

1972 Bill 14

First Session, 17th Legislature, 21 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 14

**The City of Calgary and Calgary Power Ltd. Agreement
Authorization Act, 1972**

MR. FARRAN

First Reading

Second Reading

Third Reading

BILL 14

1972

THE CITY OF CALGARY AND CALGARY POWER LTD. AGREEMENT AUTHORIZATION ACT, 1972

(Assented to _____, 1972)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

1. Notwithstanding any provision of The Municipal Government Act relating to the powers of a municipality to enter into agreements respecting the creation or extension of its public utilities or to any limitation on the liability of a municipality for damages arising from the operation or the break of any part of a public utility, The City of Calgary shall be deemed to have always had the power and capacity to enter into that certain agreement dated the 21st day of June, 1971, between The City of Calgary and Calgary Power Ltd.

2. The agreement referred to in section 1 may from time to time be amended, varied or extended, as to subject matter or otherwise, in any way and to such extent as may be agreed upon by the parties thereto, subject to such amendment, variation or extension being authorized or confirmed by a resolution of the Council of The City of Calgary.

3. This Act comes into force on the day upon which it is assented to.

Explanatory Notes

General. The City of Calgary and Calgary Power Ltd. entered into an agreement dated June 21, 1971 which provided for the use by the City of the Bearspaw Reservoir and dam and certain areas of land occupied by the company. The use of these facilities is required by the City in connection with its obtaining a portion of its water supply from the Bow River.

The agreement contains a general liability clause (clause 10) under which the City agrees to indemnify and and save the company harmless from any damage to the company's facilities at the Bearspaw site and any and all costs, claims, demands and damages which may be brought or made against the company as a result of the use of the reservoir and dam and other land of the company by the City in connection with its Bearspaw water project.

Section 297 of The Municipal Government Act provides in part that a municipality is not liable for damages caused by a break in its public utility installations or for any accident due to the operation of a public utility, unless such action has been shown to be directly due to the negligence of the municipality or its employees.

It is felt that the City did not have the power to extend its liability by clause 10 of the agreement beyond that provided for in section 297 of The Municipal Government Act. Section 1 of this Bill will in effect declare that the City always had the power to commit itself by clause 10 of the Agreement, notwithstanding section 297 of the Municipal Government Act.