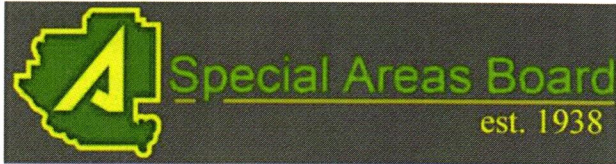


SCHEDULE A



Special Areas Board and Town of Drumheller

INTERMUNICIPAL COLLABORATION FRAMEWORK AGREEMENT

Moving Forward In Providing Services And
Opportunities For The Future

FORWARD

Special Areas Board and Town of Drumheller have distinct and similar municipal characteristics. Both municipalities are based upon building and maintaining core services including roads, bridges and emergency services which are designed to service an agricultural, tourism and resource-based economy.

Collaboration between the two municipalities, where desired, allows for the ability to provide more efficient and better service levels to municipal ratepayers in the region. While some services can be provided solely in a single municipality, working together can improve economies of scale, sustainability of some services, quality of services, and efficiency in delivery.

The two municipalities are committed to identifying current and future issues where joint benefits may be realized through more formalized and rigorous processes, cooperation, and agreements.

Recognizing that it is a legislative requirement of the Provincial Government for municipalities to collaborate, Special Areas Board and Town of Drumheller have agreed upon this Intermunicipal Collaboration Framework Agreement.

Goals of the Intermunicipal Collaboration Framework Agreement

The Intermunicipal Collaboration Framework has five main purposes:

1. To meet the requirements of provincial legislation.
2. To promote the principles of collaboration between neighboring municipalities with a common border.
3. To ensure municipalities consult and communicate on intermunicipal matters.
4. To clearly lay out a process where the partners to this agreement can review service levels and decide if the service would benefit from being regionally operated & funded.
5. To consider appropriate fair funding mechanisms and deal with differences which may occur from time to time.

The ICF Agreement Between Special Areas Board and Town of Drumheller Will:

Recognize and share the vision and priorities of the two municipalities toward providing effective and efficient service levels to their ratepayers: Where feasible and practical – each municipality will work together to assess how commonly utilized services will be provided and funded for the benefit of ratepayers.

Strengthening the region while maintaining local autonomy: Special Areas Board and Town of Drumheller Council each maintains the right to make individual decisions for their ratepayers, but each agree that they will always consider regional service delivery where feasible in the decision-making process.

Promote networks and linkages: Developing positive joint approaches where practical to create efficiencies by sharing opportunities, connections, goals, knowledge and experience to promote the greater good between both municipalities.

Embrace differences in respective municipalities: The distinct characteristics of the individual municipalities is advantageous in providing choice and diversity.

Cooperation not Competition: Although each municipality is responsible to its citizens there is recognition that the citizens and businesses of the region share similar needs and interests and as such Special Areas Board and Town of Drumheller Council will emphasize cooperation and therefore not direct competition with respect to setting municipal policy.

Foster an environment of openness and trust: Cooperation and collaboration requires communication that in turn encourages understanding and better results in reaching common goals.

Commitment to Consultation and Cooperation – Consultation Protocol

The fundamental basis of this agreement is communication and consultation and as such the two municipalities agree to consult on projects which have a regional impact, and both agree to meet and work through matters as they arise. As issues arise, they will first be handled by Special Areas' Chair and Town of Drumheller's Chief Administrative Officer, or their respective designates, and if that does not resolve the concerns it shall be dealt with by a committee from each jurisdiction recognizing time may be of the essence.

It is understood that this agreement will encourage communication at all levels of the organization to ensure opportunities are recognized, information is passed through the respective organization

and decision makers are informed not just about their own municipality but about regional issues and concerns.

Roles in Managing the Intermunicipal Collaboration Framework Agreement

The Role of the Board and Council

Special Areas Board and Town of Drumheller Council each retains the ability and responsibility to make decisions on behalf of their residents. By signing onto the agreement, both the Board and the Council, as well as their respective administrations are committed to increased cooperation.

The Role of the Chair and Chief Administrative Officer

Special Areas' Chair and Town of Drumheller's Chief Administrative Officer have been identified as the principal individuals responsible for maintaining the agreement, its delivery and dealing with intermunicipal issues that surface from time to time during the term of this agreement. Special Areas' Chair and Town of Drumheller's Chief Administrative Officer will foster increased communication and will act as conduits for facilitating the sharing of information, identifying opportunities and prioritizing municipal actions for the consideration of Special Areas Board and Town of Drumheller Council. Disputes or disagreements between Special Areas' Chair or Town of Drumheller's Chief Administrative Officer will be dealt with by a dispute resolution committee set up with members from each council.

The Role of Staff

Staff will be responsible to ensure the principles of the agreement are carried out operationally. Staff will work cooperatively with their municipal counterparts to address issues that arise within the scope of their authority and mandate. Staff will also bring to the attention of their respective Administrator any issues that arise which require their attention with respect to meeting the commitment and intent of this agreement. Disputes among staff or municipal contractors between the municipalities will be dealt with by Special Areas' Chair and Town of Drumheller's Chief Administrative Officer.

Conflict Resolution

The municipalities recognize the need to establish a conflict resolution process based upon the following principles:

1. At the earliest opportunity and at the point closest to where the problems initiated, Special Areas' Chair and Town of Drumheller's Chief Administrative Officer and/or respective Chief Elected Officials will seek to address matters of conflict.
2. All matters of conflict should be sought to be resolved swiftly, inexpensively and in an uncomplicated way.
3. All matters of conflict should be resolved using a clear procedural pathway.
4. Maintain at all times, the essence of collaboration on the majority of issues even though conflict may exist on some issues.
5. If a conflict or dispute cannot be resolved between Special Areas' Chair and Town of Drumheller's Chief Administrative Officer and/or the respective Chief Elected Officials, then both municipalities will follow the Arbitration Act.

ICF Agreement – Statutory Provisions

Amendments to the Municipal Government require municipalities to work collaboratively with neighboring municipalities to plan, deliver and fund intermunicipal services. The act requires municipalities with common borders to develop an Intermunicipal Collaborative Framework Agreement. This agreement must address services that benefit residents in more than one municipality and are to identify which municipality is responsible for the services being provided and how the service will be delivered and funded.

Emergency Services

Special Areas Board and Town of Drumheller have jointly entered into a Disaster Services Mutual Aid Agreement, dated November 27, 2008. Both municipalities agree to assist each other, where practical, in the event of large-scale disasters.

Other Services

No agreements exist or are currently required between Special Areas Board and Town of Drumheller for other areas of service at this time. Other services can be made available on a "cost basis" where service capacity exists.

Funding Contributions

There will not be any cost shared funding applicable or required as a result of this agreement. However, in the future, for those service areas where both municipalities deem it prudent to provide shared services, then the two municipalities will work collaboratively towards funding

the service in a manner that is fair and equitable to both jurisdictions. A formula may be derived where each municipality pays their proportional share.

Commitment to Collaboration

Special Areas Board and Town of Drumheller acknowledge and affirm that they will seek to fulfill both the intent and the spirit of this agreement by seeking opportunities to collaborate where practical as well as to honor all applicable legislation with respect to intermunicipal collaboration within the Province of Alberta.