

**R.M. OF LUMSDEN NO. 189
MINUTES OF THE SPECIAL MEETING
HELD ON MARCH 26th, 2012**

The Lumsden Rural Municipal Council convened their special meeting in the River Park Centre, on Monday, March 26, 2012 at 7:00 p.m. with Reeve Jim Hipkin presiding.

Present: Reeve: Jim Hipkin
Councillors: Al Szeles, Bill Marquardt, Kent Farago,
Jim Atcheson
Chief Administrative
Officer: Byron M. Tumbach

Absent: Councillor: Tom Harrison, Dale Srochenski

Council held a special meeting to meet with representatives from the Deer Valley Home Owners Association (DVHOA) to discuss their application to become an organized hamlet. The delegation representatives in attendance were Jennifer Ehrmantraut, Sue Marshall, Brian Marshall and Courtney Brailsford. This was the second meeting to discuss their public notice to form an Organized Hamlet.

Jennifer provided an overview of why they wanted to form an Organized Hamlet, what area they were proposing to be included, where pending development may take place and what percentage of taxes they are requesting to service the direct costs.

Reason for application to become an organized hamlet:

- Over the last 10 years Deer Valley has been a growing community that today has approximately 80 homes and 250 people. In the next 10 years there is opportunity for the community to double.
- In 2001 when Deer Valley was being considered as a development proposal, the Council of the day was confident that eventually Deer Valley would become an organized hamlet. The development plan presented to Council called for an urban type development, where service needs in the hamlet would differ from the rest of the municipality. In regards to garbage pickup and snow removal, it was clear that the level of service required was greater than what the municipality was providing at that time.
- Keeping the original intent of the development in mind, it is time for Deer Valley to formally participate in joint decision making with the RM. With more involvement from the community that allows for better decision making that more closely serves the needs of the urban type community.
- The opportunity for growth at Deer Valley in the next decade could more than double the size of the community. It is important for the community to use the organized hamlet status and relationship with the RM to ensure that current and future needs of the community are met.
- The budget submitted is a proactive budget that is planning for current and future infrastructure costs and replacements. Starting to plan for the future infrastructure replacements is important for the sustainability of the community. This practical approach will put the community in a position where they will not have to worry about infrastructure replacement costs in 20 years.

Attached is the delegation five year budget.

Byron asked if the Deer Valley delegation was ready to go to public notice. He outlined the process and some potential time frame issues they could impact the process in the next two months. The delegation felt it was important for the two councillors absent to be properly briefed at the next regular council meeting and to provide their feedback.

Reeve Jim Hipkin thanked the delegation

Adjournment:

Hipkin: "That we adjourn this meeting at 8:25 p.m."

CARRIED

Reeve


Chief Administrative Officer

Deer Valley Budget (excluding the Golf Course)

| | 2012 | 2013 | 2014 | 2015 | 2016 | Reserve Fund Balance |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| Hamlet Share for Services | 58,300 | 58,300 | 58,300 | 58,300 | 58,300 | 6 |
| Operations | | | | | | |
| ¹ Snow Removal | | | | | | |
| Street Sweeping | 120,000 | 100,000 | 100,000 | 100,000 | 100,000 | |
| Mowing | | | | | | |
| Garbage Removal | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | |
| Street Lights | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | |
| Maintenance | | | | | | |
| ² Seeding ditches | 4,500 | | | | | |
| ² Drainage | 700 | | | | | |
| Paved Surfaces | 4,000 | - | 4,000 | - | 4,000 | |
| Gravel Roads | 1,000 | 7,000 | 1,000 | 1,000 | 7,000 | |
| Storm Sewers | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | |
| Administration | 500 | 500 | 500 | 500 | 500 | |
| Budgeted Expenditures | 202,500 | 179,300 | 177,300 | 173,300 | 183,300 | |
| Capital Reserve | | | | | | |
| ³ Paved surfaces (built in 2000) | 700 | 12,400 | 14,400 | 18,400 | 16,400 | 62,300 |
| ⁴ Paved surfaces (built in 2011) | | 3,500 | 3,500 | 3,500 | 3,500 | 14,000 |
| ⁵ Park Design and Development Expenditures | | 8,000 | 8,000 | 8,000 | | |
| Budgeted Capital | 700 | 23,900 | 25,900 | 29,900 | 19,900 | \$ 76,300 |
| Total Deer Valley Budget | \$ 203,200 | \$ 203,200 | \$ 203,200 | \$ 203,200 | \$ 203,200 | |

- ¹ 2012 is based on a signed agreement, expecting a more robust RFP will equate to a reduction in the future costs
- ² there are drainage problems in the hills caused by no vegetation on the slopes, it is starting to undermine the road in places
- ³ 2.901 km total. Estimate that the road will last for 20 years, at a replacement cost of \$160,000/km. Plan is to keep money in a reserve fund until replacement is needed (estimated in 2022). The replacement cost would be \$464,160, it would be recommended to annually put away \$46,400, but this is not feasible. If any expenses come in below budget it is recommended that the savings be put in the capital reserve fund
- ⁴ 0.431 km total. Estimate that the road will last for 20 years, at a replacement cost of \$160,000/km. Plan is to keep money in a reserve fund until replacement is needed (estimated in 2032)
- ⁵ In a community this size there should be a designated park area. This was part of the original design of Deer Valley. There is significant work to go into planning and development of a park area. It is recommended that this project be staged over several years.
- ⁶ Note the Hamlet Share for services including Deer Valley Golf would be \$62,400 / year

2011 Municipal Revenue Calculations

| | |
|---------------|------------|
| DV Assessment | 18,739,070 |
| x mill rate | 14 |
| DV Share | 270,911 |

| | |
|------------------------|-----------|
| Golf Course Assessment | 2,354,400 |
| x mill rate | 14 |
| Golf Course Share | 34,038 |

DV Generated Tax Base 304,948

Current allocation

| | | | |
|--------------------|-----------|-----------------|-----------|
| RM | | Deer Valley | |
| Deer Valley - 60% | 162,546 | Deer Valley - | 108,364 |
| Golf Course - 100% | 34,038 | Golf course - - | |
| | \$196,584 | | \$108,364 |

Option 5 - Recommended Option

| | | | |
|--------------------|-----------|-----------------|-----------|
| RM | | Deer Valley | |
| Deer Valley - 25% | 67,728 | Deer Valley - | 203,183 |
| Golf Course - 100% | 34,038 | Golf course - - | |
| | \$101,765 | | \$203,183 |

| | | |
|-------------------------|----------|----------------|
| Decrease to RM taxes | - 94,819 | |
| Shared Services Revenue | 58,300 | |
| Total RM Tax Change | - 36,519 | Decrease to RM |

Handwritten initials: B.M. & J.R.H.