

Medicine Hat sitting on oil search rights

ALLAN COYLE
Of The News

While the city has yet to disclose the location of oil rights it is buying, provincial officials have added details to a sketchy picture they drew of the land Wednesday.

Wednesday evening an official of the energy and natural resources ministry disclosed the location of the rights, which underly the city and extend northeast from the municipal boundaries, while only hours before Mayor Ted Grimm said the public would have to wait until Monday for information.

Michael Day, the assistant deputy minister in charge of the mineral resources division of the energy and natural resources department, disclosed a more exact description of the rights than The Medicine Hat News was able to obtain Wednesday morning.

Celine Belanger, executive assistant to Minister of Energy and Natural Resources John Zaoriny, told The News the city had obtained oil rights to 8,060 hectares of land underneath and around the city.

Belanger's description of the oil rights was only partially correct.

While she said the city's claim was within a 3.2-kilometre (two-mile) fringe surrounding the city, the rights — as described by Day — follow city boundaries on the south, west and north sides. They extend east between four and 6.5 kilometres past city boundaries into Improvement District No. 1.

"If I had to describe it in a sentence, I would say the land is that portion which the Crown has rights to . . . inside the city proper and in the urban fringe to the northeast," said Day.

Day, when contacted Wednesday morning, had said he could not reveal details of the area. Today, however, he said he had not realized the city failed to offer any general description of the areas when it announced it was going after the rights in October.

"I thought that (the information disclosed then) was excessively vague," he said.

"The essence of it should be public," he said.

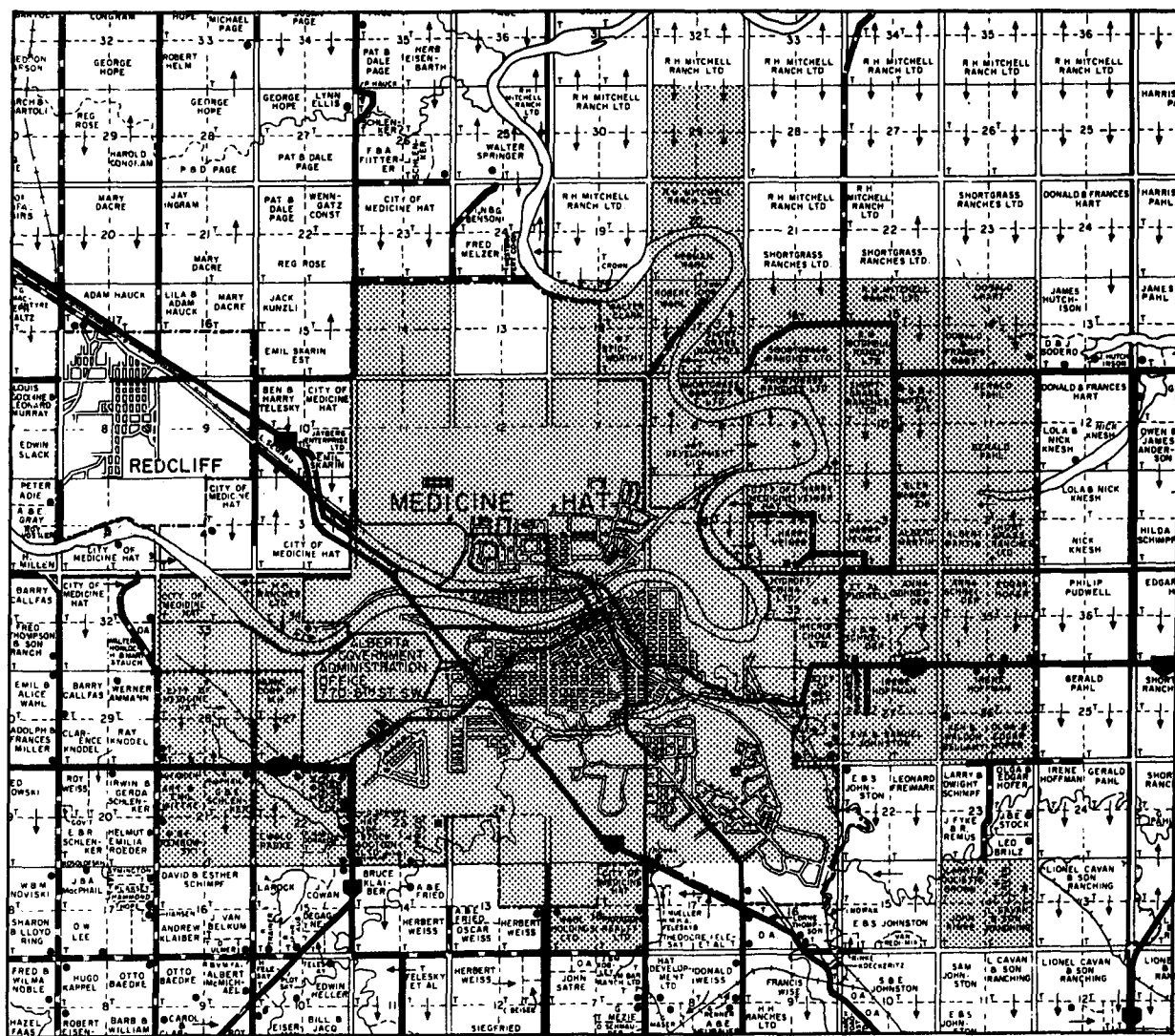
The boundaries Day described encompass about 12,000 hectares of land. The department has estimated the city will have rights to 8,058 hectares of that.

"Some entire sections are freehold," he said, explaining freehold means the Crown cannot sign away the rights to those areas.

The city has already paid for the rights, although it doesn't officially have them yet. Based upon a negotiated agreement between the province and city that sees the city pay the same rate (\$13.57 per hectare) as it paid when it successfully bid on nearby oil rights, and upon a calculation of licence and rental costs, the city gave the province about \$129,000 in October for a claim to the oil.

The city paid another \$62,000 for the oil rights to 3,900 hectares of land that lies between 3.7 and 4.7 kilometres east and northeast of its boundaries.

City Utilities Commissioner Winston Kerr, who said Wednesday information about the latest oil rights acquisition will come Monday, could not be reached for comment.



The provincial government has disclosed the general location of oil rights it is selling to the city. Wednesday night, an official of the energy and natural resources ministry told The Medicine Hat News the rights lie within the shaded area shown on the map. Not all of the rights will go to the city, however: freeholders have rights to about one-third of the shaded area.

Hat looks for boost from heavy industry

MALCOLM CURTIS
Of The News

While analysts say North American industry is shifting from manufacturing and resource extraction to high technology business, Medicine Hat is still trying to attract traditional industry.

"We're thinking of attracting modular types of heavy industry," says Dave Cormier, the city's economic development officer.

He says the city is not actively seeking high technology firms, noting, "that's not one of the areas we've identified as yet."

Lethbridge recently attracted a \$10-million plant to manufacture telephone systems for Calgary-based NovaTel Communications Ltd. But Cormier explains the windy city already had a pool of laid-off skilled workers to choose from after the closure of a communications company plant.

"Those kinds of companies are interested in large university cities," he says.

The term high technology has become synonymous with the computer field, but it covers a variety of rapidly changing industries involved in such areas as microelectronics, lasers, fibre optics and genetic engineering.

The focus of the economic development department's attention appears to be fixed on smokestack industries, with cheap energy the carrot used to lure the firms.

In a climate of continuing recession, Cormier is looking at heavy industries that can locate here with a small plant, with potential for expansion in stages as the economy picks up.

But his department has not ruled out trying to bring in high technology enterprises that Time magazine says have created a "New Economy."

With the area's high year-round dosage of sunlight, Medicine Hat is a natural location for solar industries.

"We've been talking to a number of firms involved in solar technology," says Cormier. "But we haven't had too much success there lately, now that the energy crisis seems to have abated."

However, as solar use becomes more efficient, particularly with the advent of the micro-chip, "there's bound to be an application."

Says Cormier: "We're continuing to keep up contacts."

In the more traditional areas, the potential for ceramics industries "seems to be one of our strengths," says Cormier. Four companies involved in manufacturing construction materials such as tiles are looking at the city as a place to locate.

While Mayor Ted Grimm has placed a premium on getting food processing companies here, nothing has materialized. A Japanese noodle company contemplated a move to the city, but moved to B.C. instead, because it is more familiar with that

province, the economic development head says.

Meantime, it could be a year before an Ontario firm, thinking of locating a plant in Medicine Hat, confirms the proposal.

"We're still in a holding pattern waiting for them to decide," says Cormier, whose department has been unable to attract any new industry this year.

The unnamed Toronto-area company is developing plans to run a medium-sized factory here employing 40 workers.

"They gave a general time frame of a year (to decide on the expansion) — that's the usual time frame in this business."

The lack of development in Medicine Hat reflects an economic slowdown across the province, says Cormier.

Grimm predicting restraint in 1984

The city's capital works budget for 1984 will be smaller than the one passed by Council this year, says Mayor Ted Grimm.

Grimm told reporters Wednesday the draft Utilities Department budget, made public two weeks ago, is an indicator of what the 1984 budget will look like. He refused to discuss the size of the preliminary submissions from the departments or their total.

The draft capital works budget from utilities, at \$8.79 million, is nearly 30 per cent smaller than last year's.

The capital works budget for the city in 1983 totalled \$30.21 million. Of that, about \$14.5 million was to be paid through grants from the provincial government.

"The city will be somewhat dampened by the reduction in funding from the province, but their reduction in funding of capital has not been that severe," said Grimm.

That will be one factor leading to a reduced capital works budget in 1984, but Grimm also said the tax-supported portion of the budget may diminish next year.

He said he expects the capital works budget — the reviewed version which passes the Board of Commissioners' scrutiny — should be before Council by the end of the year.

New faces on Council — aldermen unfamiliar with the municipal budgeting process — and an election this fall have slowed down the preparation of the capital works and operating budgets, Grimm said.

Stampede supports Miss Rodeo Canada

The Medicine Hat Stampede is going to travel with the new Miss Rodeo Canada.

To give Susan Hargrave support, the Stampede board voted this week to pay the Canadian Professional Rodeo Association \$1,000 for advertising space on a horse trailer she will be taking to 65 rodeos during the coming year.

Board members were acting on a recommendation from Laurie Sharland, co-ordinator of the Medicine Hat Exhibition and Stampede Queen Contest. Hargrave, a Brooks resident, is a former Medicine Hat Stampede Queen.

Sharland said the rodeo association gives the winner of the Miss Rodeo Canada title a horse trailer to use for a year,

but it is usually returned to a trailer supply firm at the end of the year.

"If we can get five sponsors to buy advertising at \$1,000 each, the girl can keep the trailer," Sharland said. "And it certainly looks like we're going to do that this year."

The board also decided to invite Hargrave to the Spring In-door Rodeo as well as the Stampede next year, and will pay for her two visits.

Sharland said Hargrave will have to take a year's leave of absence from her studies at the University of Calgary at the end of December in order to meet her commitments and attend Stampedes and rodeos in Canada and the U.S. during her reign.



After a hard day at play in the Suncrest Mobile Home Park playground five-year-old Clinton Odden (left) and his brother, Monte, 4, now return to a home supplied with electricity by TransAlta Utilities Corp. Beginning next year, however, the boys will see their residence serviced by city electricity. The city will be responsible for extending all its services to 3,085 hectares of land that is to be annexed Jan. 1.

City will extend utilities into new annexation areas

ALLAN COYLE
Of The News

Medicine Hat wants to spread its utilities when its boundaries expand in 1984.

The city is negotiating with TransAlta Utilities Corp. and ICG (Plains-Western) Ltd. to buy those companies' franchise rights to electrical and gas services, respectively, in the 3,085 hectares of land the city is to annex on Jan. 1.

But even if the city wants the franchises, it doesn't know what it will pay for them.

Although he volunteers "we feel strongly . . . we should be masters of gas and electricity within the boundaries of our city," Utilities Committee chairman Ald. Ken Sauer says he does not know what the city will pay.

And Utilities Commissioner Winston Kerr says it is premature to guess at what ICG and TransAlta will extract from the city's pocketbook when money

finally changes hands.

Cost of acquiring the service area franchise south and west of existing boundaries from TransAlta probably won't amount to much, Kerr says, although he would not discuss what expenditure range the city is looking at. The city already provides electricity to much of the affected area, he says, noting the Suncrest Mobile Home Park is probably the only place where the city will have to extend power lines.

But the acquisition of rights to provide natural gas in the annexed area will represent "a fairly substantial addition," he says.

A 1982 amendment to the Alberta Municipal Government Act clears the way for the city to get the service rights from ICG. The amendment also clears the way, however, for a government agency — the Public Utilities Board — to decide how much the city should pay ICG should the

two parties be unable to negotiate an agreement on their own.

Whatever the costs, they will not affect electric and gas rates for city residents. Sauer and Kerr say. But they don't know where the money will come from.

"I haven't thought much about that," Kerr says.

The residents of Suncrest Mobile Home Park will likely benefit when the franchises exchange hands, he adds.

ICG charges the more than 100 residents of the trailer court about \$3.65 for every thousand cubic feet of gas, while the city charges its customers about \$1.42, he notes.

TransAlta charges the trailer court residents a \$7-a-month service charge and 6.25 cents for every kilowatt-hour of electricity. The city charges its residential consumers a \$3.20-a-month service charge and 3.25 cents for every kilowatt-hour of electricity.

Redcliff break-in means jail

A Redcliff man will spend 60 days in jail for breaking into the house of a relative and taking a box containing cash and other valuables.

Daniel Walker, 20, 326 Fifth St. S.E., pleaded guilty in provincial court Wednesday to a charge of break, enter and theft and another of possession of cannabis resin.

He was sentenced by Judge Philip Wambolt to 60 days on the first charge and was fined \$100 or 10 days in jail on the second.

er told the court that on Nov. 15 police responded to a complaint of a break-in and theft of a cash box and papers at his home.

Police sought Walker and found him at about 1:30 a.m. in a city residence in possession of some of the money.

Several bottles of stolen liquor and some hashish oil were also confiscated.

Walker was convicted of two criminal offences in 1982.

Loose dog

A man who allowed his dog to

run freely in the city and disturb a fenced-in dog was fined \$200.

Luis Haro, 1254 Elm St. S.E., was also fined \$35 for having no dog licence.

Court was told that Haro's dog was running unhindered in the neighborhood and jumped over a fence into a yard where a pure-bred animal is kept.

In sentencing, Judge Wambolt referred to the problem of dogs running freely in the city as "a general nuisance."

Haro has had four similar by-law convictions.

Shouted at house

Douglas Fawkes, 45, 423 12th St. S.E., was fined \$150 for mischief.

Carter told the court that between Sept. 20 and Oct. 16 Fawkes went to the home of a former wife and caused her some difficulties.

On one occasion he stood outside the house and made abusive remarks, disturbing the peace of the neighborhood, court was told.

Fawkes has a record of alcohol-related offences, Carter added.