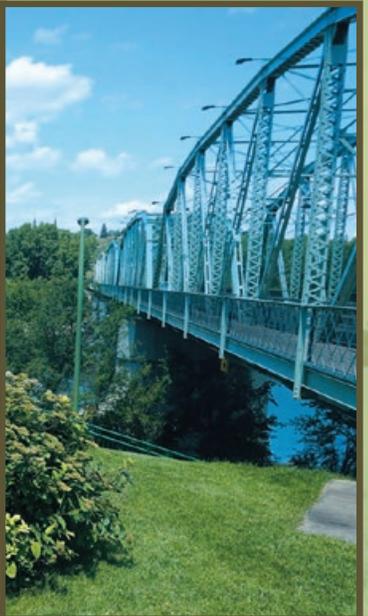


**PALLISER**  
ECONOMIC PARTNERSHIP

**2017 - 2018**  
ANNUAL REPORT



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# Message from the Chair

## Dear PEP Members,

It has been a privilege to represent the 21 municipal members and one public institution that belong to Palliser Economic Partnership.

The past year has been a very exciting time for Palliser Economic Partnership. For a number of years PEP has been laying some groundwork across the region in an effort to remove some barriers to economic development that were preventing our region from moving forward. We have been working with communities to provide them access to professional advice to position themselves as a great place to do business. These efforts produced some notable results in the past year.

In the area of Transportation and Logistics our partnerships with several communities have resulted in business taking a second look at the region and starting to set up shop along railway sidings that have been repurposed by the communities to attract business. Based on the intel that rail companies no longer want to deal with small numbers of car spots we investigated the appetite for larger sidings and on-site management of car movements for users. Individually no one was willing to take it on but a number of users could gain enough economy of scale to make viable logistic park operations viable.

The Oyen Logistics Park has attracted an anchor tenant and the development of the siding is well under way. That success story has encouraged other communities to explore the potential in their community. The County of Forty Mile and Village of Foremost are leading the second wave of a logistics park as we explore the expansion of Forty Mile Rail operations to capitalize on the logistic needs of renewable power developments. PEP was pleased to be recognized by the Economic Developers of Alberta as having Alberta's the best economic development project of the year.

High speed broadband development has been another ongoing initiative that we have been working on for a number of years. Communities cannot afford to be left behind as connectivity speeds increase rapidly. Opportunities for communities in the region were identified through some key studies jointly funded through PEP. Communities are now working through following up on these opportunities and developing a clear vision for moving their communities forward.

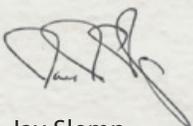
We are in the initial phases of developing a value-added agriculture strategy for the region. Agriculture remains a mainstay and is responding to global changes in ways of doing business. We are expecting new vision, new partnerships and global connection of our agricultural businesses to new markets.

We have relocated our office to joint downtown location in the same building as Invest Medicine Hat. The Board was of the opinion that it would give PEP a bit more exposure and support the idea that investors are often looking for regional connections. We want to thank Medicine Hat College for the use of office space for the past six the years. We are pleased to maintain connections with them as members of the organization.

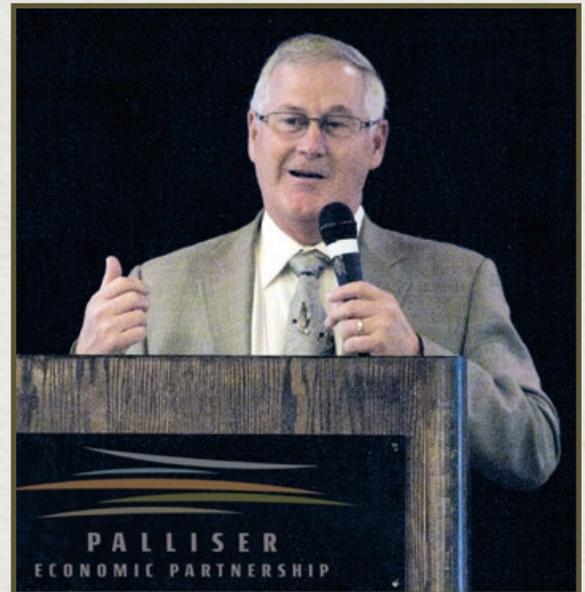
As with any successful venture there are a lot of folks to thank and share that success with. Not much happens without those partnerships. These include the province for providing ongoing funding, special project funding and connections through your world trade offices as we reach out to connect our local business to the world markets. The member municipalities, Board of Directors, your local economic development organizations and your committed staff as we work with you to move forward. Our faithful and committed contractors who have brought a full measure of professionalism and commitment to our communities and their projects. Finally, I want to especially thank our executive director Walter Valentini for his drive and vision. Through his drive and vision, we are achieving excellence!

Thanks to each member community. We truly are better together!

Sincerely Yours,



Jay Slem



# Palliser Economic Partnership Ltd.

Palliser Economic Partnership Ltd. (PEP) was incorporated as a not-for-profit corporation in 2001. Its shareholders are comprised of urban and rural municipalities and one post-secondary institution located in Southeast Alberta. PEP is a member driven organization, with board members that include elected officials and business people. The organization is funded through per capita contributions from its member shareholders and through grants from the provincial and federal government. Its goal is to improve and expand the economy of Southeast Alberta.

PEP engages in key initiatives that benefit the entire region. The goals are to market the region, build capacity and cooperation within the region through learning and networking opportunities and actively encourage investment and business growth. PEP offers its member municipalities' economic guidance. It undertakes studies and research upon which opportunities are identified and initiatives designed and undertaken. Most often these initiatives are outside the scope and reach of member municipalities to do on their own. PEP works in partnership with several economic development agencies and organizations both in and outside of the region as well as provincial and federal government departments to accomplish its objectives.

## 2017 - 2018 SHAREHOLDERS



The corporate structure of PEP consists of twenty-two shareholders. Each shareholder is entitled to appoint two representatives to the Board. The appointed representatives constitute the Board of Directors. Shareholders of the company include the following:

City of Brooks	City of Medicine Hat	Town of Bow Island
County of Forty Mile	Cypress County	County of Newell
Special Area 2	Special Area 3	Special Area 4
Town of Bassano	Town of Hanna	Town of Oyen
MD of Acadia	Town of Redcliff	Village of Cereal
Village of Consort	Village of Duchess	Village of Foremost
Village of Empress	Village of Rosemary	Village of Youngstown
	Medicine Hat College	

**Shareholders and Board of Directors**

Shareholder	Elected Representative	Business Representative
City of Brooks	John Petrie	
City of Medicine Hat	Jim Turner	Sandra Blyth
County of Forty Mile	Joann Hughson	
County of Newell	Anne Marie Philipsen	
Cypress County	Ernest Mudie	Alf Belyea
MD of Acadia	Peter Rafa	
Special Areas	Brad Slorstad	Jay Slempp
Town of Bassano	Lynn MacWilliam	
Town of Bow Island	Gordon Reynolds	Alan Hyland
Town of Hanna	Connie Deadlock	Kyle Olsen
Town of Oyen	Doug Jones	Stacey Wiechnik
Town of Redcliff	Eric Solberg	
Village of Cereal	Tami Olds	Crystal Anderson
Village of Consort	Tony Owens	Monique Jeffrey
Village of Duchess	Deborah Reid-Mickler	
Village of Empress	Roy Gill	Debbie Ross
Village of Foremost	Ken Kultgen	Tyson Ormann
Village of Rosemary	Bill Marshall	Don Gibb
Village of Youngstown	Robert Blagen	
Medicine Hat College	David Petis	Cindy Slenders

## Appointments to the Board of Directors

Directors are appointed by the shareholders on an annual basis for the calendar period November 1<sup>st</sup> to October 31<sup>st</sup> of each year. Municipal members may choose to retain their appointed members and or appoint new representatives – changes in appointed representatives provides an opportunity for other elected municipal officials to gain a broader understanding of PEP’s role in economic development.

## Corporate Officers and Executive Committee

The Officers of the corporation and Executive Committee are established each year at the Annual General Meeting. The Executive Committee is comprised of the President, 1st Vice President, 2nd Vice President, Secretary/Treasurer, two elected Board members at large and the immediate Past President. At the PEP Annual General Meeting held on June 23, 2017 in Rosemary, Alberta, the following Directors were elected as Officers of the company and members of the Executive Committee:

- |                                    |                                   |
|------------------------------------|-----------------------------------|
| President - Jay Slempp             | First Vice-President - Jim Turner |
| Second Vice-President - Doug Jones | Secretary/Treasurer - Debbie Ross |
| Member at Large - Eric Solberg     | Member at Large - Ernest Mudie    |
| Past President - Alan Hyland       |                                   |



PEP has retained an Executive Director to manage and implement an annual operations plan and budget approved by the Board at its Annual General Meeting. A range of administrative, accounting, legal and consulting services are contracted. To manage the affairs of the company in a prudent and orderly fashion the Executive Committee can authorize approvals on funds and projects that are brought forward to the Board for ratification.

## 2014 - 2017 Strategy and Business Plan

PEP continues to follow the three-year 2014-2017 Strategy and Business Plan (adopted in 2014) sets out three strategic areas of priority. The 2014-2017 Strategic Plan reaffirmed that the three strategic priorities are Marketing and Communications, Regional Cooperation, and Business Investment. These priorities are driven by regional industry sectors, infrastructure assets and partnerships. The following were identified as key regional drivers in development of the Strategic Plan:

### 1. **Marketing and Communications**

One of PEP's priorities is to make Southeast Alberta globally competitive by marketing the region on a larger scale and promoting initiatives to attract investment. It is also vital to promote the Palliser Economic Partnership as an effective regional alliance and the region as a healthy place to live and do business.

### 2. **Regional Cooperation**

PEP is committed to growing and building communities through capacity building and collaboration, ensuring strong, vibrant communities throughout the region. We support balanced and sustainable growth in member communities, building alliances, partnerships and networks that enhance economic development participation inside and outside the region.

### 3. **Business Investment**

PEP encourages sustainable economic growth by supporting business retention, economic diversity, investment attraction, industry innovation, technology adoption and commercialization.

## TOWN OF OYEN AND SPECIAL AREAS LOGISTICS PARK

In April 2016, PEP along with the Town of Oyen and Special Areas initiated a study to investigate the feasibility of a logistics park in or near Oyen. The intent of the project was to determine if additional rail traffic could be generated through the development of a rail yard and logistics park. Realizing this objective would strengthen the business case for CN to provide additional services in the short term and improve the long-term viability of rail service in the Oyen area.

The investigation proved positive and in early fall of 2017 the project met with outstanding success when Iron Horse Energy Services of Medicine Hat committed to the development of a frac sand distribution facility at the Oyen Rail Yard.

A sod turning ceremony attended by business, municipal leaders along with local and regional residents was held on October 25, 2017 to celebrate the occasion.

Several days later CN delivered its first tranche of sand cars to the Oyen Rail Yard.

The success of the project rests with the hard work of many persons.

PEP recognizes the endless contributions made by Doug Jones, Mayor of Oyen who worked tirelessly to make the project a reality. Thanks also to Don Dean of PRO LOG Canada whose years of experience and expertise in transportation helped us to move the project forward. To CN Rail for working with the project committee over many months to deliver a workable concept.

Special thanks to Iron Horse Energy Services for their commitment to locate operations in Oyen. Finally, special recognition to the municipal councils of the Town of Oyen and Special Areas for investing \$2.5 million dollars in the rail yard project which will serve to attract other key developments to the region.



Left to right: Todd Garman (Iron Horse), Jay Slemph (Palliser Economic Partnership), Jordan Christianson (Special Areas), Mayor Doug Jones, Charmain Snell (CAO Town of Oyen)

### THE WESTERN PRODUCER

by Brian Cross  
Published, October 12, 2017

“The town of Oyen, in east central Alberta, will be home to a proposed new transload and rail logistics facility.

Sources say construction on the Oyen Rail Yard & Logistics Park will begin this fall.

The 155-acre facility is billed as a multi-phase economic development project, to be managed by Alberta’s Special Areas Board, the Town of Oyen and the Palliser Economic Partnership.

Rail service will be provided by Canadian National Railway.

A news release issued by the Town of Oyen says Phase 1 of the project will transform the existing railyards north of Oyen into a logistics park capable of managing up to 2,500 cars annually.

The facility will handle a variety of materials ranging from agricultural products to industrial construction components and frac sand.”

## PEP REGIONAL BROADBAND PROJECT

Broadband infrastructure is as important to business development in today's world as the highways were in the 1950's and the rail in the 1800's. The Palliser Region is currently underserved with broadband infrastructure. In June 2016 PEP launched a project to explore a business case for improved broadband - connectivity in the region. The study was funded by PEP, with support from Alberta Economic Development and Trade and Medicine Hat College was completed in May 2017.

The project investigated the business case for enhanced broadband connectivity for the region overall but also by each rural municipality: County of Newell, Cypress County, County of Forty Mile and Special Areas / MD of Acadia. The study also identified opportunities related to the availability of dark fibre in the region to address the "backhaul requirement" and connection to the internet hub in Calgary.

The City of Brooks expressed significant interest to investigate the dark fibre opportunity further and is coordinating inter-municipal consultations on behalf of PEP. In the March of 2018 Palliser Economic Partnership was approved for a CARES grant to determine the viability of establishing a southern Alberta network.

## ENERGY FROM WASTE

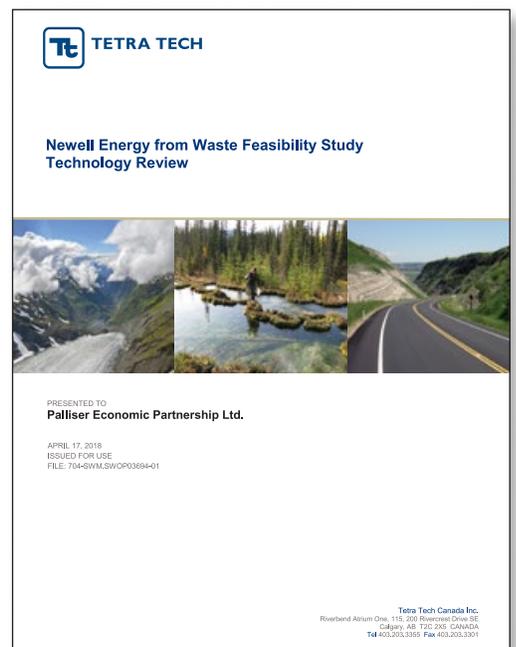
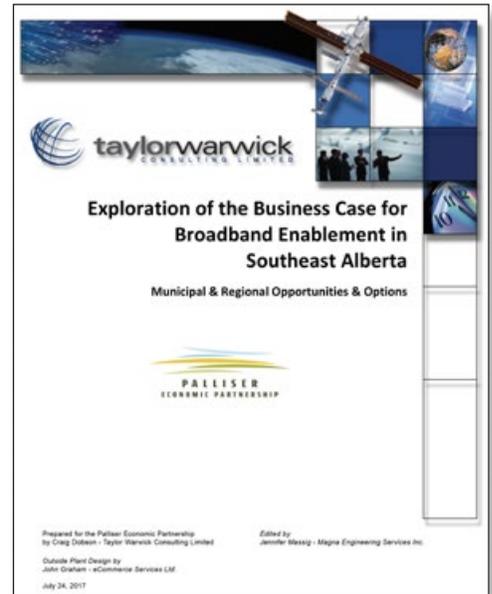
In April 2017, the Newell Regional Economic Development Initiative (NREDI) approached Palliser Economic Partnership with a request to undertake a study on the installation and operation of an incinerator/power generation facility for the purpose of burning current municipal solid waste and rail ties.

NREDI is the economic development committee for the Newell Region that encompasses the County of Newell, City of Brooks, Town of Bassano and the Villages of Duchess and Rosemary.

In August 2017, Tetra Tech Canada Ltd was retained to undertake the first phase of the project to identify and quantify potential waste streams within the Newell Region that could be utilized as feedstock for an Energy from Waste (EfW) facility:

- Establish a baseline for potential quantities and composition of waste to be managed by a potential facility.
- Examine levels of Municipal Solid Waste from municipalities within the Newell Region.
- Examine quantities of construction, demolition, institutional, commercial and industrial waste.
- Investigate and quantify other waste materials in the region including but not limited to rail ties, specific risk materials, biosolids/biomass, manure, medical waste, agricultural waste, contaminated soil, and oilfield waste.

An EfW waste management processing facility would attract external investment, along with associated industries, and create jobs in the region. The completed project would also provide generated heat/energy and marketable by-products which can generate revenue.





## EASTERN ALBERTA TRADE CORRIDOR (EATC)

EATC is a collaboration between Palliser Economic Partnership, Battle River Alliance for Economic Development and Northeast Alberta Information HUB that represents over 80 municipalities located eastern Alberta. By working together, the three organizations have been able to pursue initiatives that they cannot undertake by working alone.

### EATC LOCAL TO GLOBAL FORUM – MARCH 7-9, 2018 – VERMILION

The fourth Eastern Alberta Trade Corridor “Local to Global Forum” was held in Vermilion, Alberta on March 7 - 9, 2018. The event was a success with more than 65 delegates in attendance and an array of speakers that were greatly appreciated by the delegates attending the event.



March 7-9, 2018 • Vermilion, Alberta

Speakers at the EATC 2018 Local to Global Forum in Vermilion covered a broad range of topics from US - Canada trade, transportation, broadband, oil and gas, pipelines and renewable energy. Each of which are of significance to the economy of Eastern Alberta.

Among the presenters were Mr. Michael Padua Director, of the Government of Alberta Trade Office in the United Kingdom, Mr. Michael Reeves, President of the Ports to Plains Alliance, Lubbock, Texas, Mr. Stephen Bull, Assistant Deputy Minister, SuperNet Secretariat, Mr. Ranjit Tharmalingam, Assistant Deputy Minister, Alberta Transportation, Mr. Mike Simpson, Devon Energy and Ms. Rebecca McElhoes Trans Canada Pipelines.

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### PORTS TO PLAINS CONFERENCE - LUBBOCK, TEXAS - SEPTEMBER 12-14, 2017

Ports to Plains continues to be a valuable partner in making connections between businesses in eastern Alberta and the Ports to Plains Corridor for the USA. Chair Jay Slemple presented an update on the key initiatives of the Eastern Alberta Trade Corridor to conference delegates in Lubbock, Texas. In addition to participating in the Ports to Plains conference activities, EATC representatives met with Ports to Plains staff to identify areas of interest for future collaboration.

## Regional Cooperation

Cooperation and collaboration makes us all stronger. Palliser Economic Partnership continued to build on the strength of its 22 member shareholders but we also continue to maintain and nurture partnerships with other like-minded organizations to leverage each other's strengths so that we all get more results and value for our members.

Alberta Southwest – Pincher Creek, Alberta  
 Bear Paw Development Corporation – Havre, Montana  
 Eastern Alberta Trade Corridor – St. Paul, Alberta  
 Entre Corp Community Futures  
 Medicine Hat Chamber of Commerce  
 Northeast Alberta Information HUB – St. Paul, Alberta  
 SAMDA – Oyen, Alberta

Battle River Alliance for Economic Development – Killam, Alberta  
 Cactus Corridor Economic Development – Hanna, Alberta  
 Economic Development Alliance of Southeast Alberta – Medicine Hat, Alberta  
 Invest Medicine Hat – Medicine Hat, Alberta  
 Newell Regional Economic Development Initiative – Brooks, Alberta  
 Ports to Plains Alliance – Lubbock, Texas  
 SouthGrow – Taber, Alberta

# Palliser Economic Partnership Members Map



BIG SKY. ENDLESS OPPORTUNITIES.



**PALLISER**  
**ECONOMIC PARTNERSHIP**

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