

Request for Decision

Title	Athabasca Rail Contribution
Proposed Motion	That Council approve the transfer of \$103,000 received from Canadian National to the Economic Development Reserve (8.12).
Administrative Recommendation	That Council approves the transfer of \$103,000 to the Economic Development Reserve (8.12) to allow for future consideration of appropriate projects.
Previous Council Direction	N/A
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> • CN (Canadian National) has informed Sturgeon County that Grain-Dependent branch lines have been discontinued and it is their intent to provide financial compensation in the amount of \$103,000 annually over a three-year period (i.e.: 2016, 2017 and 2018). • The Compensation Formula is based \$10,000 per mile within the municipal boundaries. There are 10.33 miles of Grain-Dependent Branch Line that have been discontinued within Sturgeon County. • The purpose of the Economic Development reserve is to provide funds for sustainable, ongoing development of commercial and industrial areas. Council has authority over how these funds from the reserve are used. • Administration will add the expected 2017 and 2018 compensation installment in to the budget. <p><u>External Communication</u></p> <ul style="list-style-type: none"> • N/A <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> • Policy PLY_Reserve_Policy_2016 • Section 146.1 of the Canada Transportation Act
Implication of Administrative Recommendation	<p><u>Strategic Alignment:</u></p> <p>Planned Growth and Prosperity</p> <ul style="list-style-type: none"> • Sturgeon County has a positive business environment that supports a strong economic foundation.

- Sturgeon County fosters growth through the Integrated Regional Growth Strategy

Organizational:

Transferring the annual contribution made by CN to the Economic Development Reserve, is both in keeping with our reserve policy and the purpose for which the particular reserves are set aside. This allows for Sturgeon County to have funds available for future needs that might arise based on CN's decision to discontinue the Grain-Dependent branch of lines.

Financial:

Annual Compensation Payment	
2016	\$103,000
2017	\$103,000
2018	\$103,000
TOTAL	\$309,000

Alternatives Considered

Transfer the compensation funds to another alternative reserve, outlined in PLY_Reserve_Policy_2016

Leave the funds as general revenue, and do not transfer the funds to any reserve.

Implications of Alternatives

Strategic Alignment:


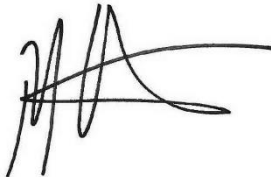

- Although both alternatives considered are viable options, we do not believe it is in keeping with the intent of the compensation funds received by CN as outlined in the letter. It is clear why Sturgeon County is receiving the compensation funds, and believed that transferring the funds to the Economic Development Reserve (8.12) will position Sturgeon County for the future, should the need arise that we need funding in the area of Grain-Dependent rail lines, rail lines in general, or other economic development infrastructure or program investment.

Organizational:

- Although both alternatives listed are viable options, we do not believe that they are in keeping with the intent of the compensation payment received.

Financial:

- Transferring the funds to a reserve other than the Economic Development Reserve (8.12) would have the same impact on the 2016 Financials, however, the funds would be restricted to the purpose established with the alternative reserve.
- Leaving the funds as general revenue, and not transferring the funds to any reserve, would result in an unbudgeted revenue of \$103,000 in the 2016 Financials.

Follow up Action	<ul style="list-style-type: none"> Financial Services will complete the reserve transaction.
Attachment(s)	1. Correspondence letter from CN.
Report Reviewed by:	<div data-bbox="531 289 889 373" data-label="Text">  </div> <div data-bbox="519 415 1045 455" data-label="Caption"> <p>Ed Kaemingh, Manager Financial Services</p> </div> <div data-bbox="565 499 834 674" data-label="Text">  </div> <div data-bbox="519 682 941 722" data-label="Caption"> <p>Rick Wojtkiw, Corporate Support</p> </div> <div data-bbox="555 802 812 900" data-label="Text">  </div> <div data-bbox="519 900 1110 940" data-label="Caption"> <p>Peter Tarnawsky, County Commissioner – CAO</p> </div>

Strategic Alignment Checklist

Vision: Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

Mission: Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
Strong Local Governance and Regional Leadership			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Consistent with neighborhood role (see MDP), master plans, policies 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Considers fiscal stability and sustainability 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Has a positive impact on regional and sub-regional cooperation 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Respect the Natural Environment			
<i>We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Compliance with Provincial and Federal regulations and/or legislation 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Ensure effective environmental risk management 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Community Identity & Spirit			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Promotes and/or enhances residents' identification with Sturgeon County 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Enhances service provision through community partnerships 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Supports Sturgeon County's cultural history 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Planned Growth and Prosperity			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Considers cumulative costs and long-term funding implications 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Targets growth around current or planned infrastructure 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Maintain and Enhance Strong Communities			
<i>We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Positive impact on residents' quality of life 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Supports and promotes volunteer efforts 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Provides programs and services that are accessible to all residents 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Operational Excellence			
<i>We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost effective manner</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Staff have the knowledge, skills and capability to perform their jobs 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Streamlines operational processes and policies 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Promotes engagement and professional interaction with stakeholders 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>