



MINUTES

County Council
Regular Meeting

County of Grande Prairie No. 1

COUNCIL BUDGET MEETING

Wednesday, December 04, 2013, 10:00 AM

Ends Wednesday, December 04, 2013, 4:30 PM

County of Grande Prairie No. 1 - Community Services Building

Minutes - December 4, 2013 Council Preliminary Budget Meeting

ATTENDANCE

Present were:

1. Reeve

- Leanne Beaupre

2. Deputy Reeve

- Ross Sutherland

3. Councillors

- Corey Beck
- Daryl Beeston
- Harold Bulford
- Richard Harpe
- Peter Harris
- Bob Marshall
- Brock Smith

4. CAO

- Bill Rogan

5. Directors

- Noreen Vavrek
- Barry Donovan
- John Simpson
- Arlen Miller
- Herb Pfau

6. Finance and Systems

- Michele Hoerner
- Nichole Belcourt
- Colleen Wessels
- Veronica Gaudet
- Natalia Madden

7. Recording Secretary

- Amanda Oravec

8. Communications

- Lesley Nielsen-Bjerke
- Sandra Shepherd

9. Media

- DHT - Jocelyn Turner
- Big Country - Justin Pahroll

Budget Introduction & Supplemental Information

CAO, Bill Rogan welcomed Councillors, staff, and the media to the 2014 Preliminary Budget Deliberations and explained the overall budget process to new Councillors. Council will hear each departments budgets and requests and then ask questions to the individual Directors and Managers. He also thanked all of the staff from Finance for putting everything together for the budget meeting.

Today will address Assessment, Finance and Systems, Planning and Economic Development, and Public Works. Tomorrow will be Community Services and Administration.

Noreen Vavrek, Director of Finance and Systems, provided an overview of the 2014 Preliminary budget.

Total expenditures \$114 million (m):

\$62.4 m operating

- increase of \$5 million (8.8%)

\$51.6 m capital

- Includes carried over items \$20 million - building projects and road projects;
- Shortfall of 4.1 million (does not include unfunded \$4.78 million);

Unfunded Items:

- \$4.7m for Philip J. Currie Dinosaur Museum- displays, FF&E, and signage;
- \$32,500 for share of proposed pound keeper position.

Additional unfunded requests that were added recently by Council:

- Teepee Creek AG Events Centre (\$450,000)
- Webster Hall (\$22,000);
- La Glace Arena (\$4.5 million) previous motion was to support \$1 million over 2 years.

Increased to operating expenses:

- \$1.6m community grants (does not include the requests noted above);
- \$2.6m salary & benefits (including new position requests);
- \$1.2m for contract, supplies, and utilities.

Reduction to Operating Expenses:

- reduced debt payments by \$421,000;
- payments on completed debentures were funded by local improvement & reserves so no savings to 2014 budget;
- Capital expenditures \$51.6m include: \$23.5m road construction and \$28.1m other capital.

New Road Construction (21 kms for road work):

- 15.6 kms surfacing of gravel roads;
- 5.4 kms overlay or rehab for surfaced roads;
- Divisional construction program, cost of \$8.5 million;
- Bridge rehab projects \$1.5m.

Road Construction Proposed:

- Grant funding is \$4.3 million including: \$1m Federal Gas Tax and \$3.3m Provincial MSI (Municipal Sustainability)

Other Capital expenditures (\$28.1 million) including:

- carried over projects of \$19.7 million;
- new proposed capital:
- \$200,000 Pipestone Park Campground lights and power;
- \$250,000 for pond development at the Sportsplex,
- \$210,000 for a maintenance shed at Sportsplex;
- \$165,000 for GIS aerial photos;
- \$685,000 for landfill capital;
- \$909,690 for east side water servicing project (will be recovered from residents in future cost recovery);
- \$753,000 for new vehicles & equipment (increase units in the fleet);
- \$3.4m to replace vehicles & equipment (from equipment reserve).

Reserves (actual and estimated):

- in 2014 the reserves reduce by \$19 million leaving the amount at the end of 2014 at \$61 million which is committed to debt repayments.

Debt:

- at the end of 2013 debt was \$44.5 million;
- new borrowing in 2013 included \$7 million for the Highway 43 east Industrial Park improvements (will be paid by local improvement);
- only additional debt for 2014 is to finish the 2013 local improvement projects (\$1.1 million to complete) which will be recovered by local improvement;
- there is no new debt noted in the 2014 budget.
- debt was used strategically to have the lowest impact on taxes.

Property assessment:

- initial estimated increase in assessment of 4.2% overall or \$292 million;
- \$147 million in growth;
- \$145 million in market value change.

Property tax impacts:

- key goal is to provide quality municipal services and infrastructure;
- each year there is an inflationary impact on the cost to deliver services;
- growth pressures which result in demand for more services, road construction, and capital;
- additional tax revenue included in budget (\$2.1 million using same tax rates as 2013);
- reflects both growth in development and a 3% increase to an average resident;
- a 1% tax increase on all classes = \$636,000.

Average residence: average home assessed at \$312,400 will have a 3% increase in taxes = \$34 per year or \$2.83 per month.

Future estimated budget shortfalls:

- 2015: \$14.8 million;
- 2016: \$10.2 million;
- includes significant increase in road construction forecast into the future due to growth.

Future budgets impacted by current budget decisions:

- tax revenue;
- deferred and unfunded items from 2014.

Assessment

Barry Donovan, Chief Assessor, noted that the wage line will be going up this budget. He also commented on the rent portion that Finance is charging for the actual space being used in the Administration building is also increasing. CAO, Bill Rogan commented that the costs are being divided up by each department for the Administration building so the department budgets can be more accurate. The utility costs are also up this year because of the new building being open. There are also other fixed costs included for postage, building insurance, paper, and other departmental supplies because this will help reflect actual costs better. Finance used reasonable percentages and they are not monitoring the exact expenses per department. Councillor Smith commented that this is a good idea. CAO, Bill Rogan noted that there were comments last year about the higher Administrative costs so it was divided out for this budget. The only noted changes were to the wage line and the rent.

Councillor Smith inquired the size of the assessment area they cover. Mr. Donovan noted that they assess 20-25% of residential and commercial each year and all well sites with equipment are done annually, it is a 4-5 year cycle until everywhere in the County is addressed. They also assess properties that remain incomplete for previous years.

Councillor Harpe commented on the growth being around 5-6% as per usual, but inquired about the linear accounts. Mr. Donovan responded that there is a Machinery & Equipment (M&E) deficit this year due to depreciation and the

modifier for steel, they usually gain the depreciation but it affects the linear base year modifier. There are 40 wells where companies are reporting to him that they want the M&E taken off their assessment. The County will break even or encounter a slight increase on the M&E. With the market value the increase will be at 5%. Councillor Harpe inquired about whether there was an increase in the steel modifier. Mr. Donovan responded that it increase by about 1% and we lose 3% depreciation each year, therefore projecting a deficit of \$13 million.

Councillor Harpe inquired about the assessment for multi-wells. Mr. Donovan responded that with the multi-well pads we do get the linear portion but if there is no surface equipment located there, we do not assess anything. For example, once a separator is on the property they will assess everything. Reeve Beaupre inquired about the difference between linear and forestry asking to be taken off the M&E. Mr. Donovan responded that there is a regulation set in place, if a well site is disconnected as of December 31st, the M&E is taken off the assessment, what he does is tell the companies that if the well produced in that year it will be assessed with the M&E.

General

Mrs. Vavrek commented on the general revenue and expenses.

2013 Projected:

- higher revenue than budgeted for: well drilling licenses higher by \$155,000 (per billings until the end of June), and return on investment higher by \$350,000. Also included additional transfers to reserve of \$400,000 based on projected surplus for 2013.

2014 Proposed:

- reduction in net costs of \$801,858 in the general area due to the reduction in transfer to Infrastructure Reserve and the less proposed increase to transfer;
- slight increase in investment revenue and higher interest rates;
- community AG levy (CAP) levy is \$300,000: a portion of the reserve (\$150,000) is committed each year for the Sportsplex debenture and \$50,000 is committed annually for high speed internet towers for residents;
- Provincial MSI grant: for principle on the CSB debt (\$334,697), 2014 will be the final payment for this loan;
- grant to City for tax sharing payment at \$780,000 with estimated increases in 2015 & 2016;
- Aquatera dividends on investment will remain at \$398,080 unless we get discretionary dividends from the Aquatera Board. The estimated net transfer for 2014 is \$557,704;
- proposing that the transfer to Facility Rehabilitation & Replacement Reserve be increased by \$605,200 includes the shop and administration expansions (\$149,875) and the Sportsplex at \$455,325;

2015 & 2016 Preliminary Forecast:

- increases reflect estimated increase in transfer to the City of Grande Prairie for tax sharing.

Property Taxes & Requisitions

Mrs. Vavrek noted that in 2013 they have estimated lost municipal levy due to assessment adjustments to be at \$60,261. The lost Education and SR Foundation Levy in the amount of \$11,480 will be recovered through 2014 tax levy for requisitions.

2014 proposed:

- 3% increase for average residential and 3.5% increase to non-residential which reflects average market value change and no increase to farmland;
- the proposed tax increases maintains the 2013 split between Residential and Non-residential tax rates with residential being at 31% of the non-residential; to raise enough tax revenue to cover the shortfall in budget would require a 13.4% increase to an average residence;
- each 1% increase to tax revenue for all assessment classes on the proposed tax rates will result in an approximate additional \$636,000 in tax revenue;
- the assessment changes were noted.

Reeve Beaupre commented on a resolution passed at the AAMDC Conference in regards to the non-residential class and that there are no sub-classes or differential between commercial, industrial, etc.

Councillor Harris commented on the tax increases and whether there will be any changes to the mill rate. Mrs. Vavrek responded that the tax increases are based on same tax rates as 2013 and there is no proposed increase in the mill rate.

Requisitions: we are required to collect and remit the amount requisitioned by Alberta Education and the Grande Spirit Senior Foundation.

Councillor Harpe inquired about the Grande Spirit Foundation. Mrs. Vavrek responded that we have not received the requisition from them yet and it will be brought forward in the spring. CAO, Bill Rogan commented that the amount to Grande Spirit was based on last year. Mrs. Vavrek commented that there will be no impact on the municipal tax rate.

Mrs. Vavrek discussed tax rate comparisons for neighbouring municipalities and noted that the County has the second highest residential tax rate, our farm rate is slightly lower than Saddle Hills, and we are the second lowest for non-residential rates.

Comparison of municipal taxes for an average residence: Finance compared news releases on property taxes from 2013. The County has one of the lowest residential assessments and we are the lowest for property taxes as

well. Councillor Sutherland inquired about the drilling equipment tax for multi-pad wells and whether the County assess' per well. Mr. Donovan responded that each well is assessed on multi-pad wells.

Finance Services

Mr. Donovan left the meeting at 10:37 a.m.

Mrs. Vavrek noted that the net increases for 2014 include:

- increased share of building expenses in the amount of \$59,000 which accounts for 3%;
- one temporary position to backfill accounting support and the Philip J. Currie Dinosaur Museum in the amount of \$62,000;
- requesting two new positions in the 2014 budget: 1) Insurance and Risk Coordinator (\$60,714) and 2) Data Entry Clerk (\$44,950).

Councillor Harpe inquired about the \$62,000 position and noted that the amount should be reflected in the Dinosaur Museum budget. Mrs. Vavrek responded that position will backfill for both accounting support and for the Dino Museum. CAO, Bill Rogan commented that currently Michele Hoerner has been designated to the Dinosaur Museum and the position will backfill for other positions as well. Approximately \$20,000 of the position is tasked for Dino. Michele Hoerner, Accountant, noted that we charge the Dinosaur Museum \$1700 biweekly for the current work being done. CAO, Bill Rogan commented that Mrs. Hoerner also does the FireSmart grant and there are some other special projects that need to be backfilled for.

Data Entry Clerk Position:

- they will be required to prepare source data as well as compile and reconcile the data in reports;
- Finance is experiencing impacts from growth in other services (safety codes, fire services, Sportsplex, etc.);
- Finance is a support department for all of the other departments and their workload is impacted when services increase in other areas;
- the full cost for the position will be \$60,245 and they won't start until April 2014;
- if the position is not approved, they will require Temporary support to cover vacation time and other leaves from staff.

Insurance and Risk Management Coordinator:

- this position will provide insurance support to the 35 Additional Named Insured groups that are under the County's policy with Jubilee Insurance;
- insurance has grown a lot in the last couple years: previously the workload was 5-10% insurance and now it is around 75% of the workload (Jr. Accountant, Cheryl Lanti, has been addressing all of the insurance to date);
- Jubilee insurance has implemented a risk pro program of 6 modules that we are required to take and abide by in order to meet the 2% reduction in our

insurance fee;

- Reeve Beaupre inquired about the staff hours accumulated for insurance. Colleen Wessels, Accounting Manager, responded that we would need to generate a report for accurate numbers but currently Ms. Lanti spends 4 days a week on insurance and it causes a backlog and an increase in overtime;
- CAO, Bill Rogan commented that managers do not put in their overtime, they typically ask for lieu days instead. Councillor Harpe commented that the insurance is a valuable resource for non-for-profit groups so he is in favour of the position. Councillor Smith also commented that we need someone doing insurance fulltime, we save lots of money and so do the non-for-profit groups.

New Capital Requests:

- Phase 3 of Kronos will be \$60,000;
- team budget licenses (budget software package): all of the departments cost \$11,500;
- carryover projects in the amount of \$90,000;
- Reeve Beaupre inquired about the start of Kronos in 2012. Ms. Wessels responded that there have been changes to Kronos since 2012 and they are working with Bellamy on this as well; after T4's they will get fire fighters and POC on Kronos.

Systems

Natalia Madden, Systems Manager, and Glen Killian, GIS Coordinator, presented the System and GIS budget. Systems is under budget for 2013 and there are minimal changes for 2014. Mrs. Vavrek noted that the revenue related to GIS was included in the Assessment revenue and this was for the service provided to Wembley, Beaverlodge, Sexsmith, and Hythe. In 2014 there is a slight increase in budget projections due to the division of building rent.

Capital 2014:

- aerial photos are done every 4 year and 2014 is the next year. CAO, Bill Rogan commented that we put away \$50,000 each year for the photos;
- Purchasing a Worktech widget for Enterprise as this tool will be used to make the connectivity to different systems;
- an elevation model will yield better resolution for the air photos and it is a one time fee. Councillor Harpe inquired about the quality of the pictures. Mr. Killian responded that with the new elevation model would be able to capture roof tops and out buildings, it would be twice as close as we have now (from 100 cm to 50 cm). The elevation model for Beaverlodge would be around \$1200.00;
- mobile map to provide everyone with a map for smartphones and tablets;
- County App: an app for smartphones and tablets that would benefit County residents with routing using rural addressing, recycling locations, and other

County locations. Councillors Harpe and Smith commented on the app and the difference between using Google and the app. Mrs. Madden responded that Google does not allow for routing with rural addressing;

- High Speed Internet towers: this year we installed 4 towers. We are welcoming more providers to the area so they don't have to choose GPN but if the resident has a tower on their land they need to start with GPN;
- Host for CSB cluster #1 and #2 in order to keep up with the growth;
- UPS Replacement for the CSB: not related to the power, it is backup for the backup power.

Reeve Beaupre inquired if the replacement of the phone systems in 2015 will be divided by department as the rent is being divided. Mrs. Madden responded that the phone system is just one expense under systems. CAO, Bill Rogan noted that each department pays their own phone bill.

Planning & Development

John Simpson, Director of Planning and Development, thanked Council for all of their support and contributions. Council's vision is to grow the County and Planning and Development has been dealing with growth demands for the County. Mr. Simpson is going to be discussing Economic Development, the Dinosaur Museum project, and Planning. He introduced Chris King the new Economic Development Officer. 2013 revenues are ahead of anticipated and they are on budget. They are looking for increases in 2014 for the following areas: the transfer of building costs per department, another fulltime Planning Officer position, and inflation.

New Planning Officer position: there have been issues expressed around enforcement of Planning codes and permits and if Council wants quicker and consistent enforcement a new position is required. The Planning Department does 600 permits a year, 100 subdivision application, and at least 60 public hearings. Advertising costs have increased and that the Fee structure proposes a \$100/hour charge for information search requests.

Upcoming issues:

- Annexation (there are allowance in the budget for consultants);
- Wrap up ASP for Dimsdale in 2014 as they are still discussing with Alberta Transportation;
- more phases in Whispering Ridge, Clairmont Heights, and other Rural Estate development.

Safety Codes: the 2014 year is projected similar to 2013 with no additional expenses other than inflation

Net Planning and Development: the 17% increase is to be included in the ask for the new Planning Officer position.

Reeve Beaupre commented on annexation consultants and inquired if Planning

had considered hiring a consultant for long-term planning. Mr. Simpson responded that they like to keep those positions in-house because our staff have a better idea of how Council and ratepayers will react to certain proposals. Clairmont Heights was done by an outside consultant.

Councillor Harpe inquired if the new position would be for Safety Codes inspections and whether it would speed up the turnaround time for permits. CAO, Bill Rogan responded that the position will be for Planning enforcement. Mr. Simpson responded that the turnaround time depends on when the inspectors are there at the office, Rob Renschler, Safety Codes Manager, isn't always at the office because he is out doing inspections. He further noted that we waived \$160,000 worth of permits last year, \$20,000 for non-profits, and many for Public Works as well.

Economic Development

The vision for Economic Development (ED) is to diversify the economy and grow the County tax base.

The projects that are currently being undertaken are:

- Multi-modal;
- red meat initiative;
- furthering and promoting tourism;
- the Philip J. Currie Dinosaur Museum (under construction but will further economic development once opened);
- and ideas around growing the commercial sector;
- The ASP for Clairmont Heights is a significant economic driver as there will be 12,000-15,000 people located in 2 square miles once completed;
- the County Sportsplex was opened on January 2, 2013;
- Wapiti Dunes trails were opened and the County has received thanks from both City and County residents;
- the Wapiti Corridor Development Project;
- Growing the North Conference;
- The aerial photos that were noted earlier by GIS are a cross-department benefit for both Planning and Public Works.

Economic Development budget: The budget is the same as last year, any increases are from inflation. There is a projected increase due to staff salaries, movement of expenses for departmental rent as well as supplies. With Walter Paszkowski retiring and Chris King starting there were changes with salary and benefits.

Reeve Beaupre inquired if the aerial photos will help with site-specific building sites. Mr. Simpson responded that the photos really help because we can look at the topography and this allows for better background information for flood plains, etc, that occur on certain areas. They keep all of the aerial photos on Enterprise so they can compare the changes over numerous years.

Dinosaur Museum Project:

Mr. Simpson noted that some of the budget reflected Council's direction. There is a commitment to ribbon cutting in August and opening in December 2014 and any changes might affect the timelines. The budget reflected how the museum will proceed with operating after opening as well as the capital plan for 2014. There is a slight decrease in next years operating budget and they are down one staff member on the education side.

Councillor Harpe inquired if the budget included starting operations shortfall of \$500,000/year. Mr. Simpson responded that there is an operations column. A summary of the museum cost budget, general contract services, and capital was given. CAO, Bill Rogan commented on the \$400,000 operating grant on page 28 of the budget package, that could go to the Dinosaur Museum Society to hire the noted staff, or the \$400,000 would come back to the County and we would have to hire the staff. Some or all of the \$400,000 would move to next year, it is based on when they start to bring on staff.

Councillor Smith commented that we should not be planning a grand opening for December 2014 when the building does not have displays, FF&E, and staff. He believes the opening should be postponed to April 1, 2015 to allow for more time to fundraise for the building shortfall. It would also give us time in the spring to find out about the Regional Collaboration Grant.

#BD20131204.1001 **MOVED BY B. SMITH** that the Grand Public Opening of the Philip J. Currie Dinosaur Museum be delayed to April 1, 2015.

CAO, Bill Rogan commented that we don't anticipate staffing until July-August 2014. If we push back the opening until April we will need approximately \$200,000 to hire a director and other staff for the museum in October. If we want to open in April 2015, there should be \$200,000 put towards the 2014 budget and the balance in 2015 budget.

Councillor Harpe is in favour of the motion. Councillor Harris spoke against the motion. Reeve Beaupre commented that we need to try and accomplish the opening. Councillor Beck commented that he is concerned that we don't have the contingency plan in place and we are relying on receiving the Regional Collaboration Grant.

Mr. Simpson noted that we have hired someone to work on the displays and they will be coming to Council in January to discuss costs and design but we cannot proceed until we get the grant or additional funding. CAO, Bill Rogan commented that RFPs will be going out because they cannot approve purchases, but can explore the costing. The RFPs will not close until March 2014 and the County cannot commit to a bidder until April 2014.

Councillor Sutherland commented that he is against the motion because delays will increase the costs as there will be no income for the 6 months if it is delayed. Councillor Marshall is against the motion because there is not enough information

to make the decision right now, and Council will have all the information in April.

DEFEATED

#BD20131204.1002

MOVED BY R. HARPE that the Philip J. Currie Dinosaur Museum operating deficit be reflected in the requisition line where the Grande Spirit Foundation is listed.

Councillor Harpe commented that he has spoken to Municipal Affairs in regards to adding more projects to the requisition line, and he was told that if a Memo of Agreement is signed the Dino Museum amount can be put on the requisition line. CAO, Bill Rogan inquired if the motion can be deferred to tomorrow so Finance can investigate the suggested process.

Reeve Beaupre spoke against Councillor Harpe's motion. Councillor Smith commented that he has been receiving complaints from ratepayers that they were not being informed about the large projects and how they are affecting their taxes. Councillor Harris spoke against the motion because the County publishes the budget for the public and they can investigate on their own, it does not need to be included on their tax notice.

Councillor Harpe commented that the intention of the motion is to clarify to the residents how little they are actually paying on their taxes, the transparency will cause the public perception to change. Ordinary people will be able to see what they are paying for, it is not the intention for all projects to be listed.

MOVED BY R. HARPE to table the motion until tomorrow afternoon so investigation can be done by Finance.

TABLED

Mr. Simpson referred to the \$1.3 million to finish the building that will come from the Facility Capital Reserve and also noted the unfunded portion of \$4.75 million for the displays, FF&E, and signage which is not included in the budget. In order to fund the shortfall we have been focusing on the Regional Collaboration Grant while Mr. Brake continues to try and engage outside funding. They are asking for \$1.3 million in the interim budget to finish the building in 2014.

Councillor Harpe asked for the breakdown for the \$1.3 million shortfall. CAO, Bill Rogan commented that the \$1.3 million shortfall has been rolled over from the last budget meeting. \$593,000 would be the contingency (if needed) and Mr. Brake had raised \$830,000 of the \$1.3 million but we have dedicated some of that funding for the displays and FF&E items. Mr. Simpson commented that the \$1.3 million also covers the insurance, utilities, engineering costs, and inspections for the building. Councillor Harpe commented on the original cost of the project when the contract with PCL was signed.

Planning & Development

#BD20131204.1003 **MOVED BY B. MARSHALL** that the meeting be recessed at 12:07 p.m. until 1:00 p.m.

CARRIED

The meeting was reconvened at 12:56 p.m.

Water Supply

Herb Pfau, Superintendent of Public Works, thanked CAO, Bill Rogan, Gwynne Reid, Office Manager for Public Works, Mrs. Vavrek, and Public Works and Finance staff for all of their assistance on budget preparations. He presented the overall Public Works budget prior to addressing the individual sections.

Mr. Pfau noted an operating increase of 6.96% in the Net PW/Transportation budget. He also commented on the rock removal program in County ditches that will cost approximately \$105,000. He also noted an increase to the dust control program in the amount of \$100,000 as it is a well-used project. Mr. Pfau also noted a request for a Spare Graderman position as they cannot afford to shut down a grader when the operator is either sick or on holidays. The graders are run 24 hours each day whenever the operators can be shifted. He also noted an Evergreen Park study for \$100,000 and \$150,000 to operate and maintain the building. Mr. Pfau also noted another \$95,000 in the budget to look at the intersection at Evergreen Park. Councillor Smith commented that the County contributes a lot of money to Evergreen Park. Mr. Pfau responded that the County installed the intersection and we have had criticisms because with the big events there is congestion and lack of parking. Furthermore, if we proceed with the realignment, it will be the precursor to signalization (which will have challenges because 85% of the time they do not need the signalization).

Water General: There is a slight increase to salaries and inflation and the water portion will come in on budget unless there are emergent issues.

- a 3% increase to the communities that are supplied to (Bezanson, La Glace, and Teepee Creek);
- capital for the Teepee Creek chlorination system at a cost of \$30,000; Councillor Marshall commented on the use of sodium chloride to address the iron. Steve Madden, Environmental Manager, responded that they use potassium chloride to pull out the iron as well as a sulfate reducing bacteria;
- the east side servicing to Sandy Ridge (to Range Road 54) project at a cost of \$909,687;
- Carryovers: there are four projects that are still incomplete;
- Water Station project for Dimsdale area delayed to 2015; they are also currently looking in the Five Mile Hall area for testing.

Reeve Beaupre commented on the Teepee Creek chlorination system and why

cost recovery is not being done by the County. Mr. Pfau responded that we are at 8-10 accounts for Teepee Creek and we will likely charge \$1 but we are already getting the \$100 from the accounts every 2 months.

Councillor Harpe inquired if there is a uniform charge for water/sewer. Mr. Pfau responded that the charges are slightly different and that the Province is barely funding a lot of water projects so they did not want to reflect the grant in case we don't get it. Councillor Marshall referred to what is happening in Hilltop Estates as they run their own system and it costs \$60/month so the \$50/month proposed would be a great deal for Teepee Creek. The 3% increase noted above is equivalent to Aquatera rates. Councillor Beck commented that the Teepee Creek well is not very good currently and if there is further growth there we will have to look for another option, if it has been done in La Glace it will need to be done in Teepee Creek.

Sewage Services

The Sewer services are slightly under budget and there are not a lot of changes. They will be adding \$1/month to the current rates.

Recycling & Landfills

Recycling and Landfill are slightly over budget for 2013 and are projecting an increase in 2015/16 for recycling and garbage services. A \$6000 grant is noted from the bottle program for the landfill. Reeve Beaupre commented on the recycling program in Wedgewood, that she has received comments from ratepayers about the Aquatera bills, and inquired about investigating the 2/3 portion that want the recycling. Mr. Pfau commented that he has checked with the contractors and they have the capacity to handle more areas, in the new year we will be rolling out the recycling and garbage services to the other County residential areas that are not already serviced.

The Clairmont Landfill revenue is projected to be \$900,000 higher than budgeted and is projected to transfer \$1.767 million to Capital Reserves. In 2014 they are reflecting the increase to revenue to be more accurate. The numbers reflect that people will come to the County landfill instead of Aquatera. CAO, Bill Rogan commented that we have used this revenue to fund capital projects in the past.

Regional Landfill: Mr. Pfau noted that the \$40,000 contributed for operations is included in the budget. Councillor Smith inquired if there has been any research done in regards to reducing costs. Mr. Madden responded that the RFP will go out in the new year, it will be open in January 2014. They have budgeted \$60,000 for the study. Mr. Pfau clarified that the County operates the Regional Landfill for all of the partners: Mr. Madden is the Manager, Gwynne Reid is the recording secretary, and we do charge an Administration fee for the Regional Landfill.

Curbside recycling: for rural estate areas that receive curbside recycling (Wedgewood, Clairmont, Westlake, etc.) the total cost is divided and then put on

their bill.

Capital Plan 2014:

- Clairmont Landfill: engineering to dig another cell at the landfill proposed for 2016;
- Councillor Harpe inquired how high we can go into the air space. Mr. Pfau responded that the ratio is 5:1 or 6:1, including air space the volumes were at 655 years of landfill use. Councillor Marshall inquired about the lifespan on the West County Landfill. CAO, Bill Rogan responded that it will be around 300 years.
- Clairmont Landfill expansion Windfence to assist with reducing blowing litter:
 - a new 4 X 4 Crew Cab for the Landfill staff and bridge inspectors to share;
 - land purchase for lands adjacent to the landfill: the documents are being done up and the County has met all the conditions.
- Reeve Beaupre inquired if the truck is a replacement for another. Mr. Pfau responded that it is an additional truck on top of the 3 replacement trucks. CAO, Bill Rogan commented that we are currently sharing trucks and this will allow for more use.

Project carryover from 2013:

- the old La Glace landfill along Hwy 59 needs some rehab work done as it is currently a liability.
- Pavement for the recycling area at the Clairmont Landfill.
- Reeve Beaupre inquired if there is anything in the budget for landscaping or pad development at the 5 Mile Hall and south Fire Hall locations. Mr. Pfau responded that it is not included but we usually address the sites with gravel, it will be more maintenance being done.

Public Works/Transportation

Mr. Pfau commented on the 172% reduction in the 2014 Public Works/Transportation budget: due to reallocating the transfer of equipment replacement reserve to each individual program area. For 2013 they are slightly under budget and final debt payments were made to finish the Northgate local improvement and Regional Landfill road paving (both were 10 year debentures).

Administration:

- slightly under budget for 2013.
- Increase in 2014 budget due to maintenance, utilities, insurance, and supplies required for the new office building.
- An increase in the budget for street lighting in subdivisions. Reeve Beaupre inquired if we can control the lighting in subdivisions that are not fully built. Mr. Pfau responded that we do and that for Emerson Trail and other areas we try to hold back on lighting until there are a few houses built and people are living there.
- Increase for salary and benefits due to annual grid increases, a 2 month training period for a possible Senior Management position and the

proposed addition of a Project Technologist.

- Asking for additional position for the Construction Group due to the increase of development permits and subdivision requests. Currently one staff member is on Maternity Leave and the person covering is currently getting her designation. Public Works would like to add this position in so she can now be permanent (she has been a summer student for the last 4 years while in University).

Councillor Harpe inquired about the possibility of starting our own engineering consulting team for all County related business as the cost per year for engineering consultants could be kept in house. CAO, Bill Rogan commented that with subdivisions the developer pays for the costs not us. Mr. Pfau commented that we are slowly doing more and more in house engineering. CAO, Bill Rogan commented that the engineering could be done in house as there are lots of other jobs that require contracting services.

Mr. Pfau commented on multi-paving and what was done for Silverpointe. The engineers estimate would have been \$200,000 but the County Spot Construction team completed the work for \$60,000. In regards to the engineering, we are about half way to having a County in house team.

CAO, Bill Rogan commented on the Feasibility Study to determine a future water service for Evergreen Park in the amount of \$100,000. There were questions asked from Council about future water. There was discussion about water in Pine Valley and the Minhas subdivision. He also noted supplying water to Weyerhaeuser. Mr. Pfau commented that this issue emerged a couple years ago, there are water issues at the Entrec Centre and the project was flagged until a new grant came forward.

Unfinished projects:

- the Clairmont Lake storm water management design. Reeve Beaupre commented on the timeline for this project. Mr. Pfau noted that the delay has been because Alberta Environment kept changing the rules. CAO, Bill Rogan commented that we had collected some levy for the project which started at a cost of around \$100,000. Shane Kessler, Construction Manager, commented that the new legislation will be active in August and it will make it easier to converse with Alberta Environment about what will be done and provide more negotiation tools;
- Road Design Standards Study: for Highway 43X, Highway 40X east, and from Evergreen Park to Ritchie Bros; there is \$350,000 in the levy and they will attempt to have the work done by County staff to ratify what the goal is as we need to set land aside now in order to prepare for the future.

Shop budget:

- Councillor Harpe inquired about the calcium injector in the trucks and whether it will clear the snow off better. Mr. Pfau responded that they used to use pickled calcium, the injectors on trucks are not very big. If you use

calcium it melts the ice and then freezes as black ice. Sand and salt will be spread before a major snowfall if they can get it done;

- some increases in utility costs as there are 3 bays on the shop now;
- little over budget this year due to fuel costs (increased hours), internal shop labour, and salary and benefits;
- they have moved an employee from the gravelling to this line because he spends his time there;
- \$105,000 for the rock removal as per Council motion: they will have to hire the contractor that completes the dust control program, hope to hire a trucking firm (small loader), get Agriculture to give them the maps, and in September-October address the rocks;
- another seasonal operator position (\$58,916) as they would like to introduce a program for the higher density subdivisions and they will also plow with the trucks when they can; if they get a small loader (approximately \$160,000) with a blade with down pressure it will be just like a grader to address the small areas and this will save the sand and salt use. The smaller loader will address mailboxes and smaller areas better. The loader can help all the areas in the winter and in the summer it can be used in the gravel pits and for culverts;
- Councillor Sutherland discussed a mulcher to do brush control. Mr. Pfau responded that there is a maintenance budget to address the brush control. The brushing program is done each year and the maps are sent to Agriculture prior to ensure there aren't any weeds that need spraying, then PW cuts the area. Public Works has the trackhoe until the new year and there is 3600 km of road to cover;
- Gravel and oiling: increase of \$100,000 for the dust control. Councillor Harris inquired about the charge for dust control. Mr. Pfau noted that we use calcium chloride and we charge \$440 per 100m. The Oil companies pay full product costs. Councillor Smith commented that there is a large subsidy and service provided to County ratepayers for the dust control. With the program they usually spray twice but the downside to calcium is that if there is a lot of rain it washes out and if it is really dry it will get lifted off.

County owned graders: there has been extra money put into the budget to staff all of the County graders. Currently they are struggling to keep part-time staff working. Public Works wants 1-2 staff that are part-time and they can have them working 2/3 of the time instead. He commented on a graderman in Division 6 who will be taking a year off to farm but is obligated to run the spare grader for the County when required. Reeve Beaupre commented that the summertime is busy for the graders as well and inquired if a part-time employee will be enough hours. Mr. Pfau responded that the part-time person will likely work 3/4 of the time as well as covering vacations.

Mr. Pfau noted that we did run short a truck last year but this year we have 4 trucks and a spare. Right now the main goal is to clean up the snow from Sunday in 4-5 days. Last year they added a whole new route and this year we are adding the spare grader as backup so the services should be improved this year. In 2015, they are adding another beat and if we want to get the service time less than 4-5 days they will need more equipment and staff to run the equipment.

Pilot Projects:

- Smart Blading been done the last couple years, in some of the high washboard areas and around railway tracks they have been spraying calcium;
- they have used calcium on the lower road at Pipestone Creek and it has been working;
- they are trying the use of reject sand in some areas around Rio Grande and there were successes;
- next year they will discuss annexation, paving, and graveling;
- There was discussion in regards to grading in the summer, replacement graders, spare blades, and RFP's and RFT's for new equipment.

Signage: added hours for more maintenance on parking lots.

Spot Construction: status quo budget overall.

#BD20131204.1004 **MOVED BY D. BEESTON** that the meeting be recessed at 2:39 p.m.

CARRIED

The meeting was reconvened at 2:58 p.m.

It was noted that the \$17,000 for signs does not address the Rural Addressing signs because the landowner is responsible for maintenance and replacement. Councillor Marshall inquired if ratepayers are allowed to move the addressing signs on their property. Lynda Caron, Rural Addressing Coordinator, responded that the signs can be moved but there is potential that the average ratepayer may strike a line while moving; the ratepayers can call and request that the County move the sign.

Mr. Pfau commented on the timeline of 4-5 days for snow removal but that this does not always address the drifts. Hamlets will be done 6 times per year and the turn-around on that is 2 weeks. Public Works has many different programs and they try to do one pass on all paved roads daily, but if it is snowing they cannot get to residential until after the main roads are done.

Construction Capital & Maps

New requests:

- Track Hoe spot construction: foreman would like to ask Council to buy another used one;
- \$18,000 for a new manlift; the current manlift won't fit inside the new building, we can rent one but it will cost more overall. Clint Diederich,

Projects Manager, responded that the small one is needed for the Shop and the Sportsplex. He can research a smaller, narrow one; Councillor

Harpe commented that a used one can be purchased for around \$6000;

- loader for hamlets and high density subdivisions with snow bucket and blade;
- pup-trailer needed for gravel truck;
- west county area yard land purchase: land offer with the Town of Beaverlodge for land by the airport which will be used for a stockpile site; this land is necessary because of the issues Public Works is experiencing with the Metcalf pit and lack of assess;
- 5 graders: covered under the equipment replacement reserve, there are also pick-up trucks due for replacement;
- they also want to replace the forklift in the shop as it is from 1985 and it is getting harder to get parts for it.

Carryover: acoustics for PW/IT Building coming from reserves, the project will start mid-February 2014.

Forecast for 2015/16:

- replacements for numerous units;
- request for a new grader and tanker truck for dust control.

Long range road construction projects:

Mr. Pfau noted that right now is the time to pave because the Province has reduced their paving budgets. Reeve Beaupre commented that we need to look ahead to other roads and road reserves to see savings as we cannot pave a road for any cheaper than we can right now.

Councillor Beeston inquired about projects for 2017. CAO, Bill Rogan commented that Public Works has supplied a 10 year plan so some projects will likely get pushed back. Mr. Pfau noted overlays, roads like Horse Lake, the flyover for \$10 million, and commented that they will likely not ask for the full \$55 million in 2017 for road projects. Councillor Smith commented that the Province should re-instate the Resource Road funding grants. Reeve Beaupre commented on a conference call with the Minister of Municipal Affairs who said that the Minister of Transportation has been told that the rural municipalities need the Resource Road grants.

Bridges:

- \$1 million for bridge program;
- approximately \$1.5 million has been put into the repair of bridges this year;
- \$257,000 that has not been allocated;
- between 311 bridges in the County there are always some that need emergency repairs.

Divisional road projects: this year the Divisions in the South County will be done. Reeve Beaupre inquired where the funding comes from. CAO, Bill Rogan responded that we rotate Divisions because 5 are addressed one year and 4 the

next year.

Existing Paving Projects:

- Clairmont-Willowdale rehab;
- Clairmont Countryview sidewalks: the Contractor did not get it done so will finish in spring, the top phase was done last year. CAO, Bill Rogan commented that this project was done without curb, gutter, and sidewalks, so they are now being put in;
- new surfacing north of Clairmont at the Clairmont Parkway: there is a design for a 4-lane highway, street lights, and crossings;
- Township #732 (Emerson Trail) west to Highway 2: there is half a mile that needs to be re-graded;
- Evergreen Park access to Range Road 55: all sand and washboard areas. They approved PW re-routing the sections of traffic;
- Pipestone road: was set aside last year to balance budget;
- Range Road #63 Bauman Road: extend the turn lane; have a log haul turn and let people turn in the intersection. Mr. Pfau noted that the landowner has no immediate plans to do anything as of now so we will likely have to buy the land instead of negotiating road widening.
- \$95,000 for the Access Management Study at the Evergreen Park intersection (study in 2014): might want to put in a small right hand turn lane from the north as there is now increased traffic there; the study will likely say signalization or another approach.
- Aspen Ridge Rehab phase 2;
- new surfacing for Silverpointe entrance: it is a major manufactured community with approximately 1500 people located there. Range Road #65 sees well over 1100 cars per day. CAO, Bill Rogan commented on the background for work done in Silverpoint: RR64 is a levy road, the internal road would be done by the developer if he is developing more than the one parcel. The costs could be recovered over time from the developer. At annexation they commented that they would recommend the paving be done at some point. Councillor Marshall inquired about the annexation area; CAO, Bill Rogan responded that it extends past RR64 to Mountview.
- Short Term annexation area: we would like to overlay our portion of Range Road #62 (Dunkly Meadows).

Road Construction Carryover:

- Range Road #54 North of Highway #43: the contract has been signed but they couldn't get it done this year;
- Range Road #54 South: the County paved the first mile then negotiated for the second mile; the remainder of the project will tie the last mile into our multi-paving program. The funding will come from general taxation and infrastructure.

Unfunded Items:

- RR70 (in annexation area) Highway #43 to Township #720 x 2;
- Monkman Pass RR #121 & Twp #700 at the end of the secondary highway;
- Maple Grove, Sandy Lane, Mountain Side, and Nordhagen subdivisions: can

patch this year and can do some next year as well. Mr. Pfau suggested that we focus on at least two projects for the subdivisions next year;

- Pipestone emergency 2nd access: Pipestone is the most heavily used and has the biggest liability and risk for the County. Estimate of \$1.6 million for the project. This is for Fire protection issues, regardless if they want the 2nd access it is for safety.

Mr. Pfau concluded his presentation at 4:03 p.m.

#BD20131204.1005 **MOVED BY D. BEESTON** that the meeting be recessed at 4:04 p.m.

CARRIED

These Minutes Approved this _____ Day of _____, 2014.

Reference #: _____

REEVE

COUNTY ADMINISTRATOR