

SEVERED

Silver Willow Water Co-Op

SEVERED

County of Vermilion River

July 20, 2018

Via Fax and Email

County of Vermilion River
Box 69
Kitscoty, AB T0B 2P0

Attention: Dale Swyripa - Reeve

Dear Sir:

RE: SILVER WILLOW WATER CO-OP
REQUEST FOR FUNDING ASSISTANCE
AGENDA ITEMS 18-1752 AND 18-1763

We are in receipt of your letter dated May 16, 2018.

At the outset we reiterate that we are an elected Board representing all of the homeowners within the Silver Willow Estates subdivision. This requires restating as we have been made aware that your letter to our Board dated May 16, 2018 was also sent to various of the homeowners within Silver Willow Estates. As the elected Board representing Silver Willow Estate homeowners we do not see the requirement for taxpayer funds to go towards sending copies of correspondence to certain Silver Willow Estate homeowners aside from the designated Board. This is akin to SWWC sending our correspondence to every ratepayer within the County of Vermilion River.

FOIP Request

We are in receipt of the letter of Rhonda King, CLGM and FOIP Head, dated July 3, 2018 concerning Information Request No. 18-01. We have reviewed the materials included therein.

We note the following:

1. February 27, 2018 – CVR Council approved the preparation of a local improvement tax levy bylaw (under Division 7, sections 391-394 of the *Municipal Government Act* (“MGA”) for SWWC to provide loan assistance with the upgrades to the SWWC water treatment system (Item 18-1752 – Motion #2018-02-46).
2. March 12, 2018 – CVR CAO Rhonda King advised Council by email as to an alleged telephone call between Roger Garnett and an unnamed senior advisor at Municipal Affairs, wherein it is purported that the senior advisor “very clearly stated that the County cannot apply an improvement levy to infrastructure it does

not operate". The subject line of the email states "Municipal Affairs will not permit an improvement levy on SilverWillow".

- The first sentence of the email directs that Council will need to change its position regarding the improvement levy for SWWC.
- 3. March 13, 2018 – CVR Council rescinded approval of Motion #2018-02-46 (Item 18-1763).
- 4. March 13, 2018 – CVR Council directed administration to contact Municipal Affairs to obtain the reasons in writing as to why funding for SWWC cannot be provided through a local improvement levy (Item 18-1763).
 - **These reasons in writing have never been supplied.**
- 5. April 10, 2018 – CVR Director Planning & Development Authority Roger Garnett contacted Municipal Affairs to inquire as where in Division 7 of the *MGA* it is specified that a local improvement tax levy has to be municipal-owned infrastructure.
 - April 11, 2018 – Travis Nosko, Financial Accountability Advisor with Municipal Affairs, advised Roger Garnett that the *MGA* does not specifically address the use of local improvement taxes for infrastructure not owned by the municipality.
 - April 24, 2018 – Travis Nosko confirmed there is nothing in FOIP prohibiting the April 11, 2018 opinion/information from being made public.

The writer's own inquiries with Municipal Affairs also led us to receive information from Mr. Nosko. Mr. Nosko advised that while the use of a local improvement tax levy for funding for a private entity would be "irregular" (or not a "best practice"), there is nothing expressly stated within the *MGA* that prohibits a municipality from providing such funding within the *MGA*. There are other methods of providing funding (loans, loan guarantees under ss. 264-266 of the *MGA*), but CVR Council chose to use a local improvement levy.

Therefore, the premise under which CVR Council voted to rescind Motion #2018-02-46 was false. Based on all of the FOIP disclosure and our Board's own inquiries, Mr. Nosko from Municipal Affairs never "clearly stated that the County cannot apply an improvement levy to infrastructure it does not operate". The advice provided was that to do so would be irregular and not a best practice, but did not state that it was prohibited. **Accordingly, the reasons upon which CVR Council rescinded its motion was based on misinterpreted or misconstrued information.**

In light of the fact that the decision to rescind Motion #2018-02-46 was based on incorrect information, this letter is to request that CVR Council reconsider its position in this matter and reinstate the approval first granted in Motion #2018-02-46. Nothing has changed from February 27, 2018 – the approval of a local improvement tax levy remains allowable under the *MGA*, albeit unorthodox or irregular. However, given the unique situation at hand and the irregular position of SWWC, it seems appropriate for CVR Council to apply a unique solution, even one that may be considered unorthodox or "outside of the box".

We look forward to your prompt reply on or before the close of business on Friday, August 3, 2018, and to thereafter finalizing the funding for SWWC.

Closing

If you have any questions or concerns, please feel free to contact the writer at the above address, telephone number, or email address.

SEVERED

Ryan B. Armstrong
SWWC President

RBA

Enclosure(s):

Cc: Silver Willow Water Co-Op Board of Directors