



MINUTES

STRATEGIC MEETING OF COUNCIL

**March 18, 2024, 1:00 PM
IN THE COUNCIL CHAMBER**

PRESENT:

Councillor C. Walcott
Councillor R. Dhaliwal
Councillor S. Chu
Councillor R. Pootmans
Councillor T. Wong
Councillor J. Wyness
Councillor P. Demong
Councillor S. Sharp
Councillor K. Penner
Councillor A. Chabot (Partial Remote Participation)
Councillor E. Spencer
Councillor G.C. Carra
Councillor D. McLean
Councillor J. Mian
Mayor J. Gondek

ALSO PRESENT:

Chief Administrative Officer D. Duckworth
Chief Operating Officer S. Dalgleish
City Solicitor and General Counsel J. Floen
Chief Financial Officer C. Male
General Manager C. Arthurs
General Manager K. Black
A/General Manager D. Hamilton
General Manager D. Morgan
General Manager M. Thompson
City Clerk K. Martin
Deputy City Clerk J. Fraser
Legislative Advisor J. Booth

1. CALL TO ORDER

Mayor Gondek called the meeting to order at 1:02 p.m.

ROLL CALL

Councillor Carra, Councillor Chabot, Councillor Chu, Councillor Demong, Councillor Dhaliwal, Councillor McLean, Councillor Mian, Councillor Penner, Councillor Pootmans, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Wong, Councillor Wyness, and Mayor Gondek

2. OPENING REMARKS

Mayor Gondek provided opening remarks.

Councillor Walcott provided a traditional land acknowledgement.

3. QUESTION PERIOD

None

4. CONFIRMATION OF AGENDA

Moved by Councillor Pootmans

Seconded by Councillor Mian

That the Agenda for the 2024 March 18 Strategic Meeting of Council be confirmed.

MOTION CARRIED

5. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

5.1 Adopting a Quantity Only Model for Franchise Fees, C2024-0251

Moved by Councillor Chabot

Seconded by Councillor McLean

That with respect to Report C2024-0251, the following be adopted:

That Council:

1. Refer this Report and recommendations back to Administration to undertake a scoping report to determine the cost to consider applying a change to Local Access Fees; and
2. Defer this decision until the end of Q2 or until the Minister introduces the new legislative process for determining the default rate.

For: (7): Councillor Chu, Councillor Wong, Councillor Wyness, Councillor Demong, Councillor Sharp, Councillor Chabot, and Councillor McLean

Against: (8): Councillor Walcott, Councillor Dhaliwal, Councillor Pootmans, Councillor Penner, Councillor Spencer, Councillor Carra, Councillor Mian, and Mayor Gondek

MOTION DEFEATED

Moved by Councillor Spencer

Seconded by Councillor Penner

That with respect to Report C2024-0251, the following be adopted:

That Council:

1. Direct Administration to design and implement a revised methodology that aligns with the Quantity Only model, to transition The City in how it collects Local Access Fees from electricity and franchise fees from natural gas starting from 2027 January 01.

2. Direct Administration to seek all necessary approvals, including Alberta Utilities Commission (AUC) approvals, in order to implement a Quantity Only model for collecting franchise fees from electricity and natural gas.
3. Direct Administration to use the following design principles in designing a Quantity Only model:
 - a. Build a model that will provide more stability and predictability than the current model in how much The City collects in revenue.
 - b. Support affordability concerns of Calgarians and businesses.
 - c. Minimize shifts in proportions across user classes with the intent of not materially shifting the financial responsibility from one user class to another.
 - d. Maintain and improve The City's financial sustainability ensuring The City continues to collect at a minimum the currently budgeted Local Access Fee and Franchise Fee amounts from both electricity and natural gas.
 - e. Build a model that will continue to support both The City's operating and capital budgets.
4. Continue advocacy efforts aimed at other orders of government to secure necessary funding for infrastructure and capital investments in The City.
5. Direct Administration to change the *Council Policy CFO003 Franchise Fee/MCAF Revenue Budgets and Variances* and develop a funding source, program and framework to support an annual amount of \$10 million in 2025 and 2026 for Energy Poverty and Affordability initiatives with funding from a portion of any potential positive variance collected from the Local Access Fee operating budget.

For: (12): Councillor Walcott, Councillor Dhaliwal, Councillor Pootmans, Councillor Wong, Councillor Wyness, Councillor Demong, Councillor Sharp, Councillor Penner, Councillor Spencer, Councillor Carra, Councillor Mian, and Mayor Gondek

Against: (3): Councillor Chu, Councillor Chabot, and Councillor McLean

MOTION CARRIED

By General Consent, Council brought forward Item 6.1.1 to be dealt with following Item 5.1.

Council then dealt with Item 6.1.1.

- 5.2 Strategic Approach to Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets, C2024-0239

This Item was dealt with following Item 6.1.1.

By General Consent, Council modified the afternoon recess to begin at the Call of the Chair.

Moved by Councillor Mian
Seconded by Councillor Sharp

That with respect to Report C2024-0239, the following amendment be adopted:

That Council delete Recommendations 1, 2, and 3 and replace with the following:

Direct Administration to consult on the proposed metrics in Attachment 2 with Members of Council, to return to the 2024 June 25 Strategic Meeting of Council.

For: (14): Councillor Walcott, Councillor Dhaliwal, Councillor Chu, Councillor Pootmans, Councillor Wong, Councillor Wyness, Councillor Demong, Councillor Sharp, Councillor Chabot, Councillor Spencer, Councillor Carra, Councillor McLean, Councillor Mian, and Mayor Gondek

MOTION CARRIED

Moved by Councillor Pootmans
Seconded by Councillor Dhaliwal

That with respect to Report C2024-0239, the following be adopted, **as amended**:

That Council:

Direct Administration to consult on the proposed metrics in Attachment 2 with Members of Council, to return to the 2024 June 25 Strategic Meeting of Council.

For: (14): Councillor Walcott, Councillor Dhaliwal, Councillor Chu, Councillor Pootmans, Councillor Wong, Councillor Wyness, Councillor Demong, Councillor Sharp, Councillor Chabot, Councillor Spencer, Councillor Carra, Councillor McLean, Councillor Mian, and Mayor Gondek

MOTION CARRIED

Council then dealt with Item 8.

6. CONFIDENTIAL ITEMS

6.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

6.1.1 (Postponed) Potential Changes to Local Access Fees - Budget Implications and Calgarian Impacts, C2023-1180

This Item was dealt with following Item 5.1.

Moved by Councillor Walcott
Seconded by Councillor Sharp

That with respect to Confidential Report C2023-1180, the following be adopted:

That Council file the Confidential Recommendations.

For: (14): Councillor Walcott, Councillor Dhaliwal, Councillor Chu, Councillor Pootmans, Councillor Wong, Councillor Wyness, Councillor Demong, Councillor Sharp, Councillor Penner, Councillor Spencer, Councillor Carra, Councillor McLean, Councillor Mian, and Mayor Gondek

Against: (1): Councillor Chabot

MOTION CARRIED

Council then dealt with Item 5.2.

7. BRIEFINGS

None

8. ADJOURNMENT

This Item was dealt with following Item 5.2.

Moved by Councillor Walcott
Seconded by Councillor Sharp

That this Council adjourn at 3:23 p.m.

MOTION CARRIED

CONFIRMED BY COUNCIL ON

MAYOR

CITY CLERK