

**Lac La Biche  
Community Stakeholder Session #2 -  
December 10, 2014**

**Prioritizing socio-economic issues  
Session summary report**

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## History and Methodology

Members of the oil sands industry, through its member association, the Oil Sands Community Alliance (OSCA), seek to better engage with host communities and to collaborate with municipalities and other key stakeholders to identify and manage the socio-economic impacts of expanding oil sands development. OSCA works on behalf of its members to more effectively manage the issues associated with economic growth and to maximize benefits for the communities where we operate.

OSCA first approached community stakeholders from Lac La Biche County in mid-2014, and an initial meeting occurred in Lac La Biche later that year on September 25. At that first session, participants identified 85 “current” and “emerging” socio-economic issues subsequently grouped into five issue categories:

1. Transportation and Safety;
2. Economic Development;
3. Essential Services;
4. Workforce and Education; and
5. Governance and Leadership.

OSCA convened a second meeting on December 10, 2014, to validate and prioritize the list of socio-economic issues, as well as to identify immediate opportunities for collaboration. The session was facilitated by Lee Funke and Michael Evans of Torque Communications.

## Attendees

### OSCA staff

Reegan McCullough  
Marvin Schneider

### Industry representatives

Nadine Barber, Devon  
Kendall Dilling, Cenovus  
Shelby Merchant, Cenovus  
Rory O’Connor, MEG  
Adele Thomson, CNRL  
Tracey Thompson, Devon  
Lisa Warawa, Cenovus  
Nicole Wiedman, MEG

### Community stakeholders

Shadia Amblie, Acting CAO, LLBC  
Stephen Evans, GM, LLB Community  
Futures  
Karen Gingras, Ec Dev Officer, LLBC  
Trent Keough, President, Portage College  
John Kokotilo, Regional Fire Chief  
Omer Moghrabi, Mayor, LLBC  
John Nowack, Councillor, LLBC  
David Phillips, Councillor, LLBC  
Robert Richard, Councillor, LLBC  
Heather Stromquist, Director Community  
Partnerships & Engagement, Northern  
Lights School Division  
Steve Visnoski, RCMP, LLB detachment

### **Prioritizing September's Issues**

The December session opened with introductions, a brief review of the findings from the September session, and then Reegan McCullough provided an update on the oil sands industry. Information presented included the international context of the oil and gas industry, scope of economic activity across Canada associated with oil sands development, growth forecasts, and a long-term positive outlook despite dramatic declines in the global price of oil that have affected capital plans in the oil sands industry for 2015.

Facilitators took participants through the issues identified in September, noting some repetitions, vague notations, and items that were more opinion than issue. The total number of issues was reduced from 85 to 72. Having validated the issues list, participants were then provided with fifteen coloured Post-It notes: five each of red, orange and yellow. Participants were asked to assign their Post-It notes to issues as follows:

1. red – highest priority issue (3 points);
2. orange – emerging issue (2 points); and
3. yellow – issue requiring monitoring (1 point).

Facilitators added up the points assigned by participants to each issue to achieve a numerical ranking that represented an aggregate view of the relative importance of every issue. Participants were asked to determine if the point totals reflected their expectations or whether they wished – following group discussion – to reallocate points from one issue to another. No changes were made.

### **Issue Ranking and Analysis**

Once the prioritization process was complete for all 72 issues, the top five issues from each of the first four categories – Transportation and Safety, Economic Development, Essential Services; Workforce and Education – were assigned to small table groups for further exploration. The fifth category, Leadership and Governance, was addressed by the entire group together as the final exercise of the evening.

Using the scoring assigned by participants created a “Top 12 Issues List” – each, save one, with a minimum score of 20.<sup>1</sup> This enabled the group to focus discussions on the highest priority community issues that may require collaboration between OSCA and community stakeholders in Lac La Biche.

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<sup>1</sup> Although not ranked in the Top 12 issues by the group, OSCA industry representatives identified “Taxation,” with 17 points, as a very important issue that needs to be addressed in future dialogue between industry and the County about property taxes, mill rates and assessment. “Temporary Foreign Workers” earned 19 points but, because it is federal jurisdiction, was discussed only a little.

At the table groups, session participants were asked to identify the following:

- an outcome that could be expressed in simple language expressing a future state in which the issue had been addressed;
- which stakeholders should be involved in achieving the outcome;
- which stakeholder should take a leadership role; and
- immediate opportunities for collaboration between the County, other regional or community stakeholders, and OSCA.

**Stakeholder Key**

AHS	Alberta Health Services
GoA	Government of Alberta
LLBC	Lac La Biche County
LLBDCC	Lac La Biche & District Chamber of Commerce
LLBHCC	Lac La Biche Health Care Centre
LLBREDA	Lac La Biche Regional Economic Development Authority
NLSD	Northern Lights School Division No. 69
OSCA	Oil Sands Community Alliance
PC	Portage College
RCMP	Royal Canadian Mounted Police, Lac La Biche deta

Top 12 Issues List							
Rank	Issue	Category	Score	Outcome	Stakeholders	Lead	Status March 2015
1.	Road safety (Hwy 36, 55 and 881) <ul style="list-style-type: none"> <li>wider roads</li> <li>passing lanes</li> <li>increased enforcement</li> <li>more turnout lanes</li> <li>twinning</li> </ul>	Transportation and Safety	64	<b>The regional transportation network is adequate to the traffic demands.</b>	GoA LLBC LLBDCC OSCA	Jointly GoA/LLBC Support from OSCA	LLBC met with Alberta Transportation to present their strong support for transportation improvements.
2.	Highway 881 <ul style="list-style-type: none"> <li>maintenance</li> <li>wider shoulders</li> </ul>	Transportation and Safety	44	<b>Highway 881 is maintained at the level required to accommodate traffic demands.</b>	GoA LLBC LLBDCC OSCA	Jointly GoA/LLBC Support from OSCA	LLBC met with Alberta Transportation to present their strong support for transportation improvements.
3.	Emergency services	Transportation and Safety	33	<b>Improved response times throughout the region.</b>	AHS LLBC OSCA RCMP	LLBC	LLBC is reviewing opportunities for improvement with AHS.
4.	Incoherent social vision/ coherent vision/where is vision for community and industry?	Leadership and Governance	31	<b>Lac La Biche County, residents and community stakeholders are aligned in support of a clear community vision.</b>	AHS GoA LLBC LLBDCC NLSD OSCA PC	LLBC	LLBC is taking appropriate steps to develop a coherent vision for the community with appropriate planning documents.
5.	Growing local businesses	Economic Development	29	<b>Lac La Biche-based businesses are important suppliers to oil sands operators in the south AOSA.</b>	LLBC LLBDCC LLBREDA OSCA Private business	LLBC	LLBC is reviewing mandate and governance of economic development authority.

Top 12 Issues List (Cont.)							
Rank	Issue	Category	Score	Outcome	Stakeholders	Lead	March 2015 - Status
6.	Municipal infrastructure to support growth <ul style="list-style-type: none"> <li>• water</li> <li>• sewer</li> <li>• municipal roads</li> </ul>	Essential Services	28	<b>Servicing infrastructure is ahead of the demand for residential and commercial development.</b>	GoA GoC LLBC NLSD	LLBC	LLBC is reviewing immediate capital infrastructure requirements to align with current population needs. LLBC will be developing a longer term capital infrastructure plan.
7.	Need medical diagnostic equipment	Essential Services	25	<b>Services once provided in Edmonton can be accessed in LLBC.</b>	AHS GoA LLBC LLBHCC OSCA	AHS	LLBC has met with AHS and options are being considered. Health Foundation is actively being developed.
8.	Affordable and social housing	Essential Services	24	<b>A variety of affordable and social housing options are available to residents.</b>	GoA GoC LLBC	LLBC	LLBC is pursuing seniors housing opportunities with the province.
9.	Aging municipal infrastructure	Essential Services	23	<b>Aging infrastructure is rehabilitated or replaced at the optimal time to reduce costs.</b>	GoA GoC LLBC NLSD	LLBC	LLBC is developing a sustainable capital infrastructure plan in their 2015 capital budget deliberations.
10. (tie)	Build local workforce	Workforce and Education	20	<b>County and industry have developed strategies for a long-term plan for property tax revenues.</b>	LLBC LLBDCC LLBRED OSCA PC	Shared	LLBC strongly supports the development of local workforce and is looking for opportunities to work with Portage College and industry members to meet current and ongoing needs for

							skilled trades as well as other local employment and business opportunities including Aboriginal initiatives.
10. (tie)	Rail blockage in LLB hamlet	Transportation and Safety	20	<b>Rail traffic, especially marshalling rail cars, does not disrupt vehicle traffic unreasonably.</b>	CN LLBC OSCA GoA	Jointly LLBC/C N	LLBC has developed some options and is scheduling discussions with CN.
12.	*Taxation	Leadership and Governance	17	<b>County and industry have developed strategies for a long-term plan for property tax revenues.</b>	LLBC OSCA	Jointly LLBC/O SCA	LLBC is finalizing 2015 capital and operating budget recognizing the needs of their residents and the current economic climate. Planning to approve budget in March and set tax rates in May. LLBC administration to present 2015 budget details to industry.

### **Analysis and Next Steps**

A clear picture emerged that Transportation and Safety represented the very highest concerns among community stakeholders, particularly concerning provincial highways. In fact, the highest ranked issues in this category – “Road safety,” “Highway 881” and “Emergency services” – were the three highest ranked issues overall.

The chief concern among community stakeholders within the Economic Development category was the local business community’s ability to participate in and grow with the opportunity represented by oil sands development expansion.

The discussion on Essential Services was significant because it, like Transportation and Safety, included four issues from the Top 12 issues identified by stakeholders. Two issues are related to municipal infrastructure – the need to provide new infrastructure to support growth and the need to rehabilitate older infrastructure assets – both of which are strictly within municipal jurisdiction and related to long-term planning, revenue forecasts, growth and taxation. Health services were also identified, as well as the need for more affordable and social housing.

### **Issues #1 and #2: “Road safety” and “Highway 881”**

Participants affirmed that “Road safety” applies to the entire regional transportation network – Highways 36, 55, 663 and 881 – and that, generally, they believe increased enforcement and capital upgrades are required to all routes due to increased industrial traffic. “Highway 881” was singled out because it is the primary route for industrial developments in the region and is considered to have deteriorated.

Authority to address highway safety rests with the Government of Alberta. There is an opportunity for industry and the community to coordinate efforts to encourage government to develop innovative approaches to resolving transportation and safety issues.

There are existing initiatives in the AOSA, and community stakeholders are members of the Coalition for a Safer 63 and 881 and the Veterans Memorial Highway 36 Association. Community stakeholders could work with the former group, especially, to help address deferred improvements to Highway 881 as a result of provincial budget constraints.

### ***Next Step***

Lac La Biche County, with support from OSCA, to work with the provincial government to develop innovative approaches to resolving transportation and safety issues.

### **Issue #3: “Emergency services”**

Regional Fire Chief John Kokotilo noted that 95 percent of emergency incidents are traffic related. All session participants were clear they felt that emergency services – police, fire, ambulance – are all stretched to capacity. Lac La Biche County needs more



vehicles, more paid staff and/or more volunteers to respond effectively to emergencies. There are only two ambulances to serve the entire county.

Stakeholders advocated locating emergency response – fire, RCMP and ambulance – in Conklin, which is within the Regional Municipality of Wood Buffalo and so would necessitate inter-municipal collaboration. Stakeholders also said they wished to get First Nations involved in a regional partnership for emergency services that remains to be explored.

Industry partners noted that they had only just begun to negotiate Mutual Aid Agreements with Lac La Biche County, similar to those that are in place in Wood Buffalo.

***Next Step***

Further work is required among stakeholders to define the shortfall with respect to emergency services and potential solutions, and also which party or parties should assume a leadership role. Lac La Biche County, with support from OSCA, to discuss and determine potential solutions.

**Issue #4: “Incoherent social vision/ coherent vision/where is vision for community and industry?”**

Participants discussed the growth in the region and the status of related Lac La Biche County strategic planning documents – including its 2013 Municipal Development Plan, *Strategic Plan (2012-13)* and an *Economic Development Strategic Plan (2013-15)* – the County advised that plans were being updated and session participants supported their completion in order to facilitate a long-term vision for the community and appropriate planning documents.

Participants were clear that they saw the advancement of the community’s response to growth pressures to be a shared responsibility and that it would require the collaboration of all parties to move forward. Industry will support these efforts by sharing key economic and employment information and input.

***Next Step***

The LLBC to update on status of strategic planning documents.

**Issues #5: Growing local businesses**

Insufficient business intelligence was available to define meaningful outcomes or actions at this time, particularly five to ten years out.

Industry participants identified that there is a shift from capital construction to operations, which requires both a different labour profile and different expenditures. Consequently, economic opportunities are not well understood by the local business community, who could offer services to industry, if it knew what services it required.

Stakeholders broadly asserted that there needs to be a better understanding of industry requirements and how it will impact the region. opportunities should not be restricted

simply to meeting the most immediate “supply chain” or procurement requirements of industry, and that the region needs to attract and develop other professional services that would benefit industry and the community-at-large. Labour issues reflected provincial trends – lack of skilled labour, labour retention, labour mobility, the need for more education and training.

***Next Step***

Discussions to be held with the Lac La Biche Regional Economic Development Authority to define the scope of the investigation into future business opportunities and further define roles and responsibilities among the stakeholders.

**Issue #6: “Municipal infrastructure to support growth”**

The capital infrastructure requirements are tied to the future growth of the region and municipal revenues.

Session participants discussed the need for appropriate strategic planning documents (Municipal Development Plan and Land Use Bylaw) sufficiently address infrastructure requirements. They supported the development of a master infrastructure plan that aligned with the long-term growth aspirations of the MDP and addressed the capacity for large-scale residential and commercial/industrial developments. They also advocated for a public engagement process to inform residents about the infrastructure challenges faced by the community.

***Next Step***

Lac La Biche County is responsible to lead with respect to municipal infrastructure, whether that is for new or rehabilitated assets. Participants noted that the community also needs a new school, which would be championed by the Northern Lights School District with support from other stakeholders.

**Issues #7: “Need medical diagnostic equipment”**

Though the issue was captured as “Diagnostics” in September — the service inadequacy that came to the forefront was dialysis.

Lac La Biche once offered fixed dialysis services in the Lac La Biche Health Care Centre; however, participants indicated that the service was transferred to a mobile unit that is no longer sufficient or readily accessible. Participants indicated they wished to restore dialysis service within the Health Care Centre. There was no discussion regarding the future of the mobile dialysis service should the fixed service be restored.

Ultrasound and CAT scan services were also specifically identified as lacking. Stakeholders also said that the community needed more store-front health services, including private sector services, to encourage new residents to relocate to the County.

Opinion was also strong that overall medical services are stretched to capacity in the County. Among the suggestions made was to move administrative services out of the Health Care Centre into adjacent accommodations – even industrial trailers – to ensure that space within the Centre is put to the highest use possible. Further inquiry is required to confirm the status of medical services in the County and will require the participation of administrative staff from the Health Care Centre in future stakeholder sessions.

***Next Step***

The County could identify priority medical needs in the region, with support from OSCA, and present information to Alberta Health Services through the Lac La Biche Health Care Centre.

**Issue #8: “Affordable and social housing”**

It was noted that rapidly growing communities typically experience a shortage of affordable and social housing as demand begins to outstrip supply, driving up prices beyond the range of potential buyers and/or renters in lower paying occupations. Lac La Biche County projects that the population of its service area is forecasted to double from 10,500 permanent residents to 20,950 by 2025, and that its work camp population will nearly double from 5,000 to 9,000 by 2018.<sup>2</sup>

Session participants were unanimous in their opinion that the current supply of housing was inadequate. They advocated for a variety of housing – single family, multi-family, rental, *etc.* – but were not yet clear how to encourage new development, or even what kind of development was preferred.

Both senior orders of government have a shared responsibility to provide affordable and social housing.

***Next Step***

Any effort to obtain support from provincial and federal governments to address affordable and social housing needs should be led by Lac La Biche County, with support from other stakeholders, including OSCA. A needs assessment would be helpful.

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<sup>2</sup> *Economic Development Strategic Plan*, p. 8.

### **Issue #9: Aging Municipal Infrastructure**

While new infrastructure is important to support community services and support a growing population it is equally important to address aging and/or inadequate existing infrastructure. Like other municipalities, Lac La Biche has deferred infrastructure on certain assets and needs to invest in sustaining capital infrastructure going forward.

#### ***Next Step***

LLBC to review and develop short and long term planning and budget estimates. Participants noted in particular, among existing infrastructure assets, that road surfaces and sidewalks were in need of repair.

### **Issue 10 (tied): “Build local workforce”**

Session participants had difficulty addressing workforce and education issues just as they did with Economic Development due to a lack of detailed information. Many of the underlying causes of issues identified were perceived to be beyond the ability of stakeholders to easily address, whether that is through the County, Portage College or oil sands developers.

Participants felt Portage College, which is an excellent education and training institution, had an opportunity to expose students to the full range of career opportunities associated with oil sands development and that industry could assist in articulating current and future opportunities.

Participants also spoke to the need for ongoing career development. As industry transitions from construction to operations, the labour requirements are going to change as well. Both community stakeholders and industry representatives felt that labour market forecasting could be improved to identify where the demand is going to be, both for new entrants into the workforce and for experienced workers who might be affected by the transition to operations.

A distinction also needs to be made between attracting and retaining sufficient skilled labour to supply industry and attracting and retaining qualified candidates for other positions, such as those with the County or in the service sector, that might not be wage competitive with oil sands jobs.

#### ***Next Step***

In terms of identifying a lead role, participants felt that workforce issues were shared by everyone – from employer to employee, from municipality to industry, from Portage College to government agencies. Further conversation is required with provincial agencies such as Alberta Works to be a potential partner to address regional workforce issues.

**Issue #10 (tied): “Rail blockage in LLB hamlet”**

Rail traffic through town has increased in frequency due to the increased movement of bitumen by rail. The amount of rail traffic and length of trains has begun to significantly disrupt cross-town traffic, especially when CN Rail is marshalling cars and assembling trains rather than simply moving trains through town.

Two potential solutions were proposed. The first is to construct a third rail crossing at an as-yet unspecified location that would provide an alternate route rather than freezing traffic on either side of the railroad tracks at the two existing crossings. The second solution would be for Lac La Biche County to identify new land that would enable CN to move the switching yard outside the hamlet. This solution has also been identified in the County’s *Strategic Plan* (2012-13).

***Next Step***

The County to initiate discussions with CN Rail to address this issue. It was suggested that industry might help bring CN to the table for the discussion.

**Issue #12: “Taxation”**

Taxation was identified almost exclusively by industry representatives, who are very concerned about municipal property tax assessment rates being applied during a period that oil prices have fallen by nearly 50 percent.

A corresponding discussion emerged about the County’s capital infrastructure plan and Council members at the meeting indicated that the budget was still very much in flux due to uncertainty about which capital projects would be included in 2015. Industry would like to work more closely with the County to forecast current and future growth and the commensurate capital infrastructure requirements.

***Next Step***

Industry asked for an opportunity to have a more substantive discussion with the County regarding the Lac La Biche 2015 Budget, capital infrastructure and operational costs and tax revenues in the near future.

## **Immediate opportunities for collaboration**

A number of potential activities were identified in connection with the issue prioritization work completed in December. Some are fairly simple and direct; others lay the groundwork for further collaboration between community stakeholders and industry and would need to consider available resources.

### **Traffic and Safety**

Overall, advocacy for traffic safety improvements must be led by Lac La Biche County with support from OSCA.

With respect to the regional highway network, stakeholders and industry need to work together specifically to:

- identify and prioritize safety-based highway network improvements;<sup>3</sup>
- reach out to CN Rail to explore another crossing and/or moving the existing switching yard outside the hamlet; and
- coordinate shifts and increase bussing to reduce congestion and improve safety at peak hours.

It was agreed among participants that more work is required to better define the emergency services shortcomings in the region and potential solutions in order to seek improvements from the provincial government. Alberta Health Services, through the Lac La Biche Health Care Centre, and OSCA can provide support.

### **Economic Development**

OSCA members offered to participate in meetings of the Lac La Biche Regional Economic Development Authority in order to share information and further define roles and responsibilities among the stakeholders.

### **Essential Services**

The responsibility for municipal infrastructure rests with Lac La Biche County and other local governments. Community stakeholders expressed a desire for the County to develop an infrastructure master plan.

### **Workforce and Education**

As with Economic Development above, information sharing is key to success in this area. Increase industry participation in REDA activity and use the REDA as a conduit to share labour market data.

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<sup>3</sup> This is consistent with the work completed by the AOSA TCC to prioritize projects within the Regional Municipality of Wood Buffalo.

**Governance and Leadership**

Stakeholders clearly expressed a desire to improve the community vision and strongly asserted that they considered industry integral members of the community. OSCA could share the work it has done so far to develop sustainable community indicators as one element for consideration in the development of the community vision.

Industry participants articulated a desire to continue the conversation with County Council regarding current and future growth forecasts, capital and operating requirements and assessment and taxation.