

The City of St. Albert

Quarterly Report

January – June 2005



CONTENTS

Introduction	3
City Council Priorities	4
Service and Operational Excellence	6
Managed Urban Growth and Form	13
Safety and Security	17
Expand, Enhance and Diversify the St. Albert Economy	21
Effective Infrastructure Management	24
Fiscal Responsibility and Leadership Excellence	26
Sound Stewardship of the Environment	28

IN THE SECOND quarter of 2005, the City of St. Albert continued to make progress on a large number of initiatives and projects. This report continues to demonstrate accountability and transparency to the public by documenting the City's key achievements and focus areas for the first half of 2005.

City Administration continued to provide support to City Council to bring to fruition the Council's Priorities, which were identified and publicized early in 2005. Council's Priorities are identified in the following three pages of this report and these priorities are reflected with icons throughout the report.

One of City Council's Priorities is Minimizing Tax Increases. **This report highlights the excellent value St. Albert taxpayers continue to receive for the taxes they pay and the wide range of services that are being provided at a consistently high standard.**

The report also highlights how City staff are coming up with innovative ways to deliver these services for less money or in better ways.

Since the implementation of a new business planning process in 2003, the City of St. Albert's policies and activities respond to a number of outcome goals. City Council revisited the outcome goals earlier this year and makes decisions and gauges performance based on the impact on those goals. The goals are:

- Service and Operational Excellence,
- Managed Urban Growth and Form
- Safety and Security,
- Expand, Enhance and Diversify the St. Albert Economy,
- Effective Infrastructure Management,
- Fiscal Responsibility and Leadership Excellence,
- Sound Stewardship of the Environment.

July 2005

CITY COUNCIL PRIORITIES

SEVERAL MONTHS OF careful planning by St. Albert City Council resulted in the development of the City Council Priorities for 2005.

City administration is involved in a very large number of projects and initiatives at any one time, ranging from crack sealing on St. Albert roads, to constructing a \$42.7 million Multipurpose Leisure Centre, to providing family counselling.

City Council has determined there are a number of critical initiatives over which it will maintain strategic oversight throughout the year. Council believes only visionary planning can lead to the breakthroughs that will continue to

deliver the high quality of life enjoyed by St. Albertans. Council has therefore identified a number of critical planning issues that are being focused on in 2005.

City Council will maintain strategic oversight over the priority issues and make significant policy decisions in 2005 and into the remainder of the current Council term. While these issues will remain areas of focus throughout the year, they are not the only projects being undertaken by the City of St. Albert. The icons representing each Council Priority will identify Council's priority projects throughout this document.

St. Albert Council's Priorities are:



Minimize Tax Increases

As financial stewards for the community, City Council is committed to minimizing tax increases by maintaining sound financial management without jeopardizing programs and services. This includes maximizing revenue opportunities such as grants and containing costs. The City will also work to create a "new financial deal" with the Provincial and Federal Governments.

City Council is concerned about the increasing tax burden placed on St. Albert residents and will investigate ways to minimize future tax increases.

The challenge will be to balance limited resources with citizens' demands for high levels of service and the superior quality of life for which St. Albert is well known.



Construct the West Regional Road

City Council will continue to monitor construction of the West Regional Road and the planning for future phases. As a result, transportation infrastructure will be improved and traffic will flow better in and out of our city.

The first phase of road construction (from 137 Avenue to Meadowview Drive) is expected to be finished in 2006.



Complete Annexation

City Council has concluded the annexation negotiations with Sturgeon County in the first quarter of 2005 and is striving to have approval from the Province before the end of the year.



Build and plan the start-up of the Multipurpose Leisure Centre

The Multipurpose Leisure Centre will be a landmark recreational and leisure facility providing tremendous opportunities for all St. Albert residents.

The Centre is a substantial capital project, and City Council will monitor the construction and plan the start-up of the centre to ensure residents receive a high quality facility and good value for their money.



Update the Land Use Bylaw

The way our land is planned and used has a big impact on the potential for economic development and quality of life in St. Albert. City Council plans to complete the review of the Land Use Bylaw in the first half of 2005.

Council Priorities continued...

COUNCIL PRIORITIES continued...

Address the Infrastructure Deficit

The City of St. Albert, like all municipalities in Canada, is facing a growing infrastructure challenge. To meet this challenge, Council will continue to advocate to all levels of Government for funding.

In addition, Council will drive the City's initiatives to evaluate the status of our infrastructure and continue to develop a plan to address long-term infrastructure needs. This significant initiative will be integrated with the City's long-term financial plan.

Actively participate in the implementation of the Economic Development Master Plan

Appropriate and well-planned economic development has many positive affects on a municipality. Council will improve the City's approach to economic development, making St. Albert more business friendly and reducing red tape.

City Council will actively participate in the implementation of the Economic Development Master Plan, which outlines the strategies and directions that will benefit St. Albert businesses and residents alike; and Council will take active roles to achieve the plan's goals.

Exercise stewardship over our natural areas and green spaces

The Sturgeon River and the Big Lake Natural Area are important natural assets for St. Albert.

City Council wants to ensure these environmental gems are maintained appropriately through initiatives like the Leachate Management Program; and take appropriate steps to enhance the role of the river and the lake in the St. Albert of the future.

Update the Traffic Bylaw

It's also important for the City to keep its Traffic Bylaw up to date and consistent with the regulations in the Land Use Bylaw.

The updated Traffic Bylaw will enhance safety and address community concerns such as signage, speed limits and parking in residential areas.

Implement the Affordable Housing Strategy

St. Albert prides itself on being an inclusive community welcoming all newcomers to share in the quality of life that is our community trademark.

City Council will review the Affordable Housing Strategy and develop an implementation plan so St. Albert can continue to offer a range of housing alternatives.

Key Planning Activities

St. Albert has arguably the best quality of life in Alberta. Only visionary planning can lead to the breakthroughs that will help us keep it that way.

To that end, City Council will complete several key planning activities in 2005 including:

- 2006-2008 Business Plan
- Heritage Preservation Master Plan
- Tourism Master Plan
- Economic Development Long Term Departmental Plan
- Policing and Bylaw Enforcement Long Term Departmental Plan
- Transit Long Term Departmental Plan

SERVICE AND OPERATIONAL EXCELLENCE

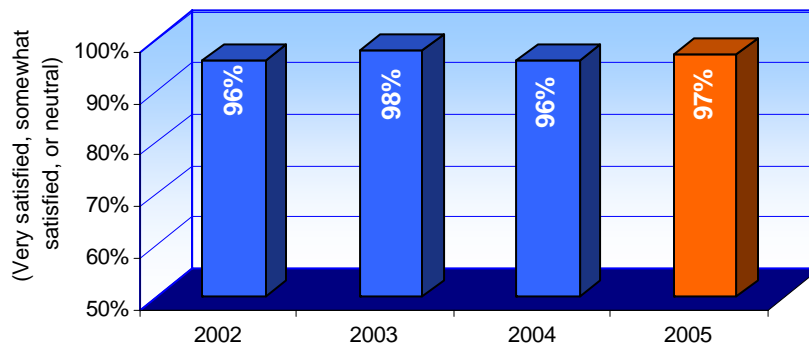
Goal: To consistently and reliably deliver services by valued and satisfied employees; to meet the needs of citizens and business through efficient, effective and customer-focused civic processes, programs, facilities and community amenities; to continuously improve and innovatively approach service delivery and managing the cost of service delivery.

THE CITY OF St. Albert is proud to deliver a high standard of service and operational excellence to residents and businesses. The City has undertaken to continuously improve service quality while exploring the implementing innovative service delivery to improve efficiency and effectiveness.

Excellence in the City’s service and operations is about ensuring access to efficient physical and social infrastructure, leisure opportunities, parks and open spaces, an efficient transportation system, community events and other quality City services as well as community services and amenities not delivered by the City.

The City’s high standard of service delivery and operational excellence are what make St. Albert the community of choice. St. Albert residents consistently rate their quality of life as exceptional (see below). By ensuring high standards of service delivery the City can help maintain the quality of life enjoyed by St. Albertans. In the first half of 2005 the City of St. Albert has continued to find innovative ways to deliver its excellent services.

Satisfaction with City of St. Albert Services, Facilities and Programs



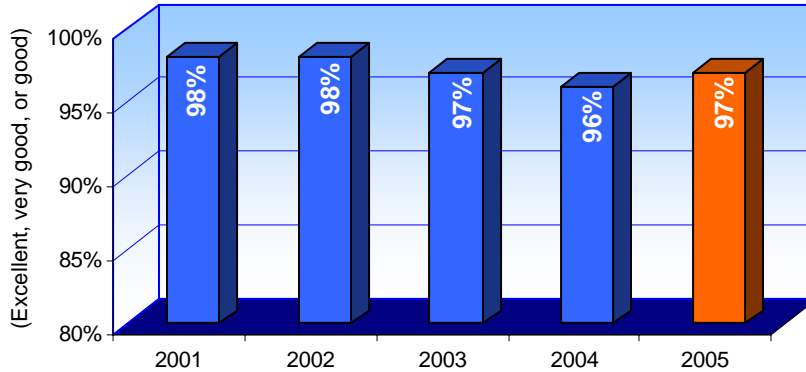
Source: City of St. Albert Community Satisfaction Survey

SERVICE AND OPERATIONAL EXCELLENCE continued...

Maintaining a high quality of life

The City conducted its annual Community Satisfaction Survey in May and confirmed that residents have an extremely high opinion of the quality of life they enjoy in St. Albert.

Residents' Perceived Quality of Life in St. Albert



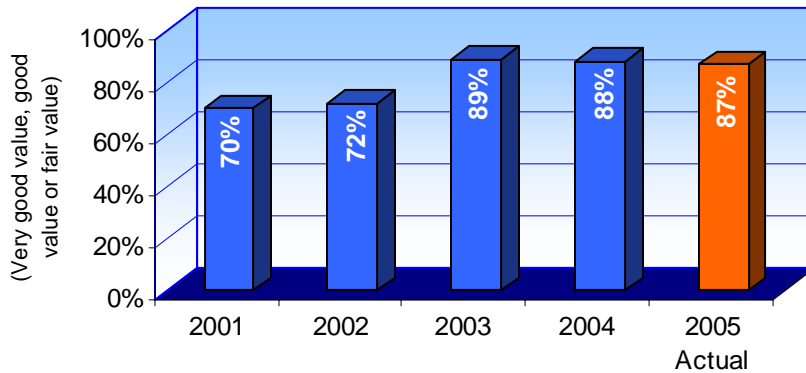
Source: City of St. Albert Community Satisfaction Survey



Providing excellent value for tax dollars

The Community Satisfaction Survey also asks respondents' views on what value they get from their tax dollar. Almost 50% of residents surveyed say they receive very good or good value for their tax dollar and another 35% believe the services they receive a fair for the dollars paid. The City is striving to increase residents' satisfaction with the services they receive for their taxes.

Residents' Perceived Value for Tax Dollar



Source: City of St. Albert Community Satisfaction Survey

Breaking records for cultural services

The Arden Theatre presented a sold-out performance of internationally renowned flamenco guitarist Jesse Cook in May. The performance resulted in the highest box office revenue in the history of the Arden.

SERVICE AND OPERATIONAL EXCELLENCE continued...



Becoming more business friendly

To business owners, time is money, so the City of St. Albert is continuing to implement initiatives to cut red tape and clarify the processes for those wishing to do business with the City.

The Formal Business Visitation Program began in April 2005, involving the Mayor and members of City Council. The program aims to consult with the business community in order to reinforce the importance of business retention and to hear about the opportunities and challenges for doing business in St. Albert.

We can also learn more about the many facets of St. Albert businesses such as unique services and products and head office operations for national and international corporations. More business licenses than ever before were approved in the first half of 2005 (see graph on page 21).

Working with the community

In the first half of 2005 the City continued its extensive support to a number of community events and organizations. The City's support comes in various forms. Sometimes it is financial support, staff expertise or the use of facilities and services. This support makes a difference to the work non-profit organizations are able to do in our community.

Successful events

City staff were involved in ensuring the success of the Profiles Gallery Art Auction, St. Albert Painters' Guild Annual Spring Exhibition, Potters' Guild Spring Sale, and the Mayor and Council Unsung Volunteer Event.

Supporting our families and the community

City staff have played an integral part in developing the *Friends of St. Albert Family and Community Support Services Business Case Update*. Also, the Family and Community Support Services Department provides assistance to the Crystal Meth Anonymous Support Group.



Enhancing green spaces

The City is working with community partners to enhance green spaces in such projects as the *Red Willow Park West Master Plan Update* and the designation of Rotary Park near Riel Pond.

Health and well-being through sport

Also, the City will loan \$50,000 to the gymnastics club to help with renovations of their new facility.

Supporting tourism and our heritage

The City of St. Albert is also supporting tourism and heritage by providing a grant to the Arts and Heritage Foundation to build a representation train station on the site of the historic St. Albert grain elevators.

SERVICE AND OPERATIONAL EXCELLENCE continued...



Promoting Tourism in St. Albert

The Department of Economic Development and Tourism continued to develop the Community Tourism Strategy by seeking broad community input in the second quarter of 2005. A tourism development workshop, *Shosholozza! Starting the buzz* was held with local and regional partners to raise awareness of the value of tourism for St. Albert. The Sport Tourism component of the Strategy has been completed.

Attracting and retaining excellent staff

The City of St. Albert is extremely proud of its workforce, which regularly goes above and beyond the call of duty to provide high-quality services to citizens. The latest employee forum in May was a great success.

Kudos are due to staff who have been recognized with award nominations, such as Community Arts Co-ordinator and St. Albert Children's Theatre Artistic Director, Janice Flower, who received a Sterling Award nomination for "Outstanding Musical Director" for Northern Light's *Water's Daughter*.

Also, Parks Co-ordinator Roger Belley was a finalist in the "Individual Commitment" category at the 14th annual Emerald Awards celebration in June. The Emerald Awards recognize Albertans who have demonstrated their commitment through a variety of activities which protect, preserve, enhance and sustain our environment.

However, the current employment climate in Alberta is extremely restricted for employers, with the rate of employment at a 25-year high. There are few qualified staff for jobs and St. Albert is facing pressure recruiting and retaining qualified employees while keeping staff costs at manageable levels.

Hiring problems are already being experienced in areas such as planning, safety, security and shortages will likely expand. The City of St. Albert, however, continues to be seen as an employer of choice in the Capital Region and as such our problems tend to be less severe than many of our neighbouring municipalities.

Using high quality equipment

The City is upgrading its telephone system to use a digital trunk system with voice-over-IP technology. This will improve the operation of the telephone system and also save money. Services have been consolidated into a 4 cents per minute long distance plan; previously some calls were costing 22 cents per minute.

Renovating the Grosvenor Outdoor Pool and Grandin Clubhouse

The refurbishment of the Grosvenor Outdoor Pool will begin in early August and the pool is scheduled to re-open in time for the 2006 swim season. The Grandin Clubhouse, which was closed after a fire in 2001, will also be rebuilt starting in August. Work on the Clubhouse is expected to be completed in December 2005.

Improving our recreational facilities

The Recreation Department is improving the concessions in the City's parks, pools and arenas by implementing a three-year pilot project to manage the concessions itself with a dedicated manager.

SERVICE AND OPERATIONAL EXCELLENCE continued...



Saving money through innovation

Staff are coming up with smarter, better ways to do business, thereby saving money for taxpayers.

Better cemetery services

By instigating the installation of a columbarium in the St. Albert Cemetery, the City's Cemetery Officers Florence Rodwell and Shirley Pichota have responded to public demand for a greater range of cemetery services. The new columbarium, officially opened May 1, 2005, has 32 niches, which can hold 64 urns. The new niches are far less expensive than traditional plots and the public is welcoming their availability. The columbarium is much more environmentally friendly than traditional grave plots and far less expensive to maintain.

Working at night

Public Works staff instigated a night-time Spring Boulevard Sweeping Program on arterial roadways. Working at night is safer for staff and is less disruptive to traffic. Also as a result of this change, work was finished 10 days earlier than in previous years and with minimal noise complaints.

Providing excellent Transit services

In February City Council approved Transit's formalized service standards to provide consistency in the delivery of Transit services.

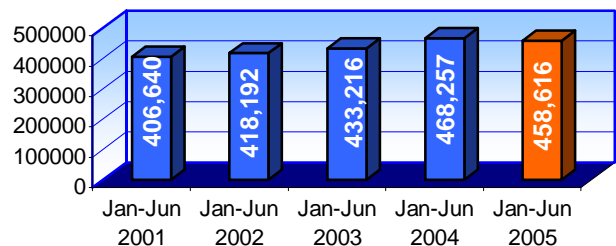
In the second quarter of 2005 St. Albert Transit won the Canadian Urban Transit Association's Innovation Award for a New Marketing Initiative – Branding of a Small Transit System. The marketing campaign, part of which is pictured here, focuses on how transit making life “easy” for riders.

St. Albert Transit celebrated Clean Air Day on June 8 by offering coupons for free transit. Also, frequent riders were able to enter a draw to win one of five free monthly passes. This national event promotes “walk, bike, ride” and links to the national “one tonne challenge” to reduce air pollution.

St. Albert Transit's commuter service between St. Albert and Edmonton continues to attract a good number of riders, with more than 458,000 rides taken between January and June in 2005.



Transit Commuter Ridership

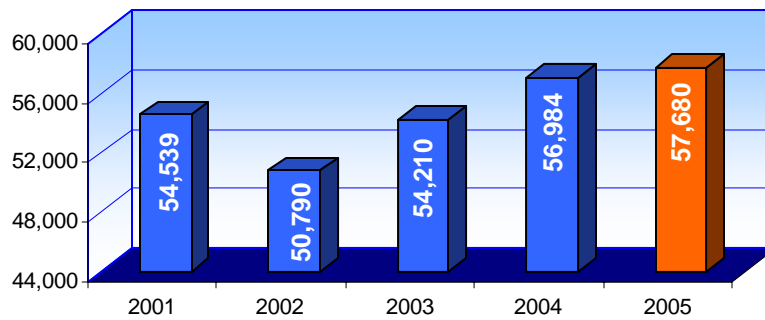


SERVICE AND OPERATIONAL EXCELLENCE continued...

Breaking records at the International Children's Festival

More people than ever before attended this year's Northern Alberta International Children's Festival, held in downtown St. Albert. More than 57,000 attended this year's festival, which boasted 13 main stage performances, 18 different site activities and 14 free activities during the five-day event. Artists representing seven countries and six Canadian provinces performed.

2005 International Children's Festival Attendance

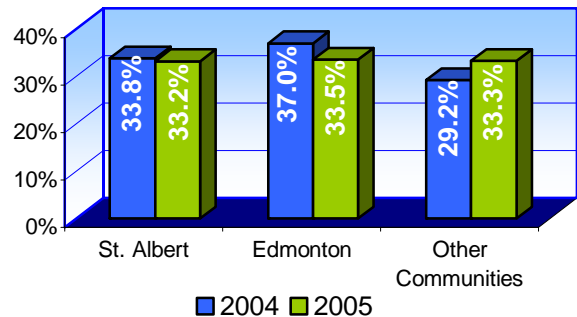


More than 650 volunteers contributed 10,409 volunteer hours to the Festival.



The International Children's Festival is an annual arts event that celebrates performing, literary and visual arts for children. It brings together artists from around the globe and across Canada with children and families in the community of central and northern Alberta. This year, more attendees than ever before came to the festival from out of the Edmonton/St. Albert area.

Source Communities of the Children's Festival Attendees



SERVICE AND OPERATIONAL EXCELLENCE continued...

Providing excellent programs

Participation in the City's wide range of participant programs continues at high levels. More than 10,000 more participants took part in City programs in the first half of 2005 than in the first half of 2001.

Participation in City of St. Albert Programs (excluding Arden Theatre)

	Jan-Jun 2001	Jan-Jun 2002	Jan-Jun 2003	Jan-Jun 2004	Jan-Jun 2005
Visual Arts Program Participants	569	498	631	631	479
Performing Arts Participants	416	438	433	568	549
St. Albert Children's Theatre Participants	147*	44	55	56	44
FCSS Youth Program Participants	Not Available	471	830	805	1,170
Recreation Program Participants	1,327	753	844	1,066	928
FPRC Swimming Lesson Participants	33,973	42,558	41,986	46,898	44,440
TOTAL:	36,432	44,762	44,779	50,024	47,610

* Note this was the last year for Fresh Fest and Performing Arts Troupe.

Arden Theatre Events and Attendance

	Jan-Jun 2001	Jan-Jun 2002	Jan-Jun 2003	Jan-Jun 2004	Jan-Jun 2005
Arden Theatre Events	89	106	62	93	100
Arden Theatre Attendance	37,066	59,777	57,592	71,460	65,847
TOTAL:	37,155	59,883	57,654	71,553	65,947

MANAGED URBAN GROWTH AND FORM

Goal: To flexibly and responsively accommodate housing demand; to collaboratively and effectively develop land in the Intermunicipal Development Plan; to provide liveable and walkable communities in a modern urban context; to maintain a small-town feel.

BY UNDERSTANDING AND planning for the future, we will be able to better balance community needs and manage long-term costs.

In a climate of fiscal pressure and a growing population, it is increasingly important for the City of St. Albert to plan ahead so in the future we are not faced with preventable problems or catch-up costs because of a lack of forward planning.

The number of single-family homes in St. Albert grew more in the first quarter of 2005 than in the corresponding period of 2003 and 2004.



Collecting accurate population figures

Collecting accurate population figures is vital to planning the future expansion of St. Albert, not least because it allows the City to access as much population-based funding from other levels of government as possible. This funding will increase following the 2005 St. Albert census, which found the City's population increased 3.15% since 2003. The population of St. Albert is now 56,310. To see a graph representing population growth in St. Albert, turn to page 21.



Reviewing the Land Use Bylaw

The City of St. Albert is growing steadily, and the manner in which the land is planned and used has a significant impact on economic development and quality of life. The Land Use Bylaw (LUB) is part of that planning process.



A limited review of the LUB is nearing completion. In the first quarter, the draft document was reviewed by Council and prepared for release to stakeholders and members of the public. In the second quarter, a month-long stakeholder consultation allowed members of the public to comment on the proposed new Bylaw.



Stakeholder meetings and three Public Hearings before Council occurred in the second quarter and Council is scheduled to consider second and third readings early in the third quarter of 2005.

Space planning

Administration is developing with Council a strategy to investigate and develop solutions to address the City's future requirements for office space.

MANAGED URBAN GROWTH AND FORM continued...



Planning for the future

Sturgeon County has agreed to sell 80 acres of land, known as the Badger Lands, to the City of St. Albert. The land will address space shortages, particularly for recreation needs. Recreation Department staff are working with St. Albert Football to develop a premier football facility on this site. Originally, the premier football field was planned to be built at the Multipurpose Leisure Centre. There are discussions about other sports venues on the site.



Building the Multipurpose Leisure Centre

Construction and planning for the opening of the Multipurpose Leisure Centre (MPLC) in Campbell Business Park has continued on track in the first half of 2005. The official opening of the MPLC is planned for September 2006.

A groundbreaking ceremony was held on April 20, just before the front part of the existing Campbell Arena was demolished in preparation to connect the arena with the new MPLC building. Workers completed the installation of 596 piles for the new building's foundations, and the steel structure will start going up mid-July.



Work began on the extension of Campbell Road north of Poirier Avenue to provide access to the MPLC site. The extension is scheduled for completion in September 2005.

The MPLC was voted "Best Use of Taxpayers' Money" in the *SaintCity News* "Best of St. Albert" awards in June. Also, the results of the *City of St. Albert Community Satisfaction Survey* showed 80% of respondents were either somewhat or very familiar with the MPLC project and 71% intended to visit the MPLC once it opened. The St. Albert community approved the construction of the MPLC in a plebiscite in October 2004, held in conjunction with the municipal election.



Developing an Affordable Housing Strategy

St. Albert prides itself on being an inclusive community welcoming all newcomers to share in the quality of life that is our community trademark.



Council adopted a well-planned Affordable Housing Strategy in the first quarter of 2005, and in the second quarter temporary staff submitted a number of policy and research documents for the Board to review. The Affordable Housing Advisory Board will continue to advise Council on affordable housing in the City and continue to develop strategies to respond to that need.

MANAGED URBAN GROWTH AND FORM continued...



Constructing the West Regional Road

This project involves the functional planning, preliminary engineering, seeking of regulatory approvals, completing of detailed designs, tendering, constructing and commissioning the West Regional Road.



Phase 1 from 137 Avenue to Meadowview Drive, including a bridge crossing the Sturgeon River, began in 2004 and significant progress has been made in the first half of 2005. Significant activities include:



Meeting environmental conditions

The construction of the West Regional Road is regulated by stringent environmental conditions, including ceasing construction work in the Sturgeon River between March 31 and July 31 so as not to disturb fish spawning or bird nesting.

Building the bridge

The majority of the bridge substructure has been built, including approach fills and drains. Bridge girders were constructed and installed prior to the March 31 deadline.

Identifying challenges

Weather and the limited availability of contractors due to industry capacity have been identified as the most significant risks at this point and staff are working to mitigate these risks.

Awarding tenders

Tenders have been called for the construction of the roadway and for the construction of the Riel Marshlands.

The City has received \$6.9 million in special grants for the project from the Provincial Government for the construction of the Road. Construction of Phase 1 of the West Regional Road, from 137 Avenue to Meadowview Drive, is scheduled to continue through 2005 and be complete in 2006.

The Province has completed the detailed design and recently awarded a contract for the construction of Edmonton's Anthony Henday Drive up to 137 Avenue. This is good news for this project, because the Henday extension will connect with the West Regional Road at the southern border of St. Albert.



MANAGED URBAN GROWTH AND FORM continued...



Planning for future growth

The City of St. Albert and Sturgeon County are continuing negotiations over the annexation of land, which St. Albert believes will meet needs for the next 25 years. This area of land was the subject of failed mediation between the previous Councils of St. Albert and Sturgeon County and negotiations were renewed after the 2004 municipal election.

The renewed negotiations have led to an agreement between the municipalities on all issues except for the matter of revenue and cost sharing along the Highway 2 commercial corridor. On June 21, 2005, the Municipal Government Board (MGB) held a preliminary hearing on this issue and will hold another hearing later in the year.

It is anticipated that annexation will be effective in July 2006.



Planning better neighbourhoods

To plan how a neighbourhood will be developed, including the placement of roads, lots and parks, the City reviews and approves the Area Structure Plans (ASPs) developed by developers.



In 2004 the City amended or initiated a review of a number of ASPs including those for North Ridge, Erin Ridge, Kingswood and Timberlea.



Timberlea Area Structure Plan

In the second quarter of 2005 Genstar Development Company revised and re-submitted its preliminary draft of the Timberlea ASP. Public input and consideration of approval of the ASP will occur in the third quarter of 2005.

Downtown Area Redevelopment Plan

The draft Downtown Area Redevelopment Plan (DARP) was released and an open house to solicit input from stakeholders was held in the first half of 2005. The feedback is being reviewed and the Plan will be revised as necessary for Council's review in the third quarter of 2005.

Grandin Mall Redevelopment

The authorized agent for the owner of the Grandin Mall completed public consultation for the mall's redevelopment during first quarter of 2005. The City expects to receive the second draft of the technical report, incorporating requested revisions, in the third quarter of 2005.

Amendments to the Erin Ridge and Kingswood ASPs are expected later in 2005.

SAFETY AND SECURITY

Goal: To ensure the safety and security of people, including citizens, staff and visitors to the community; to ensure the safety and security of property, including City facilities, residential and business assets.

KEEPING RESIDENTS AND visitors safe is a top priority. One of the City's goals is to be *the* safest community in the Capital Region where people, property and natural assets are secure. The City is perceived by its residents as a safe place to live and Council places a priority on maintaining high safety standards.

The City has made progress on a number of safety initiatives in the first half of 2005.



Addressing the need for temporary housing

The St. Albert Temporary Residential Services Committee was formed in 2005 to help address the need for temporary housing in St. Albert.



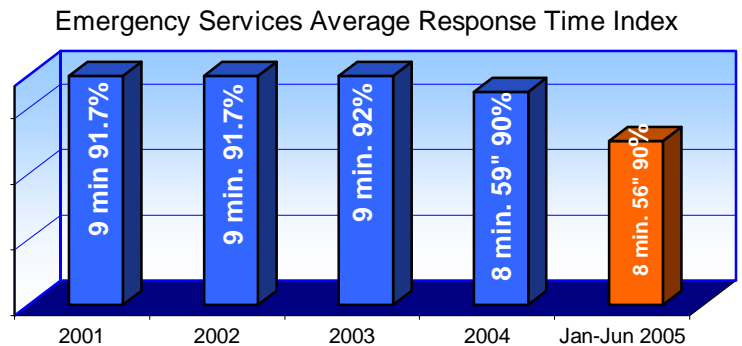
Ensuring quality emergency services

The Fire Services Long Term Department Plan, completed in April 2003, is ensuring excellent emergency services are being provided to the community. The plan ensures response times of nine minutes, 90% of the time, can be maintained as the community grows. This target is referred to as the "nine ninety" target.

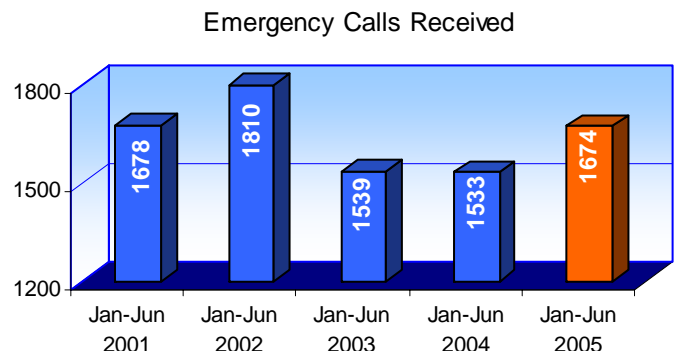
In the first half of 2005, Fire and Emergency Services came in under the "nine ninety" target, averaging a response time of 8 minutes and 56 seconds 90% of the time (see graph above right).

St. Albert Fire and Emergency Services met this target despite an increase in 911 emergency calls in the first half of 2005 over the same period in 2003 and 2004 (see graph below right).

Also in the first half of 2005 the St. Albert Fire Department took delivery of its fourth ambulance, which is now in operation.



Note: Lower is better.



Planning for a third fire station

Population growth in St. Albert means we require a third fire station, which will be built in the north-west quadrant of the city. Currently, the preferred location is the corner of Giroux Road and Hogan Road. As part of the Fire Department's Long Term Plan, planning for this project is underway with construction planned for 2006 and 2007.



SAFETY AND SECURITY continued...

Raising caring children

Bullying in schools is an emerging issue and the Family and Community Support Services Department is responding by expanding its Roots of Empathy (anti-bullying) Program. Two schools participated in the program in the 2004-2005 school year, and demand has increased to six schools for the 2005-2006 school year.

The level of growth in one year indicates the value of this excellent program to the community.



Planning ambulance services

The Provincial Government's initiative to transition the governance and funding of ground ambulance services from municipalities to regional health authorities has been placed on hold for at least a year with the exception of two pilot projects; one in the Peace Country Health Region (Grande Prairie) and one in the Palliser Health Region (Medicine Hat).

Upon evaluation of these pilot projects after a year, the Provincial Government will decide if and how to proceed with the transfer of governance and funding of ground ambulance services from municipalities to the regional health authorities.

The Provincial Ambulance committee met with St. Albert and other selected municipalities to discuss 2006 funding for ambulance services. The Minister is expected to make an announcement in September.

Being ready for health emergencies

The City of St. Albert is playing a key role in preventing health emergencies by working with Capital Health to develop an emergency plan in the event of a regional influenza pandemic.



Updating the Traffic Bylaw

It is important for the City to keep its Traffic Bylaw up to date and consistent with regulations in the Land Use Bylaw.

A detailed review of the Bylaw was undertaken in the first quarter of 2005 and a proposed new Bylaw has been drafted. A public information period will be held during August and the proposed new Bylaw will come before Council early in September. Key changes include standardizing speed limits and introducing jaywalking regulations for pedestrian safety.

The review will address community concern over signage, speed limits, trucks parking in residential areas and other traffic issues.

SAFETY AND SECURITY continued...

Keeping our streets safe

RCMP enforcement kept St. Albert streets safer in the first half of 2005 resulting in a continued decrease in motor vehicle injury collisions. There were 63 injury collisions in the City in the first half of 2005, as opposed to 87 in the first half of 2004.

The percent of traffic speeding was reduced from 2.3% in 2003 to 1.5% in the first half of 2005 – a rate unmatched by most municipalities in Alberta.

In the first half of 2005 St. Albert monitored the speed of 385,000 more vehicles than in the first half of 2003, and 94,000 more than in the first half of 2004.

Number of Injury Collisions

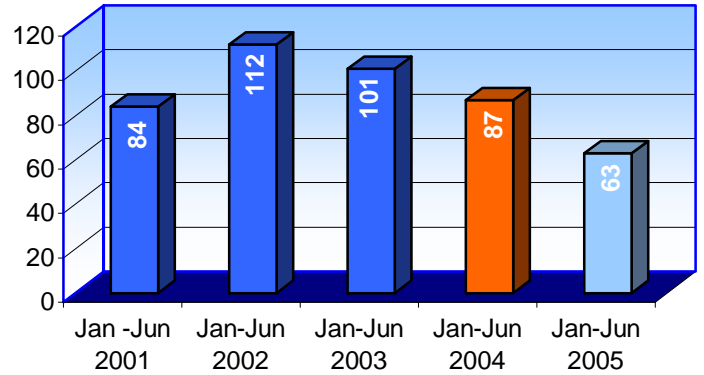


Photo Radar - Vehicles Speeding as a Percent of Vehicles Monitored

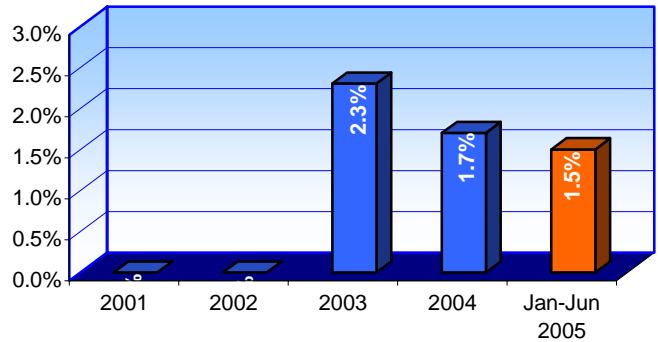
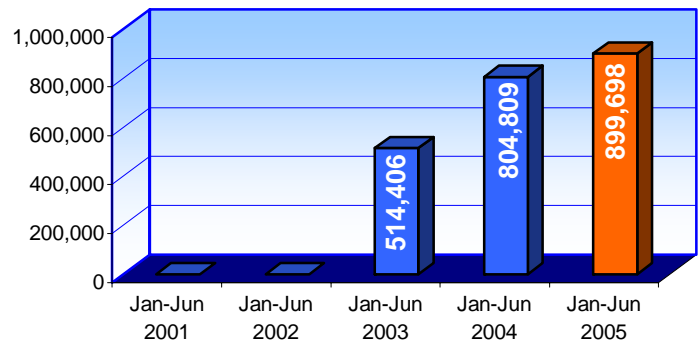


Photo Radar - Number of Vehicles Monitored



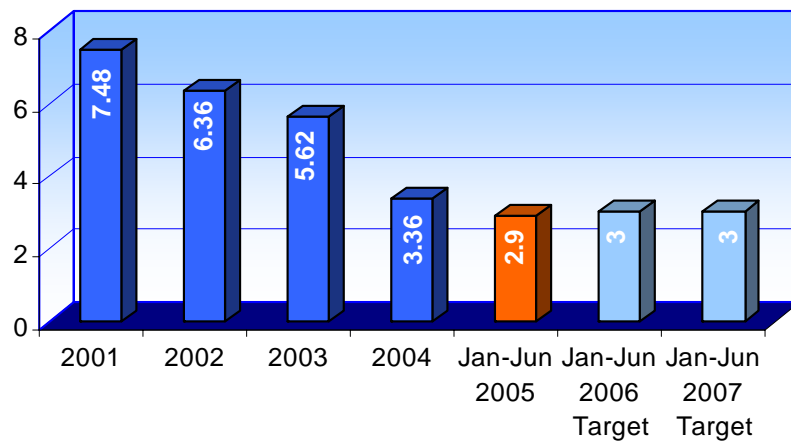
SAFETY AND SECURITY *continued...*

Ensuring the safety of employees

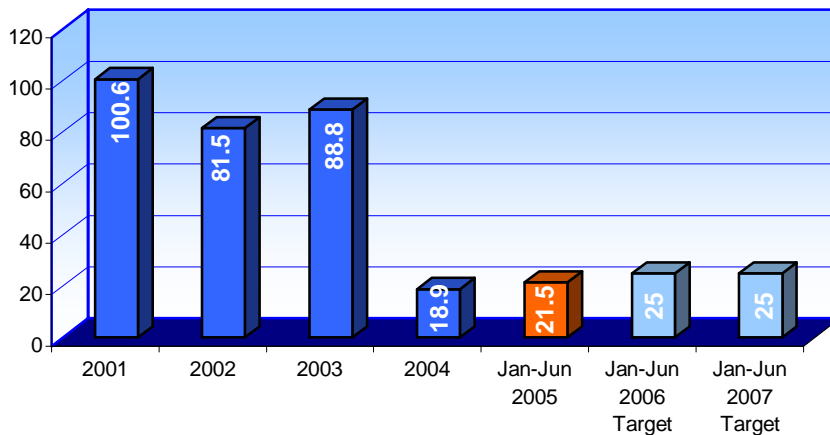
The continued safety of City employees is vital to the delivery of quality, timely services to the community. Safety statistics for the first quarter of 2005 are excellent.

The City has set an example for all St. Albert businesses by implementing a new Health and Safety program to create a safer workplace. The City has now moved from having among the highest number of workplace accidents in the region to better than the Provincial average. In the first half of 2005, the City continued to reduce the frequency and maintain severity of accidents at low levels.

Injury Frequency Rate (per 100 employees per year)



Injury Severity Rate (Average Days Missed per 100 employees per year)



EXPAND, ENHANCE AND DIVERSIFY THE ST. ALBERT ECONOMY

Goal: To ensure improved and effective use of land to improve business investment; to manage the decline in the proportion of non-residential tax assessment; to increase the proportion of taxes funded by commercial and industrial development. To maintain an appropriate portion of taxes funded by residential taxpayers and to implement the Economic Development Master Plan strategies.



Planning our economic development

We are investing in business to diversify our tax base and ensure the City may continue to grow and prosper. Economic growth will complement, not compromise, our high quality of life. Creating and fostering a community's economic health is a holistic challenge, requiring integrated partnerships. Business growth is continuing in the City, with the last City-owned block of land in Riel Business Park sold in the second quarter of 2005.

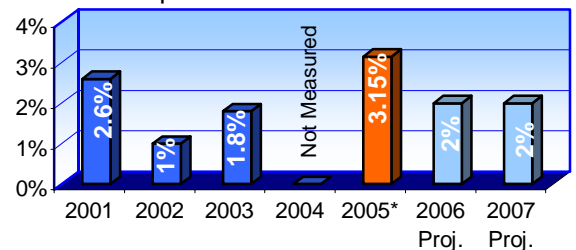
St. Albert's population has grown 3.15% since the previous census in 2003, for an average growth of 1.57% per year over the past two years. This growth is just slightly slower than the average growth of 2.3% per year over the past 15 years.

St. Albert's growth is not limited to population, however. During the same time, the number of businesses operating and delivering valuable services to the community and its citizens has also grown.

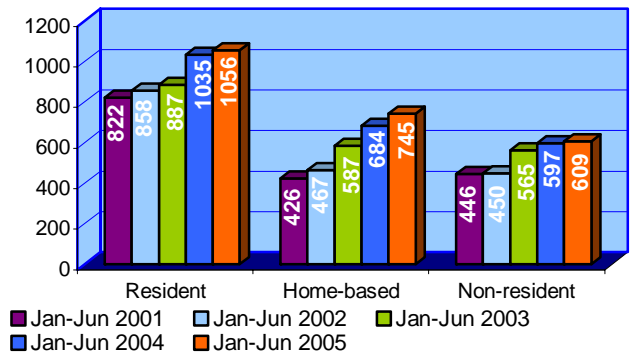
This growth has been consistent for the past five years in all business licensing categories, with growth in St. Albert based businesses (Resident) at 29%, growth in St. Albert home based businesses of 75% and growth in business licenses sold to operators from outside St. Albert but operating within our community at 37%.

This means that more products and services than ever before are available to the citizens of St. Albert, as well as more jobs being created and more money being retained within the community.

Population Growth - St. Albert



Business Licenses Approved



Planning our economic development continued...

EXPAND, ENHANCE AND DIVERSIFY THE ST. ALBERT ECONOMY *continued...*



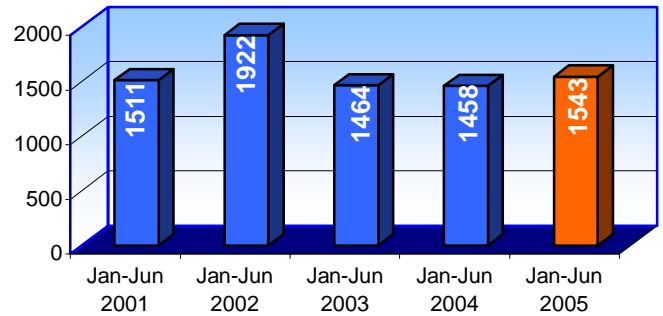
Planning our economic development *continued...*

Economically speaking, over the same period growth in the community has been exceptional.



The amount of construction in the community is another indicator of growth, and St. Albert's residential and non-residential construction continues to expand. Construction overall in the community continues to be very strong and on track with prior years. This is illustrated by the number of Building Permits that have been issued.

Number of Building Permits Issued



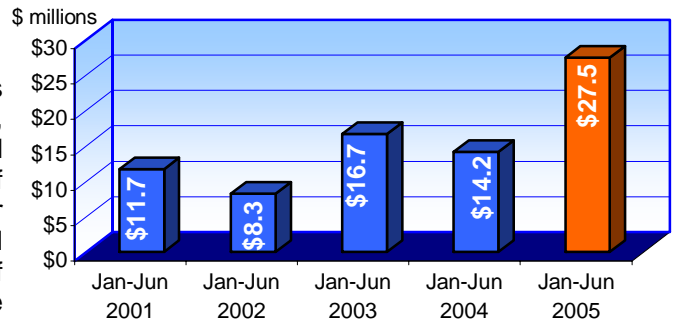
St. Albert continues to be a growing community for residential and business construction.

Non-residential construction growth

The \$27.5 million growth in non-residential construction in the first half of 2005 is higher than in the first half of the four previous years (see graph below).

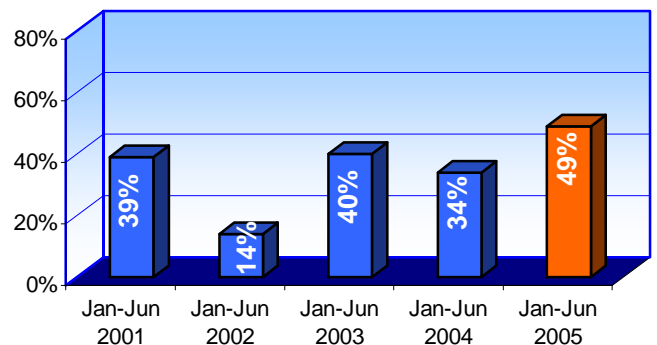
The City's non-residential construction growth target of \$20 million has already been exceeded in 2005.

Value of Non-residential Construction Growth



In addition to providing various facilities and services to the citizens of St. Albert, the taxes gained from non-residential construction help take pressure off residential taxpayers. Compared to prior years, the value of non-residential investment as a percentage of residential investment is very favourable in the first half of 2005.

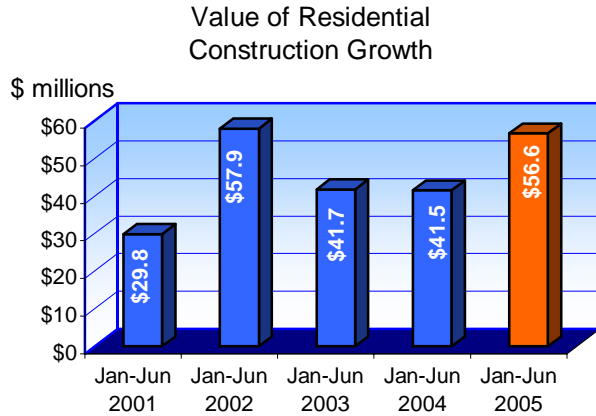
Value of Non-residential Building Permits as a Percentage of the Value of Residential Building Permits



EXPAND, ENHANCE AND DIVERSIFY THE ST. ALBERT ECONOMY *continued...*

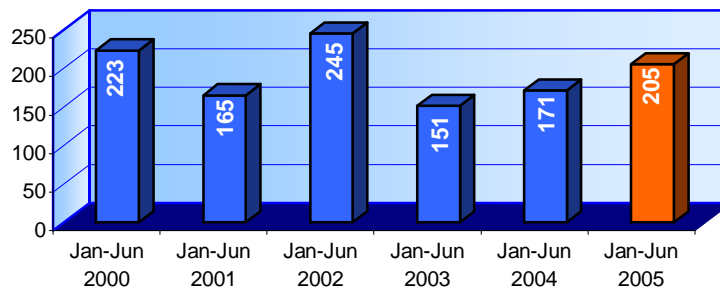
Residential Construction Growth

Residential construction growth is very strong at \$56.6 million during the first half of 2005, which is on track to meet or exceed the annual target of \$100 million. The City may well be on its way to a record year, exceeding the previous record of \$128.4 million in residential construction in 2003.



In addition, single-family home construction is already at 70% of our 2005 target and is well above mid-year status in 2003 and 2004. More homes means more tax payers to share the cost of important projects like the West Regional Road and the Multipurpose Leisure Centre.

Single Family Home - Permit Volumes



Campbell Business Park

Land prices in Campbell Business Park North were increased by 25% over 2004 resulting in slower sales than in previous years. Council has directed administration to market the remaining undeveloped lands in the Campbell Business Park as a package. Staff are working to prepare a Request for Proposal which should be ready for the industry in the last quarter of 2005.

EFFECTIVE INFRASTRUCTURE MANAGEMENT

Goal: To ensure effective physical infrastructure by managing investments in existing and new St. Albert civic assets including utilities (water, waste water, storm water); roads and sidewalks; buildings; vehicles; bridges; parks and trails; and traffic signals.



Practising fiscal responsibility while managing infrastructure needs

The City of St. Albert, like all municipalities in Canada, is facing a growing infrastructure challenge. It is vitally important that the City deals with this challenge in a fiscally responsible manner – we must not simply leave the problem to future generations to pay for.

To identify the scope of the infrastructure gap, City Council approved a two-phase infrastructure review. The first phase of the study, completed in 2004, identified the current inventory of infrastructure in the City. Infrastructure Review Phase 2 began in the first half of 2005, and is identifying costs associated with maintaining and upgrading infrastructure and planning our future funding so the most critical assets get attention first.

In April 2005 the Government of Alberta announced a \$3 billion infrastructure program to assist municipalities in dealing with the infrastructure gap. The program, based on a per capita formula, will result in payments to St. Albert of \$10 million per year, over five years, for a total of \$50 million. Funding can be used on new roads, repaving, bridge repair, transit, utility upgrades and recreation facilities. Council will prioritize investments after Phase 2 of the Infrastructure Review is complete.

The Federal Government also announced funding for municipalities in its budget. The gas rebate program, of 3 to 5 cents per litre, will provide an additional \$2 million to \$3.5 million per year over five years. The funding is also to be used on infrastructure programs.

EFFECTIVE INFRASTRUCTURE MANAGEMENT continued...



Carrying out major construction projects

Work has begun on a number of major construction projects in 2005 worth about \$93 million.

Sanitary Trunk Sewer Expansion

Growth in the city necessitates the expansion of the sanitary trunk sewer capacity. Construction on the \$10 million project began in March and will be completed by January 2006.

Water Reservoir Expansion

Work has begun on the expansion of the Lacombe Park Reservoir. Expansion of the reservoir will increase the city's potable water reservoir capacity by about 30% from 38 million litres of storage to 55 million litres of storage. In the second quarter of 2005, Council approved a \$2.9 million increase in the budget, to \$10.4 million to cover increased construction costs. Many capital projects across Alberta are increasing in price due to inflationary pressures.



West Regional Road

For a full update on the progress of this \$29 million project turn to page 15.

Sturgeon Road Reconstruction

The \$867,000 reconstruction of Sturgeon Road from Burnham Avenue to Bishop Street has been completed.



MPLC

For a full update on the progress of this \$42.7 million project turn to page 14.

St. Albert Children's Bridge

Work has begun on repainting the Children's Bridge and investigating the superstructure. This is a \$234,000 project and is scheduled for completion by August 31, 2005.

FISCAL RESPONSIBILITY AND LEADERSHIP EXCELLENCE

Goal: To maintain accountability to the community and act cost effectively; to practise prudent financial stewardship; to continue long-term planning; to engage and involve the community; to maintain strong regional and intergovernmental relationships.



Improving business planning

The City is continuing its improvement of the business planning process, which utilizes corporate strategies to help Council achieve the difficult balance between needs, wants and affordability. The strategies also guide the budget planning process and the prioritization of initiatives



City Council's Priorities and Planning Committee met on April 25, and will meet again in early September, to move the Corporation forward with strategic planning. A number of Departmental Strategies and Long Term Plans are being developed, including:



- Community Tourism Strategy
- Economic Development Long Term Departmental Plan
- Policing and Bylaw Long Term Departmental Plan

Long Term Plans that are complete, or almost complete, are:

- Transit Long Term Departmental Plan
- Heritage Sites Master Plan (approved unanimously by Council, April 5, 2005)
- Family and Community Support Services Long Term Departmental Plan
- Fire Services Long Term Departmental Plan

St. Albert City Council formally adopted the new Vision, Mission and Values for the City on April 4, 2005.

Vision

St. Albert is the community of choice for citizens and businesses because of our exceptional programs and services, safety, amenities and the quality of life we receive in our responsive and business-friendly city – all with a small-town feel.

Residents and business owners choose St. Albert because of diverse community leisure and cultural opportunities; smart growth; sound stewardship of natural assets and physical infrastructure; and strong fiscal leadership.

Mission

The City of St. Albert provides leadership in a well-managed and progressive environment to deliver high quality, innovative municipal services that meet the expectations of citizens and business

We are building the future while respecting the past

Values

The City of St. Albert values:

- Positive attitudes
- Leadership
- Good stewardship
- Respect, trust, dignity, honesty, integrity, flexibility in relationships
- Open two-way communications and diverse opinions
- Active participation of citizens
- Collaboration and co-operation
- Competent, productive and satisfied employees
- A safe and caring environment
- A balance of work and family life
- Safety and health
- Lifelong learning
- The generosity of volunteers

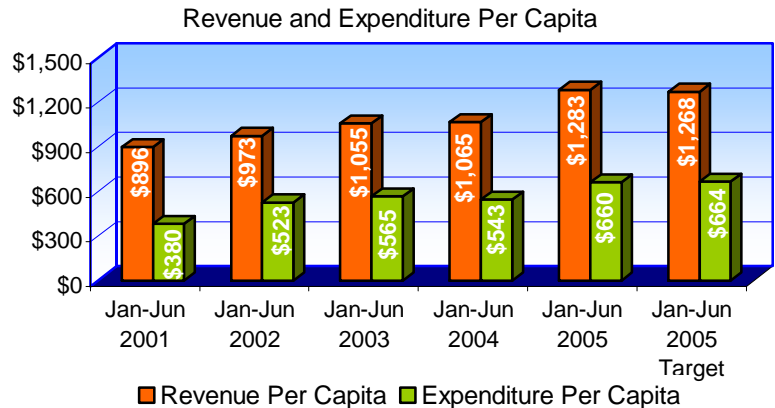


FISCAL RESPONSIBILITY AND LEADERSHIP EXCELLENCE *continued...*



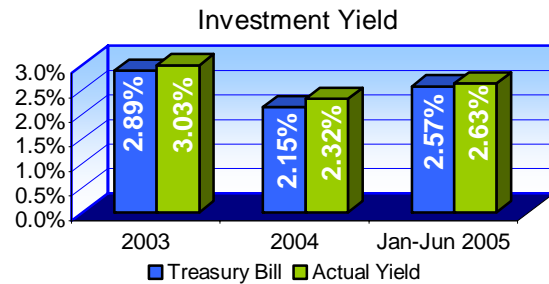
Carefully managing our budgets and investments

Revenue and expenditures per capita have increased from year to year as costs have increased. In 2005 revenue increased significantly because of the MPLC tax levy. Because taxes are due by the end of June, revenue exceeds expenditures for the first six months of each year as illustrated in the graph (top right).



NOTE: The figures for 2001, 2002 and 2003 do not include quarterly accruals of significant revenues and expenses.

The City invests reserves and unspent revenue in very secure, interest bearing investments until the funds are required. The rate of interest earned on investments is slightly better than the yield on treasury bills as illustrated in the graph (below right).



The target for Investment Yield is >90-day Federal Treasury Bill Rate

Playing our part in the global village

The City's is proud of the contribution it is making to global village through its partnership with Dodoma Municipal Council in Tanzania, Africa. In May, the City hosted four delegates from Dodoma who returned to their home city with new information and techniques in municipal affairs. The partnership operates within the framework of the Municipal Capacity Building Program, which is facilitated by the Association of Local Authorities of Tanzania (ALAT) and the Federation of Canadian Municipalities (FCM).

The ultimate goal is to improve the ability of Dodoma staff, Councillors and community groups to deliver services through the development of a Municipal Database (i.e. information system) that supports planning, decision-making and monitoring of activities in all sectors. Three City of St. Albert staff members are travelling to Dodoma in June and July to continue the technical work of developing the database.



Leading practices in business planning

The City of St. Albert corporate strategy and business management was invited to present St. Albert's Corporate Planning process to the Government Finance Officers of Alberta conference in Red Deer. St. Albert's three-year and longer-term business planning process is seen as leading practice in Alberta Municipal Government.

SOUND STEWARDSHIP OF THE ENVIRONMENT

Goal: To manage natural assets responsibly; to minimize negative impacts of growth and development on natural assets.

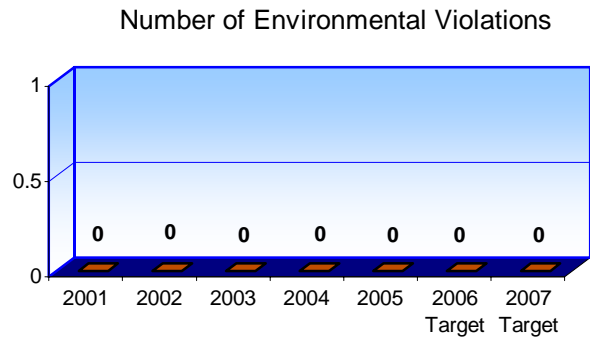
THE CITY OF St. Albert knows how highly its citizens value the environment. We are committed to ensuring the city has a healthy and accessible environment for everyone.



Protecting the environment

On June 24, 2005, the City was advised that the Federal Department of Justice had decided not to proceed with charges that had been brought because of suggestions the City had allowed deleterious material to leak into the Sturgeon River from a former landfill site.

A report detailing the options for managing the former landfill site is expected in the third quarter of 2005. The City is continuing to co-operate with the ongoing investigation Environment Canada into the matter. The City monitors its environmental performance and can report no environmental violations (see below).



Keeping the city beautiful

City staff organized another successful Spruce Up St. Albert campaign in May this year, kicking off with a special Spruce Up the Sturgeon event on May 1. More than 6,200 volunteers pitched in over the following month to clean up the whole of St. Albert in the increasingly successful campaign.



Implementing environmental management systems

The City of St. Albert has adopted an environmental policy statement to address environmental matters that encompass all City operations.



The first annual report on the environment was produced in early 2005 for 2004 and work continued in the first half of 2005 on the pilot Environmental Management System (EMS) for the Transit Department.

Part of Transit's implementation of EMS is gaining certification with ISO 14001 – the International Organization for Standardization. This prestigious certification would make St. Albert Transit only the second transit system in Alberta to be accredited by ISO.

Once the pilot EMS has been completed in Transit, and the resource commitment and effort of EMS implementation is understood, the next steps of implementing the EMS will be evaluated.

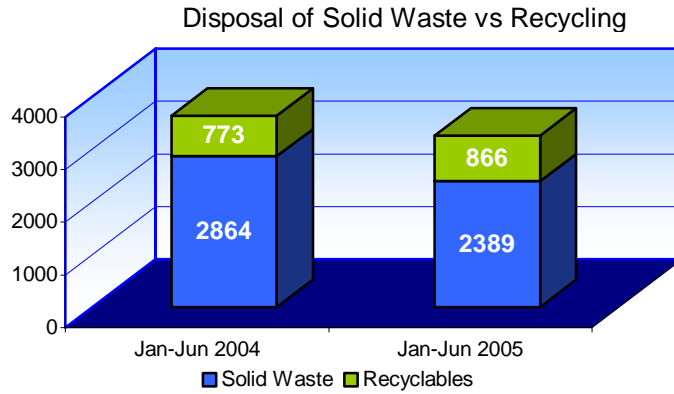
SOUND STEWARDSHIP OF THE ENVIRONMENT *continued...*



Recycling our waste

St. Albertans disposed of less waste in the first half of 2005 compared with the first half of 2004.

Also, the proportion of waste that was recycled was higher. In the first half of 2004 27% of the total waste was recycled compared with 36% in the first half of 2005.



These figures illustrate the tangible and positive impact citizens can have on the environment.

For further information contact the City of St. Albert:
 Phone: (780) 459-1500
 Fax: (780) 459-2394
www.stalbert.ca

