

## Request for Decision

<b>Title</b>	<b>Bylaw 1607/22 - Resource Extraction Amendments to Land Use Bylaw 1385/17 and Bylaw 1608/22 - Repeal of the Calahoo-Villeneuve Sand and Gravel Extraction Area Structure Plan Bylaw 922/01 – First Readings</b>
<b>Proposed Motion</b>	<ol style="list-style-type: none"> <li>1. That Council give first reading of Bylaw 1607/22.</li> <li>2. That Council give first reading of Bylaw 1608/22.</li> <li>3. That Council direct Administration to bring forward a public communications plan related to the implementation of Resource Extraction Regulatory Review recommendations at the time that Bylaw 1607/22 and Bylaw 1608/22 are presented for consideration of third reading.</li> <li>4. That Council direct Administration to implement the following Resource Extraction Regulatory Review recommendations by or before September 30, 2023:             <ol style="list-style-type: none"> <li>a) Compile a groundwater monitoring policy and necessary management plans as required;</li> <li>b) Bring forward a budget recommendation for municipal compliance and education resourcing, to complement enhanced operator quarterly reporting and annual third-party validation requirements;</li> <li>c) Develop a new municipal communications and information platform to support all stakeholders in local resource extraction activity, inclusive of a dedicated web platform, educational materials, contact information, newsletters, and more;</li> <li>d) Conduct a review of the Community Aggregate Payment (CAP) Levy allocation model to reflect a greater expected revenue over time, the appropriate distribution of broad community benefit versus benefit to communities near aggregate operations, the percentage of allocations for different types of initiatives (regulatory support, community facilities, local programs, infrastructure, municipal tax relief, etc.); and the possibility for supportive policies and procedures related to the allocation of the CAP Levy; and</li> <li>e) Review the Calahoo-Villeneuve Sand and Gravel Advisory Committee terms of reference to identify a geographic area, membership, and other elements that are reflective of known extraction areas in Sturgeon County.</li> </ol> </li> </ol>

<p><b>Administrative Recommendation</b></p>	<ol style="list-style-type: none"> <li>1. Administration recommends that Council give first reading of Bylaw 1607/22 to allow for Resource Extraction amendments to Land Use Bylaw 1385/17.</li> <li>2. Administration recommends that Council give first reading of Bylaw 1608/22 to allow for the repeal of the Calahoo-Villeneuve Sand and Gravel Extraction Area Structure Plan Bylaw 922/01.</li> <li>3. Administration recommends that a public communications plan related to the implementation of Resource Extraction Regulatory Review recommendations be brought forward at the time that Bylaw 1607/22 and Bylaw 1608/22 are presented for consideration of third reading.</li> <li>4. Presuming Council approval of bylaw amendments, Administration recommends a 9-month period to implement the remaining recommendations of the Resource Extraction Regulatory Review.</li> </ol>
<p><b>Previous Council / Committee Direction</b></p>	<p><u>October 25, 2022 Regular Council Meeting</u></p> <p>Motion 394/22: That Council accept the Resource Extraction Regulatory Review’s Consolidated What We Heard Report as information.</p> <p>Motion 395/22: That Council rescind Motion 178/21.</p> <p>Motion 396/22: That Council direct Administration to prepare proposed amendments to Land Use Bylaw 1385/17 to add performance standards to the RE – Resource Extraction District and prepare a new RE DC1 – Resource Extraction Direct Control 1 District.</p> <p>Motion 397/22: That Council direct Administration to prepare proposed amendments to Land Use Bylaw 1385/17 to add performance standards to the RE – Resource Extraction District and prepare a new RE DC1 – Resource Extraction Direct Control 1 District.</p> <p>Motion 398/22: That Council direct Administration to bring forward implementation requirements and plans for other Resource Extraction Regulatory Review Final Report recommendations and provide for approximately 9 months until the effective date of any bylaw amendments to allow for transitional requirements.</p> <p>Additional previous Council/Committee direction provided from June 25, 2019 to August 23, 2022 can be found in Attachment 1.</p>
<p><b>Report</b></p>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>• Sturgeon County has long been a municipality with plentiful extractable resources, particularly sand and gravel. The County seeks to balance economic, social, health, and environmental outcomes in regulating the resource extraction operations in the municipality.</li> <li>• Gravel extraction has occurred within areas of Sturgeon County over 30 years, however, several situations existed: <ul style="list-style-type: none"> <li>○ Sturgeon County’s land use regulations are over 30 years old and are in need of modernization and competitive alignment.</li> </ul> </li> </ul>

- Approximately 50% of local resource deposits have been progressively extracted, with another 20% under extraction. Current regulations make part of those deposits uneconomical or inaccessible to extract.
- The extraction industry has a high local economic impact, with jobs, municipal revenues, and spin-off benefit.
- Resource extraction operations can have both real and perceived impacts on neighbouring residents, environmental conditions, and overall quality of life.
- Considering these factors, Council directed Administration to review the County's resource extraction regulatory model and bring forward recommendations that best reflect a **balance between economic development, environmental, and community well-being** factors.
- The Resource Extraction Regulatory Review (RERR) was a comprehensive review of Sturgeon County's resource extraction regulations, with extensive stakeholder engagement and expert analysis conducted over more than two years.
- A "Resource Extraction Regulatory Review Final Report" was completed in March 2021 (see [Resource Extraction Regulatory Review - Final Report, March 2021](#)) considering all input and research completed to date. Eight recommendations were provided.
- Following the completion of the Final Report, a third phase of stakeholder engagement was conducted that considered inputs on final recommendations. All stakeholder feedback is summarized in the consolidated What We Heard Report (attachment 4).
- While there is no consensus in the community regarding an 'ideal' regulatory model, a majority agreed that change is required that strikes an appropriate balance between economic development, environmental, and community well-being factors.

Proposed Bylaw Amendments – First Reading

**Bylaw 1607/22 Resource Extraction Amendments to Land Use Bylaw 1385/17 (Attachment 2)**

- Bylaw 1607/22 would provide for the inclusion of additional regulations to the existing RE – Resource Extraction land use district. These include:
  - Transportation performance standards that represent a comprehensive traffic management strategy, including both on-site and off-site mitigation measures;
  - Groundwater management requirements, and
  - Community consultation and communication requirements that require an operator to host consultation before any gravel application is received, and to communicate quarterly throughout the lifespan of any operation.
- Bylaw 1607/22 would also provide for the inclusion of a new a site-specific direct control (DC - RE 1 Resource Extraction – Direct Control 1) district in the Land Use Bylaw. This district provides for:

- Built-in flexibility, where the regulations can be adapted to the land (and its characteristics) and where a developer could apply for a mining operation with setbacks that could be anything less than what is stated in the existing RE District of:
  - 400 metres (1,312.3 feet) as measured from the outside wall of an existing dwelling to the nearest edge of the operating area of a natural resource extraction and secondary processing use; and
  - 800 metres (2,624.6 feet) as measured from the district boundary of a multi-lot subdivision, hamlet, or area subject to an approved planning document that includes residential development.
- Exact setback(s) would be determined on a case-by-case basis at the redistricting stage.
- A full range of enhanced performance standards can be applied on a case-by-case basis as Council deems necessary. These include the standards described in the Resource Extraction Regulatory Review Final Report, such as:
  - Application requirements that outline the supporting documents, studies, and approvals required to be submitted with an application before it is accepted;
  - Noise performance standards that include mitigation measures (e.g., the implementation of new technology) and compliance with specific decibel limits;
  - Air quality performance standards, which require compliance with specific provincial limits and adherence to leading mitigation measures;
  - Development regulations that specify setbacks for any secondary processing activities, prescribe hours of operation, and requirements for progressive extraction and reclamation;
  - Transportation performance standards that represent a comprehensive traffic management strategy, including both on-site and off-site mitigation measures;
  - Groundwater management requirements; and
  - Community consultation and communication requirements that require an operator to host consultation before any gravel application is received, and to communicate quarterly throughout the lifespan of any operation.

**Bylaw 1608/22 - Repeal of the Calahoo-Villeneuve Sand and Gravel Extraction Area Structure Plan Bylaw 922/01 (Attachment 3)**

- The Calahoo-Villeneuve Sand and Gravel Extraction Area Structure Plan Bylaw 922/01 (ASP) was approved on October 9, 2001. The ASP offered many recommendations on gravel extraction and provided informed guidance for the subsequent update of the County's Land Use Bylaw.

- However, 21 years has lapsed and a detailed review of the document in context of the Resource Extraction Regulatory Review Recommendations Report revealed that most of the recommendations made have either been implemented in Land Use Bylaw 1385/17 or could not be practically implemented, giving the basis for repealing the ASP.
- One important component of the ASP that still applies pertains to groundwater monitoring and management plans. Referring to Motion 074/22 of the August 23, 2022 Committee of the Whole meeting, Administration recently obtained legal advice which confirmed that the matter is largely within provincial jurisdiction but that the County still has a role to play.
- At present, the County has a groundwater monitoring program for gravel pits in the Calahoo-Villeneuve area, but it has not been formalized in a policy/bylaw and no management plans have been compiled or implemented as part of the program. As a result, Administration proposes to draft a policy during the implementation period and have such policy approved by Council prior to the effective date (September 30, 2023) of the proposed Land Use Bylaw amendments.
- As mentioned, the proposed Land Use Bylaw amendments provide for additional regulations in the existing RE - Resource Extraction and the proposed DC - RE 1 Resource Extraction – Direct Control 1 land use districts requiring developers to adhere to the County’s groundwater monitoring program and management plans.

**Implementation Process**

- In addition to the groundwater monitoring policy, the proposed implementation period will provide Administration the opportunity to:
  - Put forward a service enhancement in the 2023 Budget that supports increased development permit compliance that prioritizes compliance and enforcement of gravel extraction operations;
  - Develop a new municipal communications and information platform to support all stakeholders in local resource extraction activity, inclusive of a dedicated web platform, educational materials, contact information, newsletters, and more;
  - Conduct a review of the Community Aggregate Payment (CAP) Levy allocation model to reflect a greater expected revenue over time, the appropriate distribution of broad community benefit versus benefit to communities near aggregate operations, the percentage of allocations for different types of initiatives (regulatory support, community facilities, local programs, infrastructure, municipal tax relief, etc.); and the possibility for supportive policies and procedures related to the allocation of the CAP Levy; and
  - Review the Calahoo-Villeneuve Sand and Gravel Advisory Committee Terms of Reference to identify a geographic area, membership, and other elements that are reflective of known extraction areas in Sturgeon County.

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External Communication

- Stakeholder engagement for this Review, which informed the Final Report and the final contents of the Land Use Bylaw amendment, has been extensive - the largest such engagement for Sturgeon County - and included months of public engagement, several channels / opportunities for input, and generating hundreds of individual responses for consideration. This was complemented with best practice reviews and input from expert advisors.
- The first phase of public engagement was a month-long online engagement, held in spring 2020. The second phase of public engagement was held between October and November 2020. The third phase occurred during May 2022 and included an open house and online sessions with the Planning & Development department. Overall, the first and second phases were used to develop the Final Report, with the third phase focusing on Final Report recommendations. The findings of these three phases can be found in the Consolidated What We Heard Report (Attachment 4).
- After first reading of the proposed Land Use Bylaw amendment and first reading of the proposed repeal of the Calahoo-Villeneuve Sand and Gravel Extraction ASP (Bylaw 922/01), Public Hearings will be scheduled in accordance with requirements of the *Municipal Government Act*. The Public Hearings will provide an opportunity for the public and other stakeholders to provide input on the proposed Bylaws.

Relevant Policy/Legislation/Practices

- Municipalities have limited jurisdiction in resource extraction beyond land use provisions. Most regulations are within the purview of the Government of Alberta.
- *Municipal Government Act*, RSA 2000 c M-26 as amended (MGA)
- Calahoo-Villeneuve Sand and Gravel Extraction Area Structure Plan Bylaw 922/01
- Land Use Bylaw 1385/17

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**Implication of Administrative Recommendation**

Strategic Alignment

**Planned Growth:** Plans for responsible growth and manages growth for current and future developments through leading approaches adopted in the Land Use Bylaw supports a strong economic foundation for Sturgeon County.

**Thriving Communities:** Recommendations protect resident well-being, safety, and quality of life through comprehensive performance standards; reviews of Sturgeon County's CAP levy ensure funds are being directed to programs, services, and infrastructure that best supports communities.

Organizational

This review required considerable staff time, and implementation items will continue to do so. Where additional resources are required, Administration will identify that need through the annual budget process or re-allocation if possible.

	<p><u>Financial</u></p> <ul style="list-style-type: none"> <li>The Council-approved budget for this review is now fully expended. Future recommendations that have a financial impact will be brought forward for consideration over the implementation timeframe.</li> <li>Implementation of the new regulatory model could have a positive financial impact for Sturgeon County, its landowners, and its industry partners over time, depending on the degree of resource sterilization.</li> </ul>
<b>Alternatives Considered</b>	Council could decide not to give first reading of Bylaw 1607/22 and Bylaw 1608/22 and/or to pursue other recommendations.
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment</u></p> <p>This would prevent the implementation of the recommendations accepted by Council on October 25, 2022. No changes would be made to resource extraction regulations, and no further action on recommendations would proceed. This would be inconsistent with stakeholder expectations and misaligned to Council’s previous direction.</p> <p><u>Organizational</u></p> <p>Administration would conclude the Resource Extraction Regulatory Review, with no further bylaw amendments or implementation proposed.</p> <p><u>Financial</u></p> <ul style="list-style-type: none"> <li>No further budget requirements would be identified, and those funds could be saved or directed to other municipal priorities.</li> <li>The potential for positive financial impact for Sturgeon County, including potential new revenues, would be missed.</li> </ul>
<b>Follow up Action</b>	<ol style="list-style-type: none"> <li>Schedule Public Hearings with respect to Bylaw 1607/22 and Bylaw 1608/22 (Planning and Development Services, November 2022).</li> <li>Bring forward RERR communications plan if the bylaws proceed to third reading (Corporate Communications and Planning and Development Services, Q1 2023).</li> <li>Bring forward RERR remaining implementation matters (Multiple departments, by September 2023).</li> </ol>
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>Attachment 1: Previous Council/Committee Direction</li> <li>Attachment 2: Bylaw 1607/22</li> <li>Attachment 3: Bylaw 1608/22</li> <li>Attachment 4: Consolidated What We Heard Report</li> <li>Attachment 5: Link - Calahoo-Villeneuve Sand and Gravel Extraction Area Structure Plan Bylaw 922/01</li> </ol>
<b>Report Reviewed by:</b>	<p>Bonnie McInnis, Manager, Planning &amp; Development Services</p> <p>Travis Peter, General Manager, Development &amp; Strategic Services</p> <p>Reegan McCullough, County Commissioner - CAO</p>

## Strategic Alignment Checklist

**Vision:** *Offering a rich tapestry of historical, cultural, and natural experiences, Sturgeon County is a municipality that honours its rural roots and cultivates desirable communities. Uniquely situated to provide world-class agricultural, energy, and business investment opportunities, the County prioritizes responsible stewardship and dreaming big.*

**Guiding Principles:** Collaboration | Accountability | Flexibility | Excellence | Safety | Future Readiness | Affordability | Innovation

Community Outcome	Not consistent	Consistent	N/A
<b>Planned Growth</b>			
<ul style="list-style-type: none"> <li>Internationally competitive to attract, grow and sustain diverse businesses; tenacious focus on new growth and innovation</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Modern broadband and digital capabilities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Low cost, minimal red-tape regulations</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Reliable and effective infrastructure planning; comprehensive land use and infrastructure planning</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Thriving Communities</b>			
<ul style="list-style-type: none"> <li>Beautiful, surprising places with high standards; integrated natural spaces &amp; trail systems; healthy and resilient</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Engaging cultural, historical, and civic amenities; strong community identity and pride</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Safe, welcoming, and diverse communities; small community feel and personal connection; commitment to high quality of life</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Environmental Stewardship</b>			
<ul style="list-style-type: none"> <li>Clean air, land, and water; Carbon neutral municipal practices; circular economy opportunities</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Conservation of natural areas and agricultural lands; enhanced greening and biodiversity; safekeeping ecosystems</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Sustainable development; partnerships with industry and others to drive emission reductions</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Collaborative Governance</b>			
<ul style="list-style-type: none"> <li>Predictable and stable external relationships; volunteer partnerships</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Meaningful connections with Indigenous communities</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Ongoing community consultation and engagement; transparent and action-oriented decision making based on sound rationale</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Respectful and informed debate; clear and supportive governance processes</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Operational Excellence</b>			
<ul style="list-style-type: none"> <li>Engaged and effective people – Council, Admin and Volunteers; continuous learning and improvement mindset; nimble and bold, with strong leadership</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Quality cost-effective service delivery; robust procurement and operational practices and policies; asset management and performance measurement; careful debt and reserve stewardship; long-term financial planning and sustainability</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Future focused thinking to proactively respond to emerging opportunities and challenges</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Alternative revenue generation and service delivery models integrated strategic and business planning</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>