



ALBERTA
MUNICIPAL AFFAIRS

*Office of the Minister
MLA, Lac La Biche - St. Paul*

RECEIVED

NOV 05 2009

M.D. OF BONNYVILLE No. 87

AR44400

October 22, 2009

Reeve Ed Rondeau
Municipal District of Bonnyville
PO Bag 1010
Bonnyville, Alberta T9N 2J7

Dear Reeve Rondeau:

I received and reviewed the mediator's report dated September 30, 2009, and I am pleased to see that some progress was made.

I am pleased the Municipal District of Bonnyville, the Town of Bonnyville, and the Village of Glendon reached an agreement, and I am encouraged that all four municipalities agreed to pursue a joint initiative for regional economic development.

However, I am disappointed that the agreement does not address my stated desire to develop a regional framework that:

- reflects the relative contribution of each municipality to the regional economy and the costs associated with delivering regionally beneficial services; and
- addresses all related issues that contribute to healthy intermunicipal relations.

While it is unfortunate that the City of Cold Lake is not part of the agreement, I am pleased to see that there is a willingness by the city and the municipal district to continue to build their relationship.

Through the Alberta Municipal Affairs Collaborative Governance Initiative, which I announced last year, the ministry is prepared to support municipalities as they work to build positive proactive intermunicipal relationships. I believe that this program could be of assistance to both municipalities as you move forward, and I encourage you to contact Mr. Bill Diepeveen, Manager of Dispute Resolution Services with Municipal Affairs, toll-free at 310-0000, then 780-422-8848.

Now that the mediation is completed, I encourage you and the other municipal leaders to continue to work together for the betterment of the entire region.

Sincerely,

Ray Danyluk
Minister

104 Legislature Building, Edmonton, Alberta Canada T5K 2B6 Telephone 780-427-3744 Fax 780-422-9550
4434 - 50th Avenue, St. Paul, Alberta Canada T0A 3A2 Telephone 780-645-6999 Fax 780-645-5787
Toll Free From All Areas 1-866-674-6999

News Release

November 9, 2009

Cold Lake inspection ordered by minister

Edmonton... An inspector has been appointed to review the management, administration, and operations of the City of Cold Lake, following a request from the municipal council to conduct a dissolution study.

"The request by council for a dissolution study for a city was very unusual," said Municipal Affairs Minister Ray Danyluk. "We respect council's request, but require more information on the state of the city's finances and operations. That is why we are conducting the dissolution study in the form of an inspection."

The minister has appointed George Cuff to review the management, administration, and operations of the City of Cold Lake. Cuff, a former president of the Alberta Urban Municipalities Association and well respected municipal advisor, will have the same powers as a commissioner under the *Public Inquiries Act*. When required to do so, Cold Lake's chief administrative officer must produce all books and records of the municipality for examination and inspection.

"We believe that an inspection will help gather the best information to enable the council and administration to deal with the challenges that they face," said Danyluk. "We have been working with Cold Lake, however, provincially mediated negotiations were unsuccessful in bringing about an agreement on a regional service agreement."

The *Municipal Government Act* (MGA) requires the Minister to conduct a dissolution study if he receives a formal request from a municipal council. The inspection is expected to take three to four months to complete. The cost of the process will depend on what is found when the investigation begins, however, it is not expected to exceed \$75,000.

-30-

Media inquiries may be directed to:
Jody Korchinski, Communications
Alberta Municipal Affairs