasonably.

8.4 The Consultant shall promptly indemnify and hold harmless the Municipality from and against all Claims in connection with any Injury or any loss or damage to property arising from or out of this Agreement or occasioned wholly or in part by any fault, default, negligence, act or omission of the Consultant, or for those for whom the Consultant is responsible at law.

9. TERMINATION

9.1 The Municipality may terminate this Agreement forthwith in the event that:

9.1.1 the Consultant is adjudged a bankrupt or makes an assignment in bankruptcy;

9.1.2 a receiver is appointed for the Consultant.

9.2 The Municipality may terminate this Agreement upon 30 days prior written notice to the Consultant in the event that:

9.2.1 the Consultant shall be in default of any obligation on its part under this Agreement, the Municipality may issue a notice in writing of default and on failure of the Consultant to remedy the same or cause the same to be remedied within 60 days after the issue of the notice.

9.3 The Consultant may terminate this Agreement upon 30 days prior written notice to the Municipality in the event that:

9.3.1 the Municipality shall be in default of any obligation on its part under this Agreement, the Consultant may issue a notice in writing of default and on failure of the Municipality to remedy the same or cause the same to be remedied within 60 days after the issuance of the notice.

10 GENERAL

10.1 This Agreement may be amended solely by written consent of both parties.

10.2 This Agreement represents the entire agreement between the parties. No other terms, representations or warranties, verbal or otherwise, are to be inferred or implied.

10.3 Should the parties be unable to resolve any disputes, which may arise regarding this Agreement the matter(s) in dispute shall be referred to arbitration in accordance with the provisions of the Arbitration Act, Chapter A-43, R.S.A. 2000.

10.4 This Agreement ensures to the benefit of and is binding upon the parties to this Agreement and their respective successors and any permitted assignees of the Consultant.

- 10.5 The Consultant may not assign its rights and obligations under this Agreement without the prior written consent of the Municipality.
- 10.6 The Consultant, while performing any Services under this Agreement, is an independent contractor and not an agent of the Municipality.

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

Town of Bassano

Per: \_\_\_\_\_

Per: \_\_\_\_\_

Benchmark Assessment Consultants Inc.

Per: \_\_\_\_\_

Per: \_\_\_\_\_

## SCHEDULE "A"

### Basic Assessment Services:

- Annual Assessment\*\*
- General Rollover Assessment\*\*
- Industrial Assessment\*\*
- Mobile Home Assessment\*\*
- Linear & DIP Assessment
- Equalization Reports/ Audit Reports
- Open House
- Ratepayer Inquiries
- Local Assessment Review Board and Composite Assessment Review Board as per 4.1.2
- 20% to 25% re-inspection cycle on a yearly basis, or with site visits every 5 years

\*\* Assessment Services shall mean those services as may be required to inspect and assess all lands and premises located within the Town of Bassano boundary including, without limitation, the following;

#### Land

- establish criteria in consultation with Municipal Affairs Assessment Standards and Inspections Branch;
- in accordance with Section 289(1), Municipal Government Act, visual inspections of each parcel of land, carrying out tests and investigations if in the opinion of the Consultant such tests and investigations are required;

#### Improvements

- establish criteria in consultation with Municipal Affairs Assessment Advisory Services Branch;
- in accordance with Section 291(1) Municipal Government Act, visual inspections of each improvement on lands within the Town of Bassano and carry out interior inspections if in the opinion of the consultants, such interior inspection is required;
- the production of diagrams if in the opinion of the Consultant such diagrams are required.

## **SCHEDULE “B”**

### Designated Assessor(s)

- Morgan Strate
- Ryan Vogt
- Logan Wehlage
- Lance Wehlage
- Carol Megaw
- Christopher Snelgrove
- Kevin Halsted

### Candidate Assessor(s)

- Brandon Garner
- Tomasz Hulisz
- Joel Setoguchi

## **SCHEDULE “C”**

### Reports and/or Equipment supplied by Consultant

- Municipal Summary Report
- Computer Hardware & Software (as per proposal)

## **SCHEDULE “D”**

### Information and/or Equipment supplied by Municipality

- Work area (if required)
- Building Permits
- Building Plans
- Land Titles as requested
- Subdivision Plans
- Maps
- Land Use Bylaws