

**SMOKY LAKE COUNTY**

Minutes of Utilities Meeting: Natural Gas held on Friday, **January 9, 2015** at 10:19 a.m. in the County Council Chambers.

The meeting was called to Order by the Chairperson, Dareld Cholak, in the presence of the following persons:

		<u>ATTENDANCE</u>
		<u>Friday, January 9, 2015</u>
<u>Div. No.</u>	<u>Councillor(s)</u>	
1	Dareld Cholak	Present
2	Ron Bobocel	Present
3	Craig Lukinuk	Present
4	Cary Smigerowsky	Present
5	Randy Orichowski	Present
C.A.O.	Cory Ollikka	Present
Asst. C.A.O.	Lydia Cielin	Present
R.S./Municipal Clerk	Jenna Preston	Present
Finance Manager	Brenda Adamson	Present
N.G. Manager	John Malysh	Present
Env. Oper. Manager	Dave Franchuk	Present

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638-15: Smigerowsky 2. Agenda:

That the Utilities: Natural Gas Meeting Agenda for Friday, January 9, 2015 be adopted, as presented.

Carried Unanimously.

3. Minutes:

639-15: Lukinuk

That the Minutes of the Utilities Meeting: Natural Gas held on Thursday, November 6, 2014 be adopted.

Carried.

**Action List: November 6, 2014**

640-15: Bobocel

That the Action List of the Utilities Meeting: Natural Gas dated November 6, 2014, be accepted for information.

Carried.

**4. Request for Decision:**

**Policy Statement No. 09-03-10: Primary Installations**

641-15: Orichowski

That Policy Statement No. 09-03-10: Primary Installations be adopted as amended.

Title: <b>Primary Installations</b>	Policy No.: <b>03-10</b>
Section: <b>09</b>	Code: <b>P-A</b>
Page No.: <b>1 of 1</b>	

Purpose:	To implement Primary Gas Service Installations
Policy Statement and Guidelines	
That the <u>costs of Primary Installations</u> is:	
Rural Installation(s):	\$7,000.00 plus G.S.T.
Urban Installation(s):	\$3,500.00 plus G.S.T.

Carried.



**Policy Statement No. 1192-09E-08: Natural Gas**

That Policy Statement No. 1192-09E-08: Natural Gas be adopted as amended.

Title: Natural Gas	Policy No.: 1192-09E-08
Section: 09	Code: P-A Page No.: 1 of 5

**Purpose:** To provide the setting and collection of **NATURAL GAS RATES, FEES AND CHARGES.**

**Policy Statement and Guidelines:**

**REFERENCE:** Bylaw 1192-09: Natural Gas Bylaw.

**WHEREAS**, the Smoky Lake County operates a gas supply and distribution system; and

**WHEREAS**, the owner of a parcel of land is responsible for the construction, maintenance and repair of a service connection of a municipal public utility located above, on or underneath the parcel; and

**WHEREAS**, there are substantial costs involved in the operation and maintenance of the aforementioned services; and

**AND WHEREAS**, it is the intention of the County Council that wherever possible, the cost of providing the service be paid for by the user;

**SCHEDULES:**

Schedules established within Bylaw 1192-09 does not form part of the bylaw and shall be set out as exhibit(s) within this policy:

**Schedule "A": Natural Gas Installation and Service Agreement.**

**Schedule "B": Fees and Charges.**



**Schedule "A"**

**Natural Gas Installation and Service Agreement**

THIS AGREEMENT made effective the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

BETWEEN:

SMOKY LAKE COUNTY  
(hereinafter called the "County")

OF THE FIRST PART

. and .

of \_\_\_\_\_

Telephone: Res. \_\_\_\_\_ Business: \_\_\_\_\_ Cellular: \_\_\_\_\_  
(hereinafter referred to as "the Owner" as shown on the tax roll)

OF THE SECOND PART

of \_\_\_\_\_

Telephone: Res. \_\_\_\_\_ Business: \_\_\_\_\_ Cellular: \_\_\_\_\_  
(hereinafter called "the Renter")

OF THE THIRD PART

(The Renter shall hereinafter be referred to as the "Customer")  
(If no Renter is included as a party to this agreement, the owner shall be referred to as the "Customer")

WHEREAS the County intends to acquire or has acquired a supply of natural gas and intends to construct a natural gas distribution system;

AND WHEREAS the Customer requires a supply of natural gas;

AND WHEREAS the Owner agrees to have the County supply natural gas to the Customer;

AND THEREFORE THIS AGREEMENT WITNESSETH THAT IN CONSIDERATION of the premises, covenants, agreements and the fees to be paid hereunder, the Parties covenant and agree to the conditions as follows and the additional conditions as set within this agreement:

1) That the said natural gas service will be supplied to lands legally described as:

\_\_\_\_\_ (hereinafter referred to as the "the Lands")

2. FEE:

- 2.1 The Customer agrees to contribute \$ \_\_\_\_\_ + GST toward the cost of the County's natural gas distribution system or such other amount as may be determined by the County from time to time.
- 2.2 The Customer agrees to also pay a service charge of \$ \_\_\_\_\_ + GST a month or such other amount as may be determined by the County from time to time. The first service charge payment shall be made within three (3) months of the date that the natural gas is made available to the Customer.
- 2.3 The Customer agrees to also pay for all natural gas supplied to the Lands and that the amount charged by the County for natural gas shall be such rate as may be determined by the County from time to time.

3. CONDITIONS:

- 3.1 The Customer and Owner agree that if the Customer vacates the Lands with outstanding obligations or liabilities to the County then the County shall be entitled to discontinue the gas service to the Lands until such outstanding obligations or liabilities have been fulfilled.
- 3.2 If the County discontinues the gas service under Section 3(1) then the County shall continue to charge, and the Customer and Owner shall be obligated to pay, the monthly service charge and interest.
- 3.3 If the County discontinues the gas service under Section 3(1) and the County is later requested to restore the gas service, then the Customer or the Owner shall be required to pay reconnection fee of \$ \_\_\_\_\_ + GST or such other amount as is determined by the County from time to time, prior to the restoration of the gas service.

4. If the owner's land that is to be serviced by Smoky Lake County Natural Gas lies within the boundaries, of another municipality, the owner hereby charges the lands as security for payment to the County of all amounts owing by the owner/customer with regards to the supply of natural gas to the lands. The County shall not be required to postpone its charge in favour of any subsequent mortgage and in the event arrears arise with regards to natural gas supplied to the lands, the County shall provide notice to the holder of any mortgage registered at Alberta Land Titles on the lands

5. If the owner's land that is to be serviced by Smoky Lake County Natural Gas does not lie within the boundaries, of another municipality, then the foregoing section (4) does not apply to the owner.

6. The addresses of the parties hereto, to which all communications, notices or bills shall be addressed or served and to which all payment shall be made are as follows.

Smoky Lake County, Box 310, Smoky Lake, Alberta T0A 3C0

And for the Customer

And for the Owner:

**ADDITIONAL CONDITIONS:** (These additional conditions form an integral part of the agreement.)

- 1. That the County will sell and deliver, so far as is practical for the County to do so, and the Customer will purchase from the County, the Customer's entire needs for natural gas.
- 2. The Customer and the Owner acknowledge that they have each received a copy of the County's Rules and Regulations with respect to natural gas service. The said Rules and Regulations are hereby incorporated into and form part of this agreement. The customer and the Owner agree that the said Rules and Regulations may be added to, altered or amended by the County from time to time and shall become binding upon each of them upon publication of such addition, alteration or amendment in a local newspaper, or upon a copy thereof being delivered to the Customer and the Owner or mailed to each of them by regular mail at their respective addresses as shown in this Agreement or any change thereto.
- 3. The Owner by hereby signing this agreement shall grant to the County, without any cost to the County, an easement and right-of-way to come upon the Lands to survey, measure, dig and to construct and maintain all necessary piping, meters and equipment to enable the County to deliver natural gas to the Customer or other customers of the County and without restricting the generality of the foregoing, the Owner shall execute the County's standard form of easement or utility right-of-way agreement forthwith upon request of the County.
- 4. The Customer shall execute a consent form wherein he consents to all rights, powers and privileges given to the County under any easement or utility right-of-way agreement executed by the Owner under Section 3(a) of this agreement.
- 5. The Owner agrees that he and the Customer shall be jointly and severally liable for all of the liabilities and obligations of the Customer arising out of this Agreement and the Rules and Regulations, and without restricting the generality of the foregoing, the Owner agrees that if the Customer fails to carry out or fulfill his obligations under

this agreement of the Rules and Regulations then the Owner will be absolutely and unconditionally responsible for the same.

6. The Customer agrees that he is not released from his obligations or liability to the County under this Agreement or the Rules and Regulations if the Owner is required to assume the same under Section 5.
7. This Agreement shall remain in full force and effect and be binding upon the Parties hereto, their respective heirs, successors and assigns, except as otherwise provided in the Agreement or the Rules and Regulations.
8. The Customer agrees that he shall only be entitled to terminate this Agreement in accordance with the Rules and Regulations.
9. The Owner agrees that he shall only be entitled to terminate this Agreement in accordance with the Rules and Regulations and that in the event of such termination, there will still be certain continuing obligations and covenants on his part to the County as set out in the Rules and Regulations.
10. The Customer and Owner acknowledge that the County may terminate this Agreement as provided in the Rules and Regulations.

Each party hereto may change its address by notice in writing served upon the other party.  
IN WITNESS WHEREOF the parties hereto have executed these presents effective the day and year first above written notwithstanding the actual date or dates of execution.

SIGNED, SEALED AND DELIVERED      SMOKY LAKE COUNTY

In the presence of \_\_\_\_\_ PER \_\_\_\_\_

Witness \_\_\_\_\_

Owner \_\_\_\_\_

Witness \_\_\_\_\_

Renter \_\_\_\_\_

**Schedule "B"  
Fees & Charges**

ITEM DESCRIPTION	COST
Furnace Cleaning	\$60.00 plus material cost
Gas Meter/ Re-connection	\$ 55.00 new ownership \$100.00 if locked off
Installations: • Rural • Urban	\$7,000.00 \$3,500.00
Natural Gas Washer/Dryer	Varies with model
Polyethylene Pipe/Wire	20% above cost
Renter's Deposit	\$300.00
Riser/Shutoff Material	\$60.00 per hour
Service Technician	\$60.00 per hour
Thermocouple Replacement	\$75.00 Day Call \$125.00 After hours call
Large Trencher	\$3.00 per meter or \$90.00 per hour (whichever is greater)
Small Trencher	\$60.00 per hour
Over time Charge	\$90.00 per hour
Fine for tampering with County gas infrastructure, plus total replacement cost	\$ 150.00
Repair underground gas lines	\$ 150.00 minimum or actual repair cost (whichever is greater)

Carried.

**Manager's Report**  
643-15: Bobocel

**5. Issues for Information:**

That the report presented by the Natural Gas Manager for the period of January 2015, be accepted as presented and be filed for information.

Carried.

**Natural Gas Rate: January 2015**

644-15: Lukinuk

That the report on the Natural Gas Rate for the Month of January 2015 from Gas Alberta – rate at \$3.20 + \$1.90 + \$0.17 = \$5.27, be filed for information.

Carried.

**6. Correspondence(s):**

**Service Agreement with Federation of Alberta Gas Co-ops**  
645-15: Lukinuk

That Smoky Lake County executes the Service Agreement with the Federation of Alberta Gas Co-operatives Ltd. DBA Alberta Odorant Services, effective January 1, 2015, subject to an amendment to Section 7.02 – Insurance.

Carried.

**Next Meeting**

646-15: Bobocel

That the next **Utilities Meeting: Natural Gas** be scheduled for Thursday, **March 5, 2015** at 9:00 a.m. to be held at the County Council Chambers.

Carried.

**ADJOURNMENT:**

647-15: Cholak

That this meeting be adjourned, time 10:40 a.m.

Carried.

  
\_\_\_\_\_  
CHAIRMAN

S E A L

  
\_\_\_\_\_  
CHIEF ADMINISTRATIVE OFFICER