



# AGENDA

## Special Council Meeting

5:30 PM - Wednesday, December 8, 2021  
HUB

---

Page

	<b>1.0</b>	<b>CALL TO ORDER</b>
	1.1	Conflict of Interest Declaration: Pecuniary and Non-pecuniary
	<b>2.0</b>	<b>ACCEPTANCE OF THE AGENDA</b>
	2.1	Regular Council Meeting Agenda - December 8, 2021
	<b>3.0</b>	<b>ADOPTION OF PREVIOUS MINUTES</b>
	<b>4.0</b>	<b>BUSINESS ARISING FROM THE MINUTES</b>
	<b>5.0</b>	<b>DELEGATION BY APPOINTMENT</b>
	<b>6.0</b>	<b>PUBLIC HEARING</b>
	<b>7.0</b>	<b>BYLAWS &amp; POLICIES</b>
	<b>8.0</b>	<b>NEW BUSINESS</b>
2 - 119	8.1	2022 Budget Deliberations - K. Beauchamp <a href="#">Budget Deliberations - Pdf</a>
	<b>9.0</b>	<b>DEPARTMENTAL REPORTS</b>
	<b>10.0</b>	<b>COUNCIL REPORTS</b>
	<b>11.0</b>	<b>CORRESPONDENCE</b>
	<b>12.0</b>	<b>INFORMATION ITEMS</b>
	<b>13.0</b>	<b>CLOSED MEETING</b>
	<b>14.0</b>	<b>ADJOURNMENT</b>

# AGENDA ITEM REPORT

**Title:** 2022 Budget Deliberations - K. Beauchamp  
**Report Type:** Information Update  
**Report Author:** Kyle Beauchamp  
**Meeting:** Special Council Meeting - 08 Dec 2021  
**Department:** Corporate Services  
**Reviewed by Supervisor/Peer:** Kalen Hastings

## TOPICS:

**Corporate Services:**  
Financial

## OBJECTIVE:

To begin 2022 budget deliberations.

## PREVIOUS COUNCIL DIRECTION:

First time this matter has appeared before Council.

## ANALYSIS:

The budget deliberations for this meeting can be broken down into three main sections:

1. Budget Process
2. Financial Overview
3. Capital Budget

The operating budget will be presented at the December 15th meeting.

## FINANCIAL IMPACT:

Capital  
See attached presentation.

## STAKEHOLDER ENGAGEMENT:

Further stakeholder engagement will be completed as part of the 2023 budget, in conjunction with development of Council's Strategic Plan.

## DECISION OPTIONS:

No formal approval is requested as part of this budget meeting, as currently a draft budget is being presented. Formal approval of the capital budget will be brought back at a subsequent budget meeting.

1. Council can accept this report for information, and provide any further direction to Administration regarding the draft capital budget presented.

2. Council can make a motion regarding any of the items discussed should they wish; however, Administration is not requesting as such at this time.

#### RECOMMENDATION:

1. THAT Council accept this budget report as information.

#### STRATEGIC ALIGNMENT WITH COUNCIL STRATEGIC PLAN:



1. Focus on  
Community Safety



2. Focus on Livability



3. Focus on Economic  
Health



4. Focus on Good  
Governance and  
Corporate Excellence



5. Focus on  
Responsible and  
Responsive Growth

#### ATTACHMENTS:

[Capital Budget 2022-2026](#)  
[2022 Budget Presentation](#)  
[Reserve Projections](#)

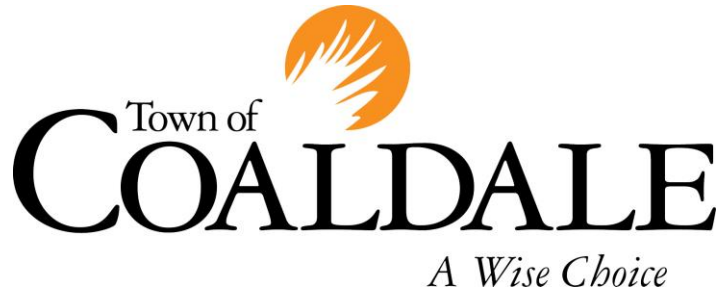
**Town of Coaldale Capital Plan 2022-2026 - DRAFT**

Project				Funding Sources									
Asset Group	Presentation Reference	2021 Approved Budget	2022 Proposed Budget	MSI Capital Grant	Canada Community Building Funds	Other Grants	Reserves	Operational Surplus	Debentures	Regional Partnerships	Offsite Levies	Fundraising	Sale of Assets
1. Projects Currently in Process													
Aerated Lagoon Upgrades	3A	12,836,624	12,466,178	600,174	809,369	4,391,635	2,005,000		4,000,000		660,000		
Multi-use Recreation Facility	3B	13,000,000	15,750,000	3,345,000	507,000		498,000		10,000,000		-	1,400,000	
Northwest Coaldale Infrastructure Development	3C	2,500,000	3,000,000			533,091	1,250,000	305,000			716,909		195,000
Civic Square - Phase 1	3D	5,830,000	6,395,530	3,130,000			2,565,530						700,000
Pathways - phase 1	3E	1,000,000	1,000,000				1,000,000						
Highway 3 Corridor Landscaping	3F	175,000	175,000				175,000						
Water Pump Replacement Program	3G		220,000				220,000						
Fleet Vehicle Replacement - Annual Program	3H		300,000				300,000						
2. Projects Not Yet Started													
Malloy - Phase 2B	4A	3,100,000	3,100,000			2,260,000	280,000			560,000			
Pathways - phase 2	4B	250,000	250,000				250,000						
3. New Capital Requests													
Emergency Services Truck - Fire Chief	5A		80,000				80,000						
Quads Automated Irrigation	5B		60,000				60,000						
NE Industrial Park Paving	5C		110,000				110,000						
Single Axle Dump Truck	5D		180,000				180,000						
Wide Area Mower #1	5D		130,000				130,000						
Broom Attachment for Bobcat	5D		8,000				8,000						
4. Potential Future Projects													
Boom Crane Auger Truck	5D		180,000				180,000						
Automotive Host	5D		50,000				50,000						
Parks Tractor	5D		80,000				80,000						
Single Axle Loader	5D		270,000				270,000						
Wide Area Mower #2	5D		130,000				130,000						
GrassVac Attachment	5D		30,000				30,000						
HydroVac Truck	5D		300,000				300,000						
Terrain Cut Mower	5D		80,000				80,000						
Paint Sprayer	5D		13,000				13,000						
Tandem Truck	5D		295,000				295,000						
Zero Turn Mower	5D		55,000				55,000						
Road and Deep Utility Replacement Program	6C		6,000,000	3,468,000	2,080,000		452,000						
		38,691,624	50,707,708	10,543,174	3,396,369	7,184,726	11,046,530	305,000	14,000,000	560,000	1,376,909	1,400,000	895,000

# Town of Coaldale Capital Plan 2022-2026 - DRAFT

Project				Cash Flow Estimate						
Asset Group	Presentation Reference	2021 Approved Budget	2022 Proposed Budget	2020 & Prior Actual	2021 Estimate	2022 Estimate	2023 Estimate	2024 Estimate	2025 Estimate	2026 Estimate
<b>1. Projects Currently in Process</b>										
Aerated Lagoon Upgrades	3A	12,836,624	12,466,178	182,239	6,033,939	6,250,000				
Multi-use Recreation Facility	3B	13,000,000	15,750,000	247,533	600,000	6,000,000	7,000,000	1,902,467		
Northwest Coaldale Infrastructure Development	3C	2,500,000	3,000,000		2,750,000	250,000				
Civic Square - Phase 1	3D	5,830,000	6,395,530	852,169	1,750,000	3,793,361				
Pathways - phase 1	3E	1,000,000	1,000,000	616,062	100,000	188,938	95,000			
Highway 3 Corridor Landscaping	3F	175,000	175,000	148,886	15,154	10,960				
Water Pump Replacement Program	3G		220,000			130,000	90,000			
Fleet Vehicle Replacement - Annual Program	3H		300,000			60,000	60,000	60,000	60,000	60,000
<b>2. Projects Not Yet Started</b>										
Malloy - Phase 2B	4A	3,100,000	3,100,000				1,550,000	1,550,000		
Pathways - phase 2	4B	250,000	250,000				250,000			
<b>3. New Capital Requests</b>										
Emergency Services Truck - Fire Chief	5A		80,000			80,000				
Quads Automated Irrigation	5B		60,000			60,000				
NE Industrial Park Paving	5C		110,000				110,000			
Single Axle Dump Truck	5D		180,000			180,000				
Wide Area Mower #1	5D		130,000			130,000				
Broom Attachment for Bobcat	5D		8,000			8,000				
<b>4. Potential Future Projects</b>										
Boom Crane Auger Truck	5D		180,000				180,000			
Automotive Host	5D		50,000				50,000			
Parks Tractor	5D		80,000				80,000			
Single Axle Loader	5D		270,000					270,000		
Wide Area Mower #2	5D		130,000					130,000		
GrassVac Attachment	5D		30,000					30,000		
HydroVac Truck	5D		300,000						300,000	
Terrain Cut Mower	5D		80,000						80,000	
Paint Sprayer	5D		13,000						13,000	
Tandem Truck	5D		295,000							295,000
Zero Turn Mower	5D		55,000							55,000
Road and Deep Utility Replacement Program	6C		6,000,000				1,500,000	1,500,000	1,500,000	1,500,000
		<b>38,691,624</b>	<b>50,707,708</b>	<b>2,046,889</b>	<b>11,249,093</b>	<b>17,141,259</b>	<b>10,965,000</b>	<b>5,442,467</b>	<b>1,953,000</b>	<b>1,910,000</b>

# 2022 Budget Deliberations - December 8, 2022



# Introduction – Purpose

- **What is the intention of this budget meeting?**
  - To provide Council with an overview of the budget process and the related financial resources.
  - To provide Council with capital budgeting projections. The operating budget will be presented to Council at a subsequent budget meeting (likely on December 15<sup>th</sup>).
  - Project updates, new requests and financial projections will be presented to Council for consideration and discussion.
  - No formal approval is required from Council this meeting. What is presented to Council at this time is a draft capital budget for review. Formal approval will be requested at a subsequent budget meeting.

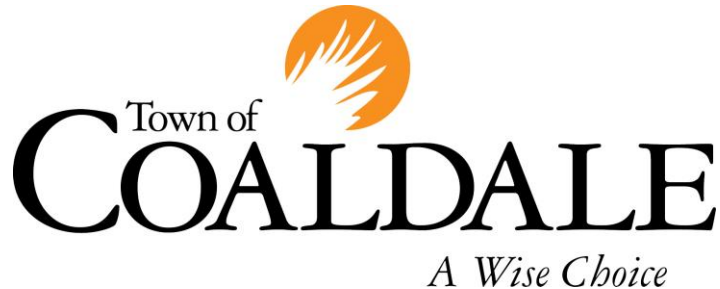
# Agenda

1. Budget Process
2. Financial Overview
3. Capital Projects Currently in Process
4. Capital Projects Currently Planned & Not Started
5. New Capital Requests
6. Potential Future Projects / Areas of Need
7. Questica Capital Projects - Demo
8. Further Deliberations as Council Requests / Conclusion



# 2022 Budget Deliberations

## Part 1 – Budget Process



# 1. Budget Process

## **What is required of Council under the MGA?**

- Council must pass a three-year operating plan and a five-year capital plan under the Municipal Government Act (MGA).

## **What is the Budget Cycle?**

- The operating budget will be from 2022 – 2024.
- The capital budget will be from 2022 – 2026.
- With budgeting multiple years into the future, projections and project estimates are required. However, these future years are not as “set in stone,” as they (2023-2026) will be reviewed and updated as part of the annual budget process. With ever-changing markets, and emerging Council needs/priorities, it’s important to re-examine budgets and financial forecasts on an annual basis using as current of data as possible.

# 1. Budget Process

## How does the Town of Coaldale create the budget?

- The previous year's approved budget is used as a baseline.
- Trend analysis; that is, revenues and expenses are compared from actual (2021) to budget (2021). If needed, the 2022 budget is updated for fluctuations and/or changes in estimate. This process usually starts in **September** of each year.
- In **October**, each department then reviews their budgets with the Corporate Services Dept., and discusses requested changes and/or new budget requests.
- The draft budget is then further reviewed by the CFO and the CAO. A special focus is placed on budget variances and new requests. Several adjustments usually occur at this phase based on priority, need, industry requirements, and Council directive, etc.
- Following these collective efforts, preliminary budget discussions are held with Council, where changes and new requests are presented for discussion. This process usually happens in **November** (delayed for 2021 due to the election).
- Council approves the budget in **December** of each year.

# 1. Budget Process

Services



Quality of Life



Taxes,  
Utility Rates,  
Fees &  
Charges

# 1. Budget Process – Capital vs Operating

## What is the difference between the capital and operating budget?

- The capital budget is largely focused on the construction and/or acquisition of tangible (physical) capital assets.
  - An example of this would be the purchase of your house.
- The operating budget is focused on the day to day expenses required for the operation of the municipality. It also includes the repayment of loans/debentures and allocating savings for the future.
  - Considering the previous example, the operating budget would be all the expenses required to run/maintain your household, such as insurance, repairs, groceries, etc. It also includes repayment of your mortgage (repayment of loans/debentures) and savings for your personal savings (allocating savings for the future – to replace the furnace or roof, for instance).

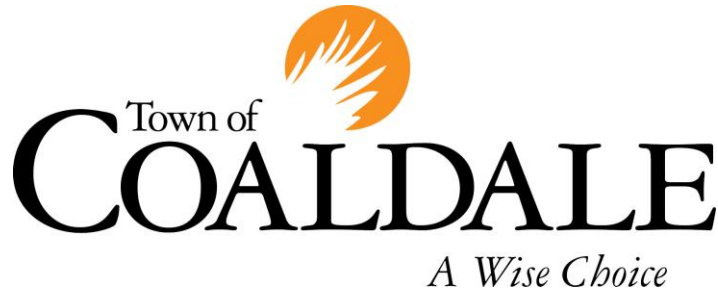
# 1. Budget Process – Capital vs Operating

## What is the difference between the capital and operating budget?

- It can often be the case when a particular expense seems like as a capital item, but it is included in the operating budget.
- For example, the complete *rebuild* of a road and deep utilities would be considered as a *capital* budget item. However, the *repair* of an alley or road patching would be considered as part of the *operating* budget.
- This allocation is based on the associated accounting criteria (is the item a repair or a betterment of the asset), along with an established dollar threshold (based on the Town's Capital Asset Policy).

# 2022 Budget Deliberations

## Part 2 – Financial Overview



## 2. Financial Overview

- The Town has multiple options available for the funding of the capital budget, which is a reflection of Council's priorities. Factors to consider include:
  - Future resources available to the municipality – *such as available grants and debt capacity.*
  - Future capital expenses – *it's important to consider capital needs and ensure adequate resources are available to fund them.*
  - Council's funding preference – *utilization of debt funding vs “paying cash” vs grant hunting vs. a balanced, hybrid funding approach (which is most common)*
  - Operational funds allocated to capital projects/reserves – debt payments and reserves (general and specific “savings accounts”) are generally funded through the Town's operating budget (the “checking account”), which is funded through a combination of taxes, utilities, sales (i.e. land) and fees. The capital project selected by Council have an impact on rates and fees (and vice versa).



## 2. Financial Overview

- From the Town of Coaldale's perspective, the significant sources of revenue in relation to the capital budget are:
  - 2A - Debenture Debt
  - 2B - Grants
  - 2C - Municipal Reserves
  - 2D - Offsite Levies

## 2A. Debenture Debt

- As a municipality, the Town of Coaldale is able to borrow for various capital projects through what is called a “debenture” (i.e. a loan) through the Alberta Treasury Board. Borrowing terms can range between 3 to 30 years, with interest rates increasing as the term of the loan increases.
- With a debenture, interest rates are locked in for the entire term of the loan (i.e. if your loan term is 20 years, your interest rate will be locked in for 20 years), and usually at an interest rate lower than what traditional banks can compete with.
- Historical municipal borrowing rates from the Alberta Treasury Board are available here, should Council wish to review this information:
  - <https://acfa.gov.ab.ca/loan-form-script/rates.html>
  - <https://open.alberta.ca/dataset/c5a6b6bd-9ef9-4915-b375-e04f9190d7ea/resource/4e64fc81-69bd-4a43-a0f8-f78192934eb6/download/tbf-ltla-historical-lending-rates.pdf>

## 2A. Debenture Debt

- With interest rates locked in for the term of the debenture, this also means that the interest expense is essentially locked in for the period of the loan. For example, if a 20 year loan was acquired and repaid early in 15 years, the repayment penalty would essentially be equivalent to the interest charges for the remaining five years of the term. The one major advantage of borrowing from a traditional bank is the flexibility to pay off loans early.
- The MGA also defines the maximum amount of money that a municipality is able to borrow, a term known as debt capacity. A quick calculation of this figure is essentially the total of the Town's operating revenue for a year, multiplied by 1.5 times.
- It is important to consider future projections and changes to our debt capacity. For example, the Town's debt capacity is projected to be higher in 2022 due to a higher amount of lot sales in the NE Industrial Park. However, as these lots are sold out, this revenue will reduce in future years, ultimately reducing the Town's debt capacity to a more normalized figure. Administration has considered the ebbs and flows of the Town's debt capacity when projecting the Town's future debt capacity and debt ceiling.

## 2A. Debenture Debt

- When considering the utilization of debenture debt, a few of the potential benefits to consider are:
  - Budgeting and interest rate stability - when a loan is acquired, the interest rate is locked in for the term of the loan, thus the annual payments are the same each year. This provides protection against rising interest rates and certainty in knowing our yearly debt servicing charge. However, with the locked in interest rate, there is also some strategic planning as to when to acquire debenture debt (borrow when the interest rate is low, and be careful when it is higher).
  - Cash flow management - provides the municipality with a higher level of cash flow that can be further invested and managed through other strategic means.

## 2A. Debenture Debt

- When considering the utilization of debenture debt, a few of the benefits to consider are:
  - Project life costing – for example - a capital project is funded through a \$5,000,000 debenture over a term of 25 years. The capital project has an estimated life of 40 years. If the \$5,000,000 loan was paid 100% in cash, the effective result is that the taxpayer today would be responsible for funding 100% of the capital project costs. However, with 25 years of loan repayments, the taxpayer today, as well as future taxpayers (i.e. new residents and households), will fund their fair share of the construction cost over the period of the loan. Essentially, this reduces the financial burden on the taxpayer today, and allocates this evenly to others over an extended period of the useful life of the capital project.
  - Project completion - sometimes a municipality does not have enough cash to fund projects in full (often due to other infrastructure needs) and thus utilizes debt funding to complete these projects. A comparable would be for a resident who acquires a mortgage to purchase their home, as they do not have enough cash to purchase the property outright.

## 2A. Debenture Debt – Current Debt

Debenture	Year Acquired	Year Repaid	Interest Rate	Annual Payment	12/31/2021 Balance
Arena Expansion	2011	2021	3.564%	\$6,586	\$0
14 Ave Road – 11 <sup>th</sup> to 13 <sup>th</sup> St	2011	2031	3.292%	\$27,576	\$231,118
8 <sup>th</sup> St North	2020	2022	2.069%	\$296,388	\$291,745
11 St Road – 13 <sup>th</sup> to 14 <sup>th</sup> Ave	2011	2031	3.904%	\$38,931	\$306,441
The HUB	2011	2026	2.788%	\$22,149	\$103,152
Aerial Man Lift Truck	2010	2025	3.488%	\$6,895	\$27,510
Loader & Hydrovac Truck	2008	2023	4.565%	\$32,946	\$64,590
Grader	2009	2024	3.973%	\$23,621	\$66,558
Shop Renovations	2011	2026	3.569%	\$9,534	\$39,478

## 2A. Debenture Debt – Current Debt

Debenture	Year Acquired	Year Repaid	Interest Rate	Annual Payment	12/31/2021 Balance
Multi-Use Rec Centre	2020	2044	2.691%	\$552,110	\$9,430,709
Firehall Expansion	2020	2049	2.710%	\$102,717	\$2,013,437
Road, Storm, Sewer Replace	2003	2028	5.875%	\$32,697	\$193,453
Storm Water Trunk Main	2002	2027	6.250%	\$65,117	\$302,227
NE Sanitary Trunk Main	2002	2027	6.250%	\$33,600	\$155,435
NE Industrial Park Phase 2	2013	2033	3.623%	\$21,993	\$212,301
12 St Road, Repave 15 St	2007	2022	4.614%	\$20,652	\$19,975
HWY 3, Land-O-Lakes Intersection	2007	2027	4.426%	\$20,722	\$107,961
Total				\$1,316,234	\$13,566,090

Page 33 of 119

# 2A. Debenture Debt - Projections

Town of Coaldale Debt Projections

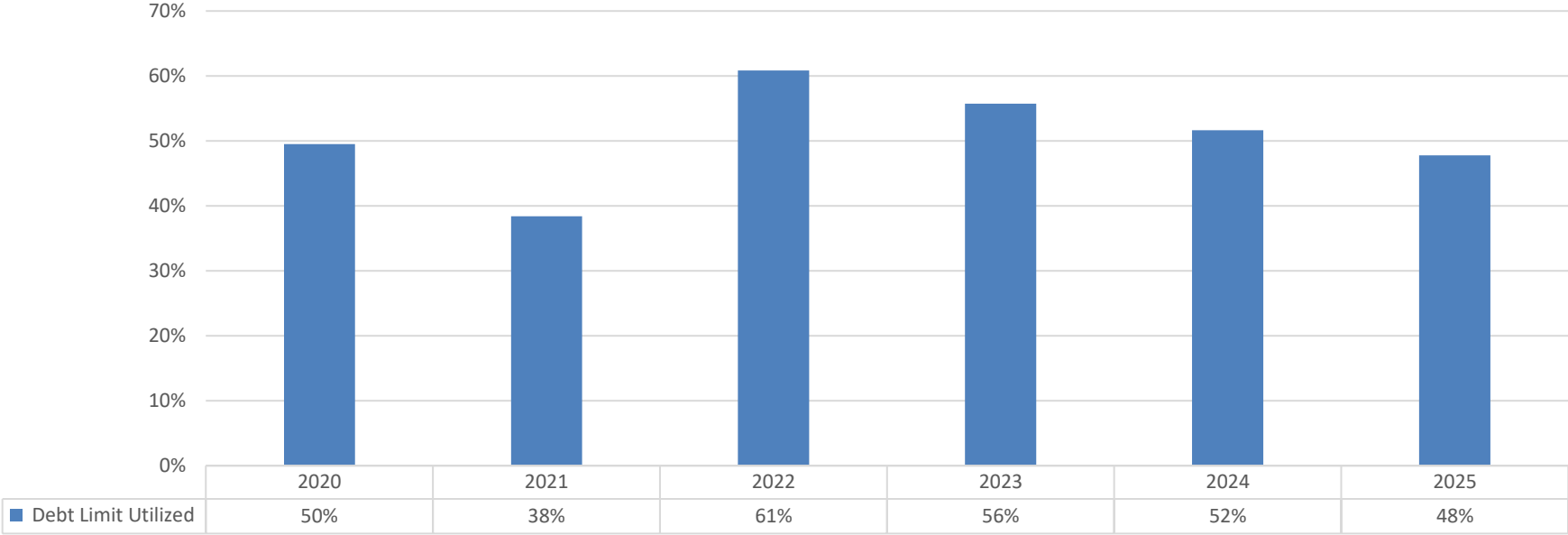


- The column on the left is the Town’s projected debt incurred, while the column on the right is the Town’s projected debt limit.
- The increase in debt incurred in 2022 assumes a \$4,000,000 increase in debt for the lagoon upgrades. No other additional borrowing assumed as part of this projection.



# 2A. Debenture Debt - Projections

Debt Limit Utilized



- This chart shows the projected percentage of the Town’s debt limit that is to be utilized, and thus the debt borrowing capacity available.

## 2B. Grants

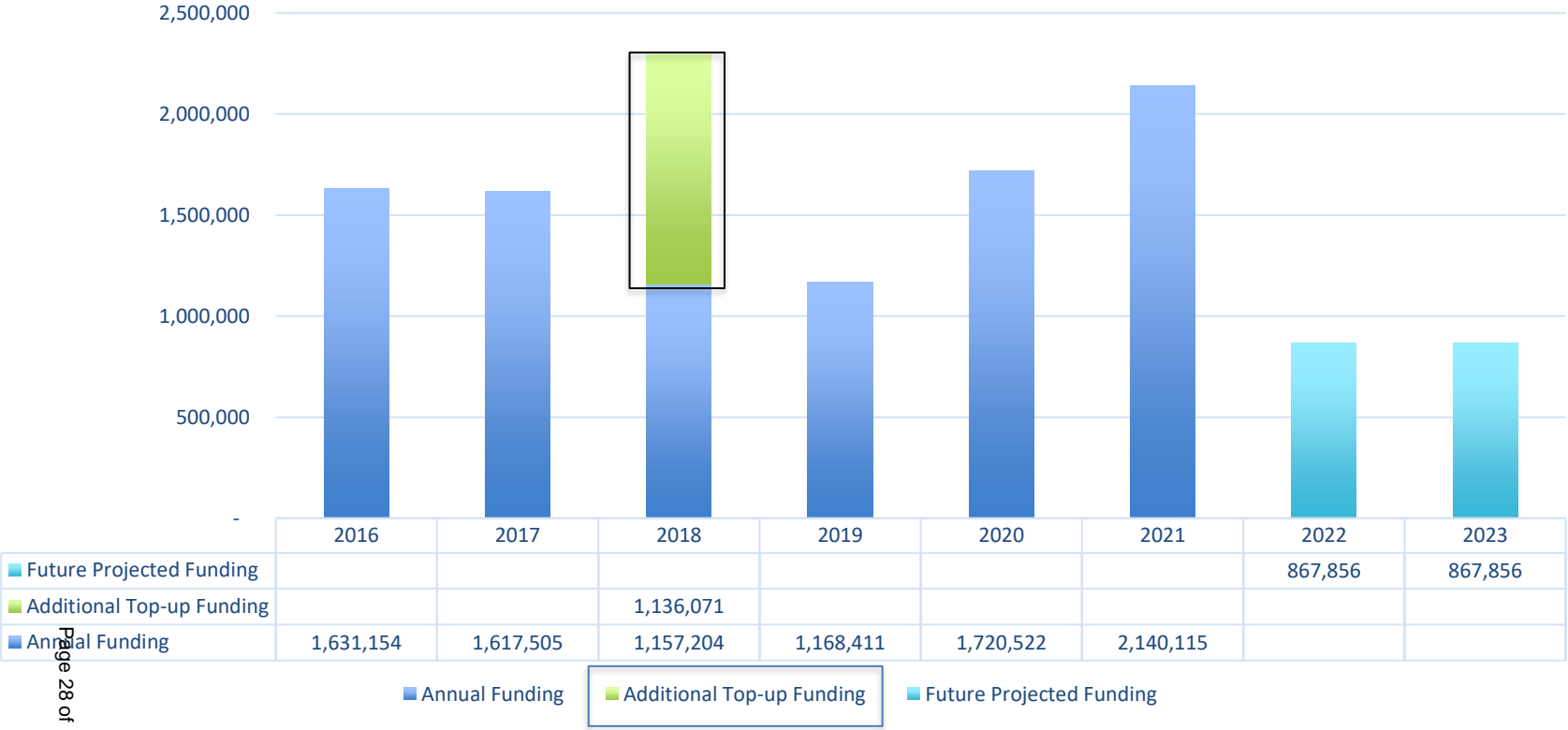
- Each year, the Town of Coaldale receives capital grant funding from the Provincial and Federal Government (“confirmed grants” for the purpose of this discussion).
- There are also other project specific grants that the Town is eligible to receive. However, these grants must be applied for and approved on a competitive, case by case basis (“unconfirmed grants” for the purpose of this discussion).
- With the demand for grant funding often higher than the supply, complete, timely and proper project planning (i.e. shovel readiness), along with a combination of lobbying efforts, will increase the likelihood of successful grant applications.

## 2B. Grants – Confirmed Funding

- The Town of Coaldale is allocated approximately \$520,000 a year under the Canada Community Building Fund (previously known as the Federal Gas Tax Fund) through the Federal Government. Administration is not aware of any changes to the future of this grant program.
- The Town also receives a yearly MSI Capital Grant from the Provincial Government. For 2022 and 2023, the Town's allocation is approximately \$867,000 per year. This represents a roughly 45% - 50% *decrease* in normalized funding from previous years.
- There is some uncertainty regarding the future of the MSI funding. MSI will expire in 2023/2024, to which it will be replaced with the Local Government Fiscal Framework Act (LGFFA) that is currently tied to Provincial revenue levels. As a result, this does pose significant risk to future capital funding allocations.
- For the purpose of future grant projections, Administration is estimating that the LGFFA grant allocation for 2024 and further will be similar to the 2022/2023 MSI Capital allocation. However, this is only a guess at this moment and will likely change based on the funds allocated by the Provincial Government.

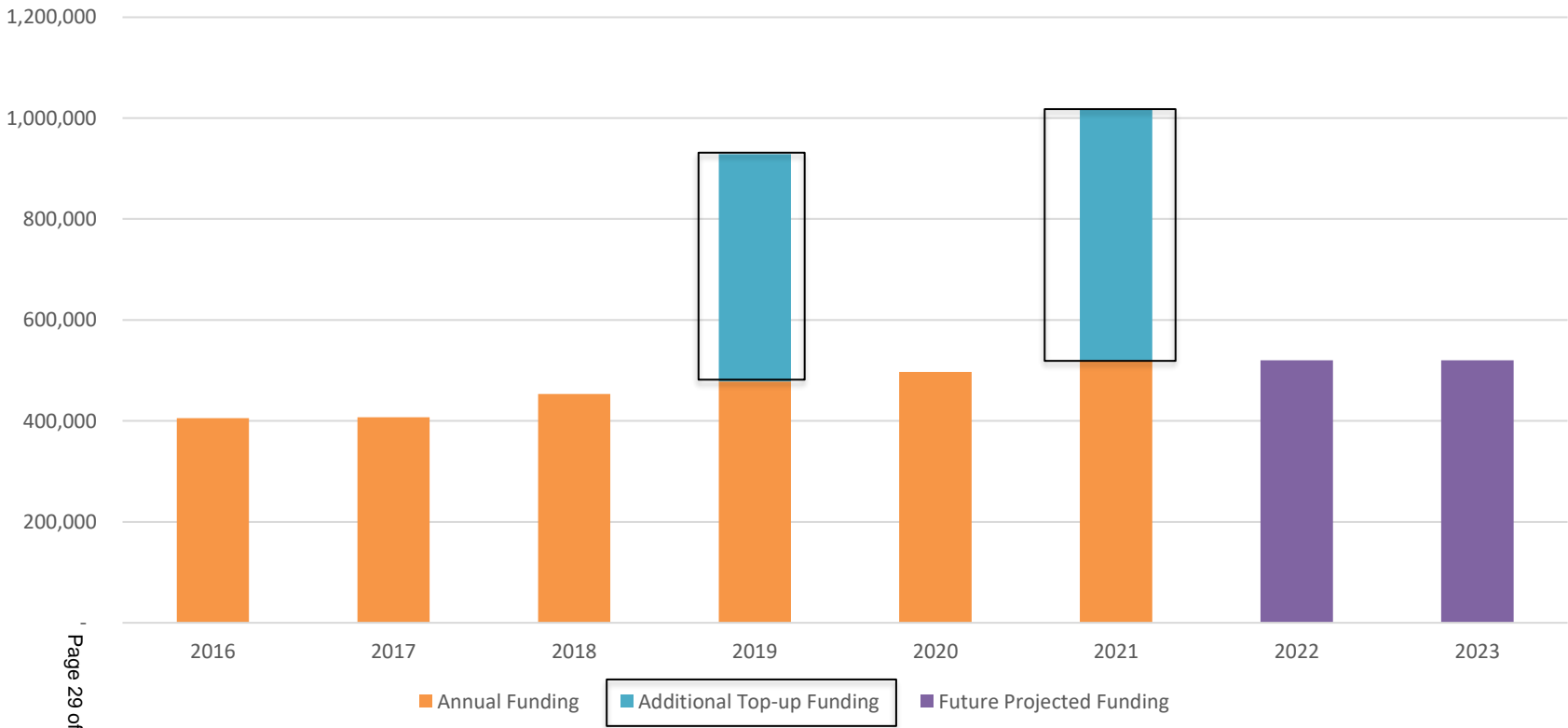
# 2B. Grants – Confirmed Funding

Town of Coaldale - MSI Capital Funding



# 2B. Grants – Confirmed Funding

Canada Community Building Fund (Former Federal Gas Tas Fund)



## 2B. Grants – Unconfirmed Funding

- The Town of Coaldale does have additional project specific grant opportunities through other sources (largely the Provincial and Federal Governments).
- However with infrastructure needs and costs rising across the Country, and often lower levels of grant funding available, it is becoming increasing difficult to acquire these types of grants.
- Areas to which Coaldale has been successful in the past in acquiring grant funding include:
  - Alberta Municipal Water/Wastewater Partnership - \$4,391,635 - Lagoon Upgrades
  - Strategic Transportation Infrastructure Program - \$575,269 - 8<sup>th</sup> Street North
  - Community Resilience Program (Federal & Provincial) - \$4,725,000 – Malloy Phase 2A
  - Community Resilience Program (Federal & Provincial) - \$2,260,000 – Malloy Phase 3

## 2B. Grants

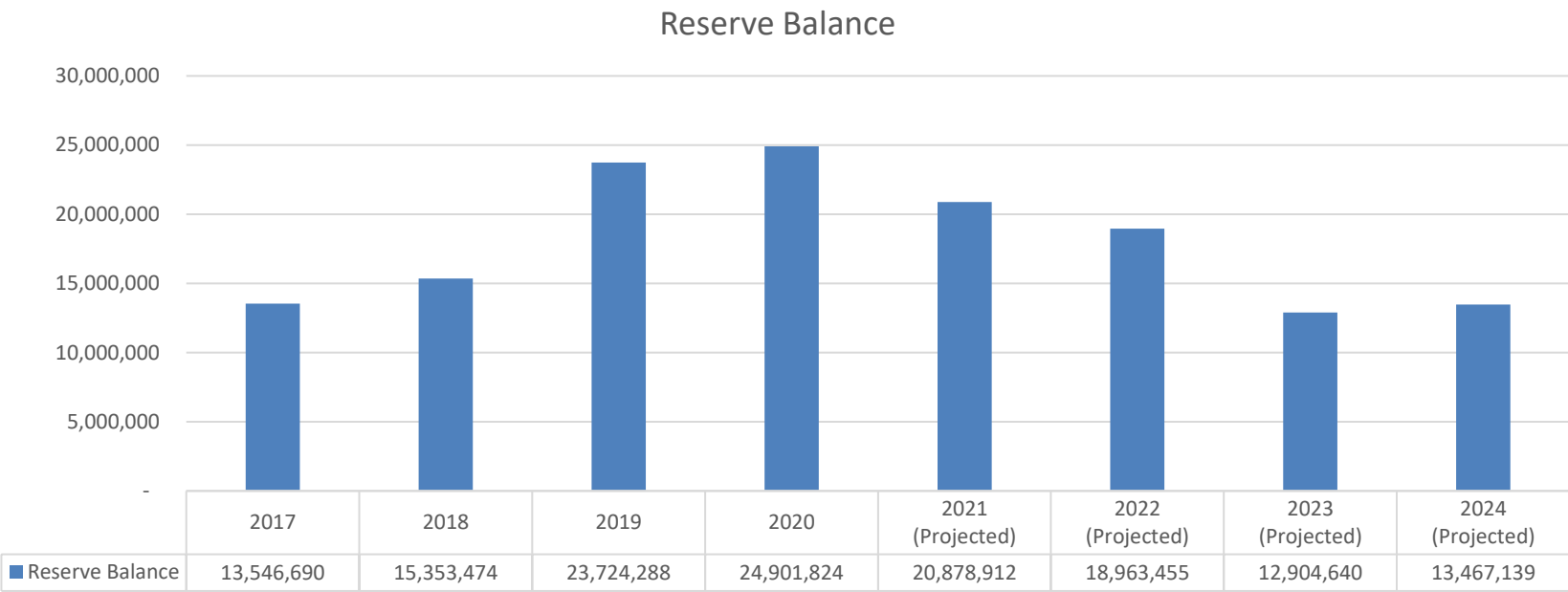
- The Town's confirmed municipal grants up to 2021 have been 100% allocated to previously approved capital projects. However all grant funding from 2022 forward is currently unallocated and subject to Council's approval.
- As part of the Town's draft capital plan, annual confirmed grant funding (\$1,387,000) for 2023 forward has been allocated to a road and deep utility replacement project. This allocation as part of the draft capital plan, and is subject to Council's approval. However due to the uncertainty associated with MSI expiring in 2023/2024, there is a risk of reduced capital grant funding in future years.
- Confirmed grant funding for 2022 is currently unallocated as part of the Draft Capital Budget. Council may wish to allocate these funds as part of this budget process, or wait until a future year to allocate these funds (must be spent within five years).

## 2C. Municipal Reserves

- Each year the Town allocates funds to our municipal reserves. Municipal reserves are essentially dollars saved for future capital projects, or a non-reoccurring operating expense (engineering study for example).
- Municipal reserves can be considered as the Town's "savings account." While funds collected for the day to day operating budget can be considered the Town's "chequing account"
- When increasing infrastructure costs, reduced grant funding, it is important to increase annual municipal reserve contributions. This can be done through:
  - Reduce operating expenses, allocate savings to capital reserves
  - Increase in municipal revenue (taxes, utility rates, other sources).

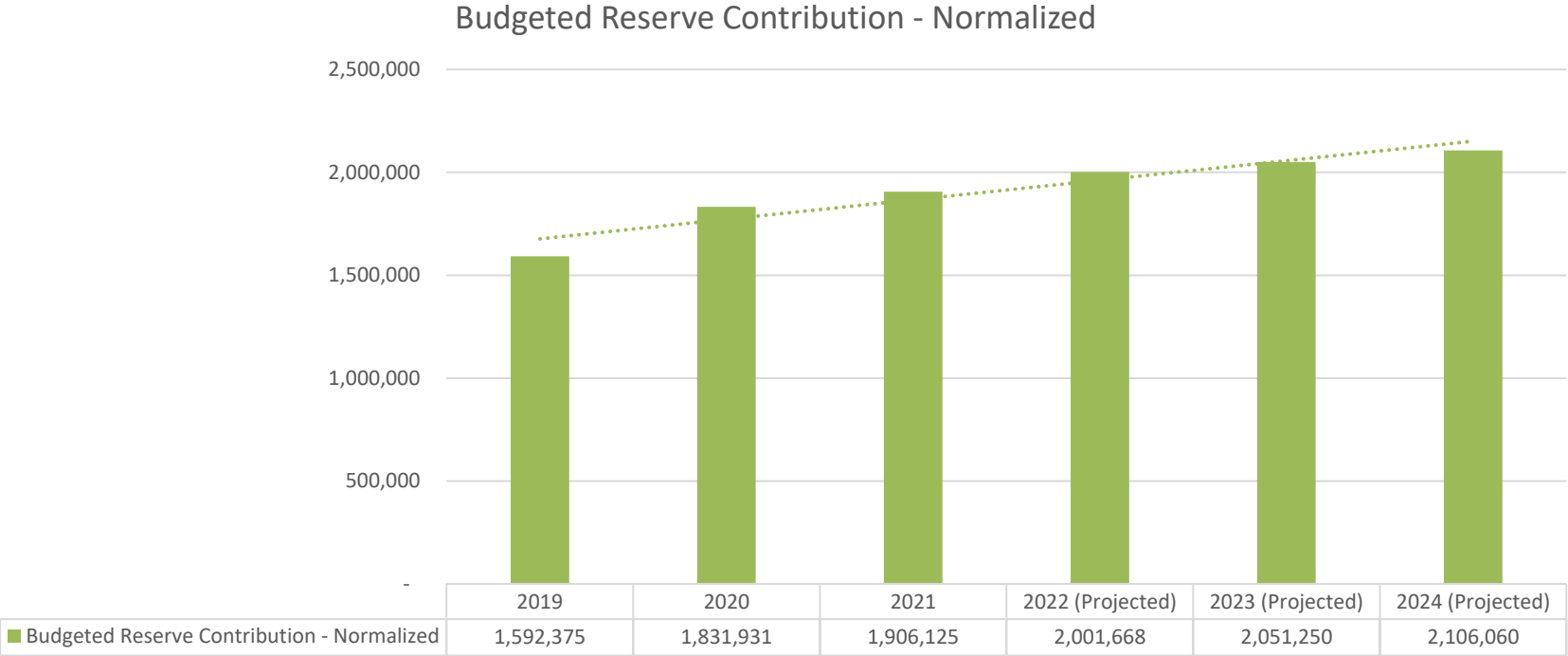


# 2C. Municipal Reserves



- This chart details the Town’s historical reserve balance, along with the projected balance up to 2024. These future projections are based on the current draft capital and operating budget.
- Note the large increase in 2019 related to the \$10,000,000 debenture loan the Town acquired for the multi-use recreation facility.

# 2C. Municipal Reserves



- This chart shows the historical budgeted contributions to the Town’s municipal reserves each year. This data is normalized to excluded land sales and other operating items.
- The projected amounts are based on the current draft capital and operating budget.

## 2D. Offsite Levies

- In order to fund infrastructure needs associated with future development, a municipality is able to charge offsite levies to a developer.
- Currently the Town is re-developing our offsite levies bylaw, to which this will likely be completed in early 2022.
- This process will assist the Town in developing a long-term budget and established funding for new infrastructure projects.

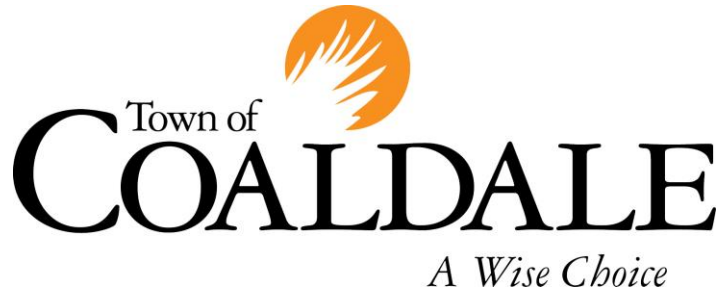
# 2D. Financial Overview - Summary

- The following chart is designed to show a summary of the annual financial resources available to the Town of Coaldale. Note that revenue from offsite levies and unconfirmed grants have been excluded from these projections due to the current uncertainty associated with these. This information is based on the current draft operating and capital budget.

Funding Source	2022	2023	2024
Reserves	2,001,668	2,051,250	2,106,060
Confirmed Grants	1,387,000	1,387,000	1,387,000
<b>Total</b>	<b>3,388,668</b>	<b>3,438,250</b>	<b>3,493,060</b>
Debt Capacity	10,667,339	12,481,644	13,912,004
Offsite Levies	TBD	TBD	TBD
Un-confirmed grants	TBD	TBD	TBD

# 2022 Budget Deliberations

## Part 3 – Capital Budget



# Capital Budget - Introduction

- In accordance with the MGA, Council must pass a 5 year capital plan each year. The capital plan is to be re-visited each year as part of the annual budget process by Council and updated based on various needs and desired changes.
- In essence what Council passes this year for a 5 year plan is not “set in stone” for future years. However a 5 year capital plan is required under the MGA.
- Based on the outcome of these budget deliberations, Administration will bring back to Council a budget for formal approval at a later budget session. As a result, no formal approvals are requested as part of this meeting unless otherwise requested from Council.
- While it is important for Council to consider each project in full, specific budget requests / notes have been highlighted in yellow to clearly identify these throughout the presentation.

# Capital Budget - Agenda

3. Capital Projects Currently in Process
4. Capital Projects Currently Planned & Not Started
5. New Capital Requests
6. Potential Future Projects / Areas of Need
7. Questica Capital Projects - Demo
8. Conclusion / Further Deliberations as Council Requests

# 3. Capital Projects – Work in Process

- The following are capital projects to which construction has already started, or the project is part of an annual replacement program. The intention of this is to provide Council with a budget and information updated related to these projects.
  - 3A - Aerated Lagoon Upgrades
  - 3B - Multi-Use Recreation Centre
  - 3C - Northwest Coaldale Infrastructure Development
  - 3D - Civic Square
  - 3E - Pathways – Phase 1
  - 3F - Highway 3 Corridor Landscaping
  - 3G - Water Distribution Plant Pump Replacement Program
  - 3H - Fleet Replacement Program



# 3A. Aerated Lagoon Upgrades



# 3A. Aerated Lagoon Upgrades



# 3A. Aerated Lagoon Upgrades

- Currently the Town operates an aerated lagoon facility that discharges to the Oldman River. The Province of Alberta provides an approval for the operation of the lagoons under the Environmental Protection and Enhancement Act (EPEA). Under the Town's current approval, the lagoons must be upgraded to meet current standards.
- The scope of the project can be separated into three main categories:
  - Aerated Lagoon Upgrades
  - River Pump Station Upgrades
  - Main Lift Station Upgrades
- Construction of the project is currently underway and is expected to be completed by the end of 2022.

# 3A. Aerated Lagoon Upgrades

- Tender results and the updated budget were last presented at the June 28, 2021 Council Meeting.
- Approved budget at the time was \$12,836,624, with 37.17% of the total cost being funded through the AMWWP grant from the Government of Alberta.
- For 2022 it is requested to reduce the budget for this project to \$12,466,178 (by \$370,446 from the previously approved budget), see next slide for details.



## 3A. Aerated Lagoon Upgrades

- It was previously anticipated that the AMWWP grant would cover 37.17% of the total expenses for this project (\$12,836,624). However, it was later learned that the grant funding would be limited to \$11,815,000 of the total project cost. The result is a reduction in AMWWP grant funding of \$370,446.
- Rather than request additional funds, it is requested that the project budget be reduced by \$370,446, based on cost efficiencies discovered. The budget reduction will be covered as follows:
  - Construction and equipment cost efficiencies found to date - \$280,000.
  - \$90,446 reduction in the project allowance / contingency (roughly \$500,000 at the start of construction).

# 3A. Aerated Lagoon Upgrades

- Revised Budget Requested: \$12,466,178
- Revised Funding:
  - MSI Capital Grant: \$600,174
  - Federal Gas Tax Fund Grant: \$809,369
  - AMWWP Grant: \$4,391,635 (reduced by \$370,446 from previous estimate)
  - Municipal Sewer Reserves: \$2,005,000
  - Offsite Levies: \$660,000
  - Debenture Debt: \$4,000,000\*
- \* Debenture Debt funding and financing plan (utility rates) to be discussed as part of the operating budget presentation
- Budget Request – Council approve the revised budget of \$12,466,178 for the Aerated Lagoon Upgrades.

## 3B. Multi-Use Recreation Centre



- <https://www.coaldale.ca/coaldalenewschool>

## 3B. Multi-Use Recreation Centre

- A full update regarding this project was presented to Council at the November 8, 2021 Council Meeting. As a result, a detailed project scope breakdown has not been included as part of this presentation. However, Administration can answer any further questions of Council should they arise in this regards.
- Previous approved budget of \$13,000,000
  - Debenture funding - \$10,000,000
  - MSI Capital Grant - \$3,000,000

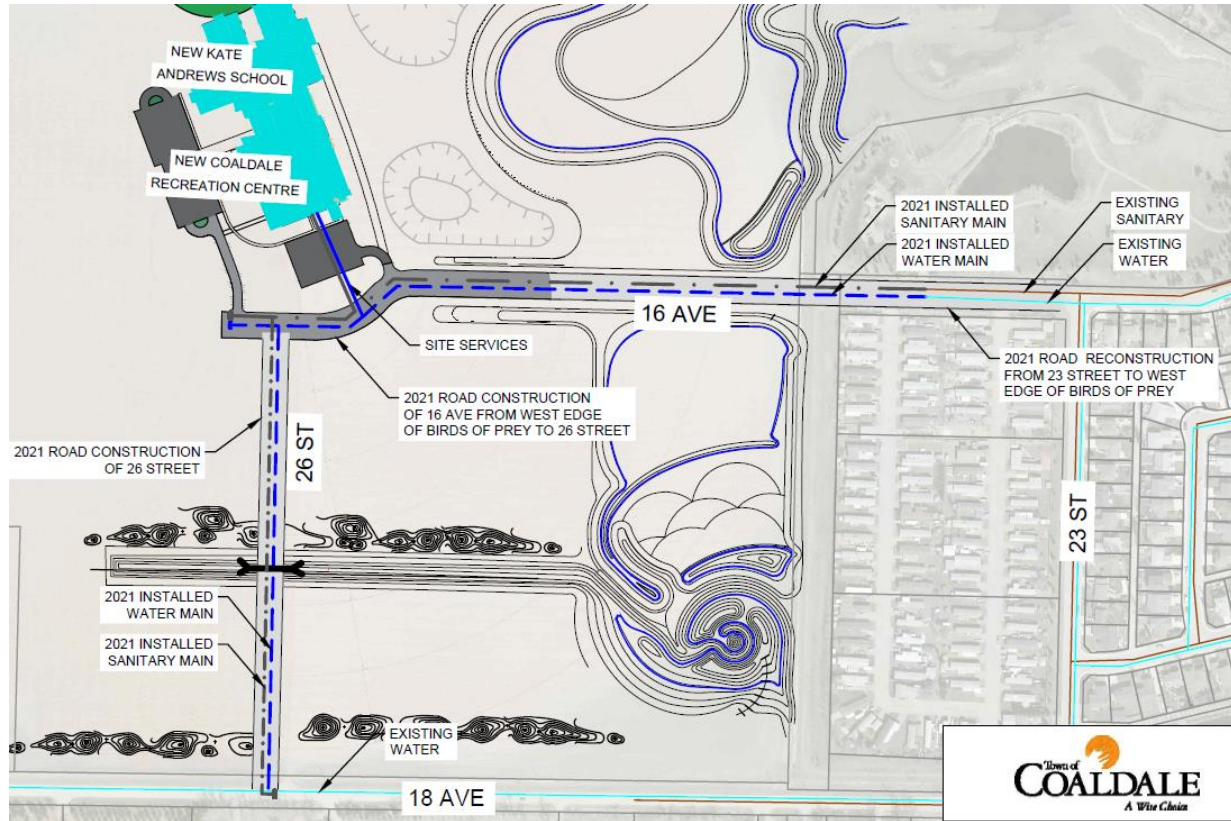


## 3B. Multi-Use Recreation Centre

- Revised budget requested: \$15,750,000
  - Debenture funding - \$10,000,000
  - MSI Capital Grant - \$3,345,000
  - Canada Community Building Fund (Formally Federal Gas Tax Fund) - \$507,000
  - Reserves – Recreation Centre Funding Surplus - \$498,000
  - Fundraising - \$1,400,000
- Construction for the project is currently underway with an expected completion date of spring 2024.
- Budget Request – Council approve the revised budget of \$15,750,000.

# 3C. Northwest Coaldale Infrastructure Upgrades

- Servicing Required:
  - Extension of 16 avenue west along to 27 street – road, sewer and water utilities
  - Construction of 27<sup>th</sup> street south to 18<sup>th</sup> avenue – road and water



# 3C. Northwest Coaldale Infrastructure Upgrades





# 3C. Northwest Coaldale Infrastructure Upgrades

- Servicing Required:
  - Traffic control signal lights installed on Hwy 3 and 30<sup>th</sup> Street.



# 3C. Northwest Coaldale Infrastructure Upgrades

- Previous approved budget:
  - Road and utility work - \$2,500,000
  - Traffic Lights - \$750,000
- Estimated costs to complete:
  - Road and utility work - \$3,000,000 (Estimated costs of \$2,930,000 were reported at the November 8<sup>th</sup> Council meeting – difference due to higher costs for shallow utilities) 2022 completion.
  - Traffic Lights - \$770,000 (Estimated costs of \$790,000 were reported at the November 8<sup>th</sup> Council meeting) – 2021 completion.
- Cost overruns estimated:
  - Road and utility work - \$500,000
  - Traffic Lights - \$20,000
  - Total - \$520,000
- Project update previously provided to Council at the November 8th, 2021 Council Meeting.

# 3C. Northwest Coaldale Infrastructure Upgrades

- Funding Source:
  - Estimated 2021 operating surplus - \$325,000
  - Profit – sale of water rights on school site land - \$195,000
- The operating surplus figure is expected to be finalized in March/April, and this information will be brought back to Council at that time.
- Budget Request – Council approve the additional funds for the project completion. With these projects nearing completion, updated costing will be brought back to Council in March/April as part of the next Financial Update.

# 3D. Civic Square



<https://www.coaldale.ca/CivicSquare>



# 3D. Civic Square



Page 56 of 119

<https://www.coaldale.ca/CivicSquare>



# 3D. Civic Square



<https://www.coaldale.ca/CivicSquare>

# 3D. Civic Square

- Civic Square is a multi-use commercial office development located on Coaldale's Main Street. In collaboration with a third-party private developer, Shift Real Estate Investments LP, this project will create, and serve as a new location for:
  - Commercial office space for prospective enterprise;
  - The Town of Coaldale's administration office building and Council Chambers;
  - Community meeting rooms and a large indoor and outdoor gathering space intended to attract people and events to Coaldale's downtown core.
- Phase 1 of the Civic Square project will see the construction of a new, two story commercial development on Coaldale's Main Street - to be completed in 2022.
- Phase 2 allows for further development of up to 10,000 square feet of additional commercial space along Coaldale's Main Street - as market demands;
- Phase 3 of the project will see the development of outdoor space between the Coaldale Public Library and the new Civic Square building. The outdoor space will be redeveloped to function as a central community gathering space by serving as a hub for festivals, markets, and other community events while also providing parking for Coaldale's expanding downtown.

# 3D. Civic Square

- Phase 1 – 2019 total approved budget of \$5,830,000
  - MSI Capital - \$3,130,000
  - Reserves - \$2,000,000
  - Proceeds from disposal of Town Office - \$700,000
- Following the tender process for Phase 1, the expected cost to complete Phase 1 is expected to be approximately \$6.4 million. The increasing cost can be attributed to inflated construction / material costs (example steel trusses alone were \$100,000 more than originally budgeted).
- The previous Town Council approved the new budget for Phase 1 for \$6,395,530 (including related lands) as “Schedule E” of the purchase contract. Funding source for the revised budget of \$6,395,530 are allocated as follows:
  - MSI Capital - \$3,130,000
  - Reserves - \$2,000,000
  - Proceeds from disposal of Town Office - \$700,000
  - NE Industrial Park reserves - \$565,530
  - Total - \$6,395,530

# 3D. Civic Square

- Amended “Schedule E” of the Civic Square contract was approved at the May 10<sup>th</sup> 2021 Council Meeting, Motion #177-2021.
- Budget Note – With the current cost estimate close to the previously approved budget amount, no changes are requested from Council at this time. Future project updates will be provided as construction progresses. Admin is hopeful full contingency funds are not needed.
- Phase 2 – Lands which will be re-sold to the private developer for further commercial development on Coaldale’s Mainstreet.
- No budget request to Council (as it’s “money out, money in”).

# 3D. Civic Square

- Phase 3 – Current costs relate to land purchases totaling \$719,271, which are to be funded through the Town's NE Industrial Land Reserve.
- Developer has donated \$75,000 towards the Phase 3 outdoor space.
- Administration is currently exploring grant funding related to the potential outdoor space – Canada Community Revitalization Fund.
- A Federal grant application has been submitted for a program that covers 75% of the cost of the project, up to \$1,000,000.
- No current budget request at this time, however Administration will provide further updates to Council based on grant funding opportunities explored. A proposed community consultation plan will be presented to Council for this project in 2022.



# 3E. Pathways – Phase 1

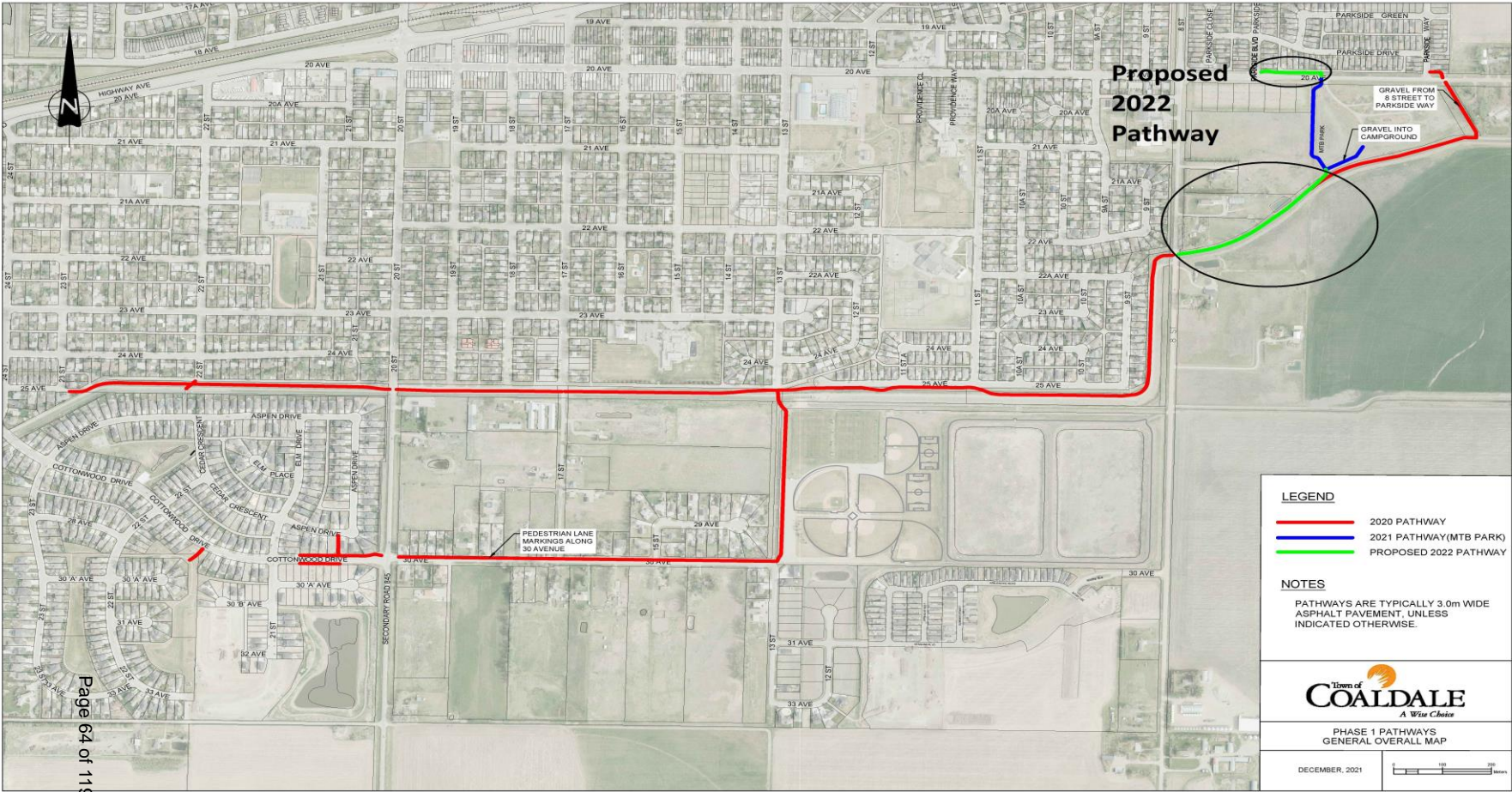


## 3E. Pathways – Phase 1

- Phase 1 of the project involves expanding on the existing trail network and paving over 3.3 kilometers of pathway in Coaldale, providing safe, non-vehicular connectivity to all sides of the community.
- The majority of the work related to Phase 1 of the Pathways project has been completed. However, the extension of the pathway off of 8<sup>th</sup> Street, through the campground and up to 20<sup>th</sup> Ave, remains outstanding. This portion is scheduled to be completed in 2022.
- Total budget for Phase 1 was \$1,000,000, of which \$650,000 has been spent to date on this project. Total estimated final costs are \$840,000.



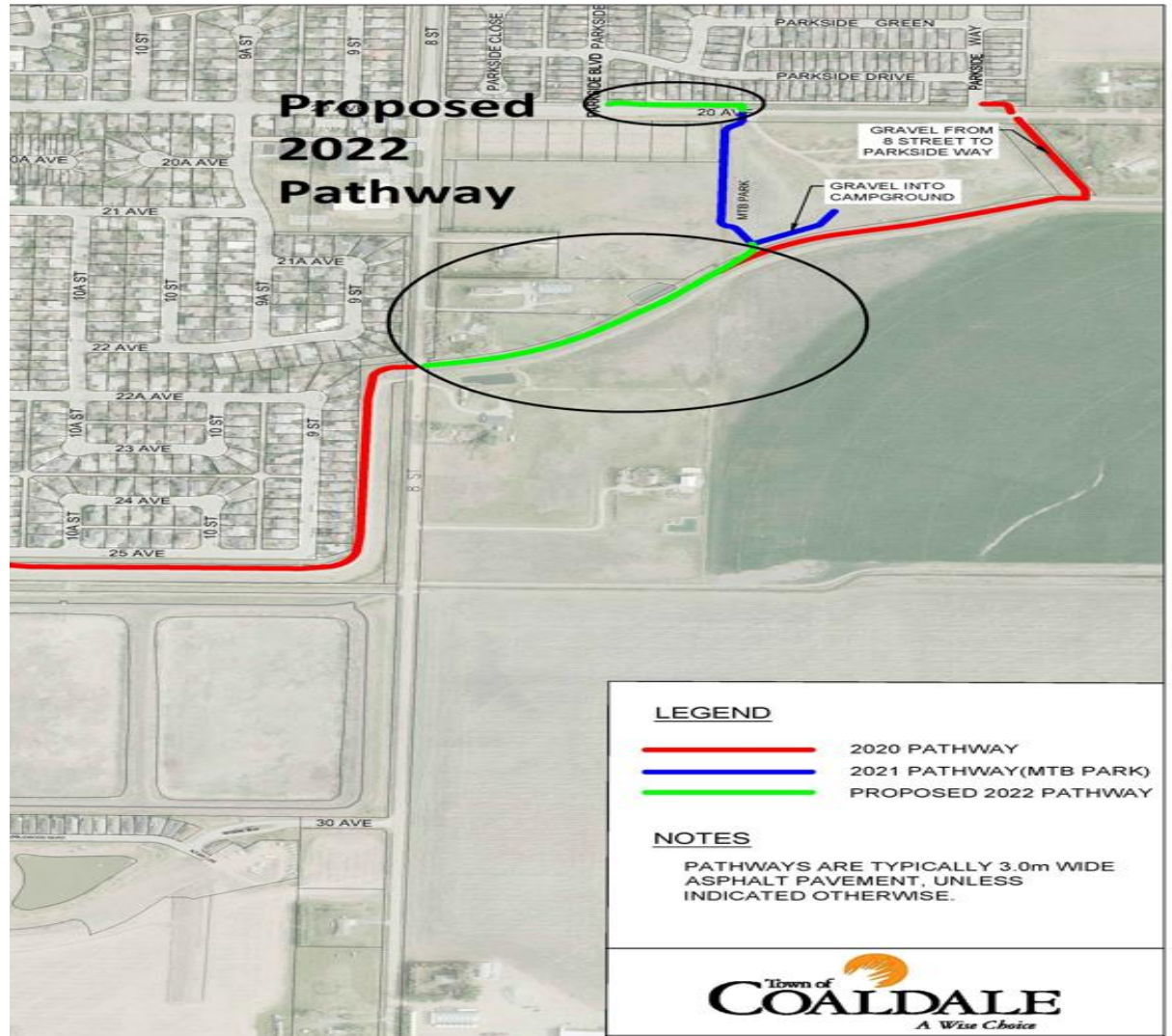
# 3E. Pathways – Phase 1





# 3E. Pathways – Phase 1

- Budget Request – Continuation / completion of the Phase 1 Pathways project for 2022.



# 3F. Highway 3 Corridor Landscaping



## 3F. Highway 3 Corridor Landscaping



## 3F. Highway 3 Corridor Landscaping

- This project was previously approved in 2020 for a total of \$175,000. Year to date costs total \$164,000 in which the balance of \$11,000 is requested to be carried over to complete the project in 2022.
- This project is almost complete, however there is some remaining work to be completed at the empty lots owned by Alberta Transportation. This land is located east of the Town office and south of HWY 3. The remaining work would include adding more trees, top dressing and over seeding.
- **Budget Request: Carry over the unspent funds of \$11,000 for the Highway 3 Corridor Landscaping project to 2022.**



# 3G. Water Distribution Plant Pump Replacement



# 3G. Water Distribution Plant Pump Replacement

- A replacement program for the five pumps at the water distribution plant started in 2019, and is expected to be completed by 2023. Each pump when replaced has an expected life expectancy of 20-25 years. The replacement cycle was deliberately staggered for asset management purposes.
- A total of \$90,000 was budgeted for a pump replacement in 2021, however expected costs for the year are \$50,000. It is requested that the unspent budget of \$40,000 be allocated to the 2022 cost. This is requested in order to properly complete the engineering for the harmonic filtering system.
- This would result in the following budget required to finish the project:
  - 2022 - \$130,000 (\$90,000 annually \$40,000 carried over from 2021)
  - 2023 - \$90,000
- **Budget Request – To continue the water pump replacement program into 2022 and 2023, plus carry over the unspent funds from 2021 to the 2022 program.**

# 3H. Fleet Replacement Program

- Previously approval for this program was the replacement of one municipal fleet vehicle each year at a budgeted cost of \$55,000.
- As part of this program, older vehicles are pushed down throughout the organization based on the useful life and functionality of the vehicle.
- Due to the potential risk of inflation, it is requested to increase the annual budget to \$60,000.
- Budget Request – Continue with the current fleet replacement program with an annual budget of \$60,000.

## 4. Capital Projects – Not Yet Started

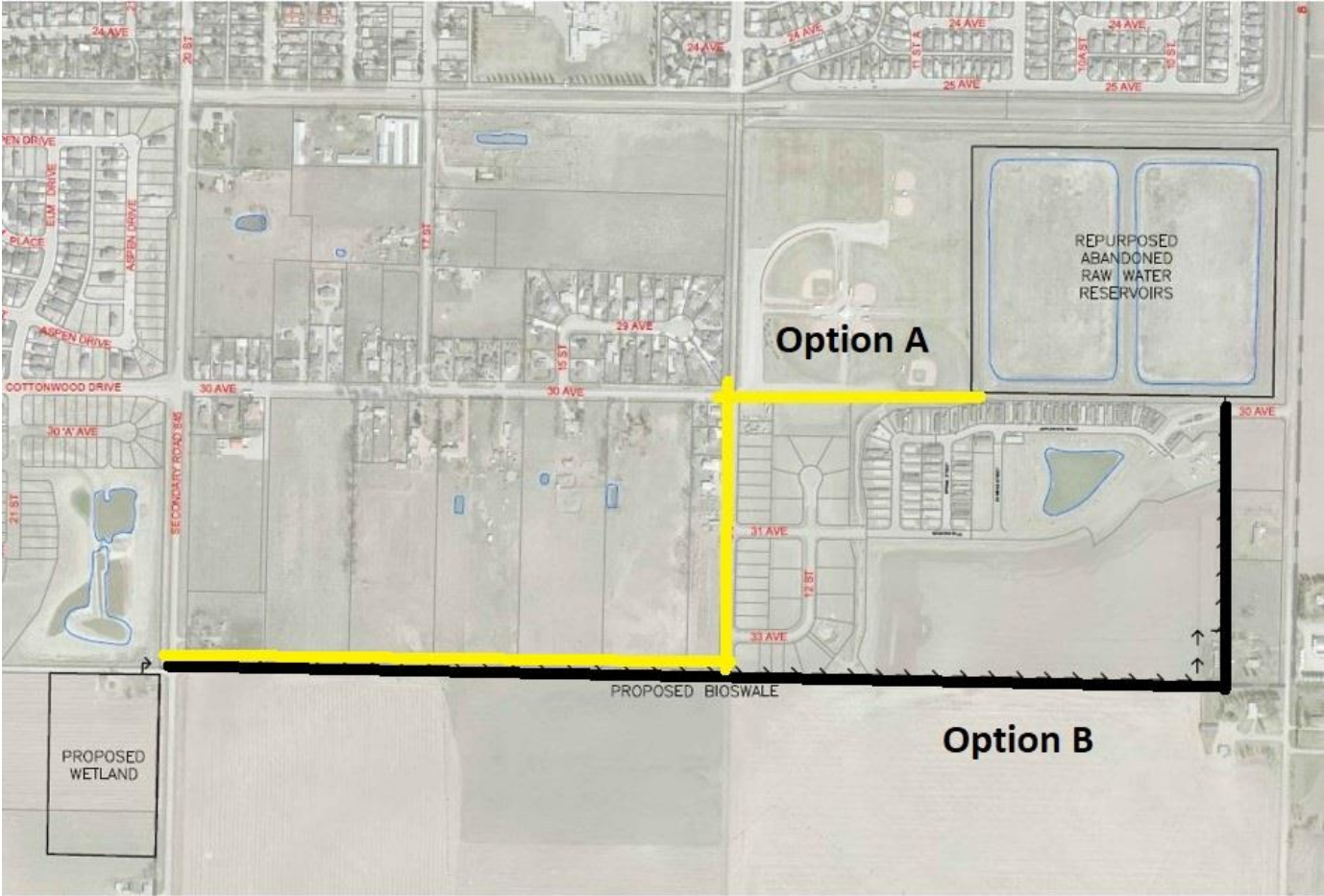
- The following are capital projects that have been previously approved, however not yet started.
  - 4A - Malloy Phase 2B
  - 4B - Pathways Phase 2



# 4A. Malloy Phase 2B

- The rural catchment south of Coaldale naturally drains north into Coaldale. These flows cause severe flooding in three main locations south of Coaldale, in addition to extreme flooding in the Town itself. The flooding affects homeowners, and roads become overtopped and unpassable, which limits access for emergency services for the region. Rebuilding following these flood events is extremely costly and all parties recognize that conditions that may cause flooding are inevitable, and as such, agree that this project is of a high strategic priority.
- Similar to the stormwater ponds recently constructed on the west end of Coaldale, this project includes constructing a wetland south of the Town of Coaldale that will limit flow into Town. The water will then be directed into the abandoned raw water reservoirs, which will be repurposed for stormwater retention. Part of the water will then be used to irrigate sport facility at 'the Quads' and the rest will be released into the St. Mary River Irrigation System. This will eliminate the use of potable water for greenspace irrigation within this facility.
- The Town and its partners consider the completion of the Malloy Drain project to be imperative in order to protect the Town, its infrastructure, and the surrounding communities from potentially catastrophic flooding.

# 4A. Malloy Phase 2B



# 4A. Malloy Phase 2B

- Total Project Budget - \$3,100,000
  - Federal & Provincial Grant Funding - \$2,260,000
  - Town of Coaldale - \$280,000
  - SMRID - \$280,000
  - Lethbridge County - \$280,000
- Initial project work expected to start in 2022.
- Budget Request – Continue the current project budget forward. Further information updates will be provided to Council as the project progresses.

## 4B. Pathways – Phase 2

- Phase 2 of the project will provide additional connectivity to the new multi-use recreational facility and high school being constructed in Northwest Coaldale.
- Funds currently allocated for this project are \$250,000, to which surplus from the Phase 1, once completed, will be re-allocated to Phase 2.
- Due to construction of the new school / recreation facility, an estimated start date for this project is 2023.
- Budget Request – Allocate funds for Phase 2 Pathways for 2023. Further planning / consultation regarding this project likely to start in 2022 / 2023.

# 5. Capital Projects – New Requests

- The following are new capital budget requests for 2022.
  - 5A - Emergency Services Truck – Fire Chief (as per fire agreement capital replacement schedule)
  - 5B - Quads Automated Irrigation
  - 5C – NE Industrial Park Paving
  - 5D - Equipment / Machinery Replacement Plan

# 5A. Emergency Services Truck – Fire Chief

- The emergency services truck operated by the Fire Chief is scheduled for replacement every five years, to which 2022 is the replacement year.
- Upon replacement of this vehicle, the other vehicles are pushed down through the department (Fire Chief's previous truck moves to a Deputy truck, so on and so forth).
- Vehicle cost is estimated between \$60,000 - \$65,000, with an upfit cost estimated between \$15,000 and \$20,000. As part of the emergency services agreement with Lethbridge County, the County has contributed \$34,500 towards the cost of this asset.
- Budget Request: Council approve the Emergency Services Truck – Fire Chief with a total budget of \$80,000, coming from the fire equipment reserves (Lethbridge County contribution has been allocated to this reserve account).

## 5B. Quads Automated Irrigation

- The irrigation controls at the Coaldale Quads Fields is current 100% manual. As a result all water valves are manually turned on and off by staff.
- This results in:
  - Approximately 20 hours a week of staff time during the summer months for turning water valves on and off, reducing staff time available to maintain the greenspace.
  - Higher water costs – often watering at high temperature times during the day and increasing the amount of water evaporation.
- Staff are recommending a full trenched-in decoder system that would result in automated irrigation controls for each field at the Quads.

## 5B. Quads Automated Irrigation

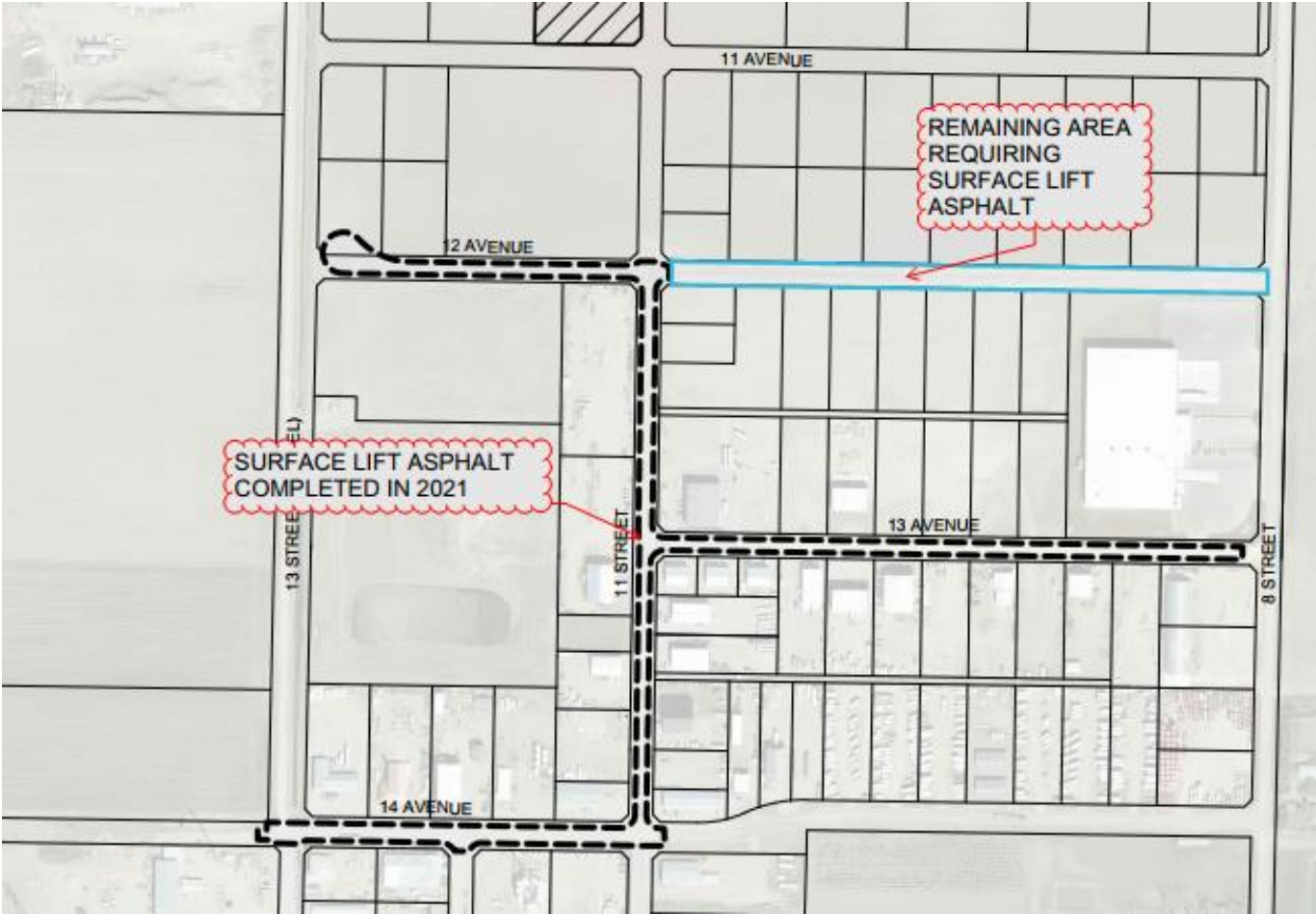
- Due to the integrated nature of such a system, if approved, this project would be contracted out rather than completed internally. This would provide the Town with warranty on the work completed.
- Expected useful life of the project is approximately 20 years with an estimated cost of \$60,000.
- Budget Request - \$60,000 for an automated irrigation system at the Coaldale Quads for 2022. Item to be funded through the Parks Reserve Account.



## 5C. NE Industrial Park Paving

- While the majority of the asphalt paving (top lift) was completed in 2021, a top lift of asphalt is still required along parts on 12<sup>th</sup> avenue in the NE Industrial Park.
- Some of the lots along this section of 12<sup>th</sup> avenue still require municipal utility servicing, which is being completed as the lots are sold / constructed on. Once this servicing is complete, the road will be ready for the top lift of asphalt.
- The estimated cost of for this is \$110,000, and a 2023 construction anticipated date.
- **Budget Request – Council approve \$110,000 for asphalt paving within the NE Industrial Park for the year 2023.**

# 5C. NE Industrial Park Paving



## 5D. Equipment / Machinery Replacement Program

- As part of the Town's equipment / machinery replacement program, a five year replacement schedule is projected based on estimated useful life and future requirements.
- Items that are scheduled for replacement within two years receive a higher level of scrutiny; prices quoted through dealership, higher level of mechanical inspection.
- Items scheduled for replacement within three to five years are essentially "planned placeholders" at this time, to which replacement costs are estimated by staff. This is done to avoid future surprises for equipment needs, while at the same time recognizing that there is a higher level of uncertainty when planning further than two years out for these items.

# 5D. Equipment / Machinery Replacement Program

## 2022

- Single Axle Dump Truck – replacement cost of \$180,000. The current piece of equipment is 21 years old with an estimated life expectancy of 20 years.
- Wide Area Mower #1 – replacement cost is \$130,000. The current piece of equipment is 8 years with a life expectancy of 8 year. The equipment has been used over the winter and summer months, accruing a large amount of hours. Replacement of this mower will ensure lower maintenance costs and lower down time.

## 5D. Equipment / Machinery Replacement Program



Single Axle Dump Truck



## 5D. Equipment / Machinery Replacement Program



Wide Area Mower

# 5D. Equipment / Machinery Replacement Program

## 2022

- Broom Attachment for Bobcat – new piece of equipment with an estimated cost of \$8,000. This will help provide increase versatility for using the parks equipment to assist with snow removal.

## 2023 – Budget Placeholder

- Boom Crane Auger Truck – replacement cost of \$180,000. Current equipment is 18 years old, with an expected useful life of 20 years. The replacement would be a smaller unit that would primarily be used tree trimming and Christmas lights. These currently rent for \$4,000 per month, as a result it is more cost efficient to purchase the equipment based on our high usage of the equipment.



## 5D. Equipment / Machinery Replacement Program



Boom Crane Auger  
Truck

# 5D. Equipment / Machinery Replacement Program

## 2023 – Budget Placeholder

- Automotive Hoist – estimated replacement cost of \$50,000. The current equipment is 18 years old with an estimated useful life of 20 years. The equipment is nearing its life expectancy and is in need of replacement within the next 1-3 years.
- Parks Tractor – new equipment (not replacement) with an estimated cost of \$80,000. The Town currently relies on one tractor for operation year round. The tractor would have attachments such as a bannerman, large grassvac, weed sprayer, and full utility in the summer months for grass cutting and snow removal in the winter. Currently the one tractor is shared between two departments (Operations, Parks & Recreation), to which this would provide additional internal capacity (grass cutting in the summer, snow plowing in the winter).

## 5D. Equipment / Machinery Replacement Program



Automotive Hoist

# 5D. Equipment / Machinery Replacement Program

## 2024 – Budget Placeholder

- Loader – estimated replacement cost of \$270,000. The Town's current loader is 12 years older with an estimate useful life of 15 years. The Town does have one loader, to which it plays a critical role during all seasons.
- Wide Area Mower #2 – estimated replacement cost of \$130,000. Current equipment is 7 years old and will be nearing the end of its useful life in a few years.
- GrassVac Attachment - \$30,000 estimated purchase cost. Currently the Town has a small attachment on the zero turn mower. This unit would larger and able to remove a higher level of grass/leaves in less time, ultimately improving the efficiency of the work performed.



# 5D. Equipment / Machinery Replacement Program

## 2025 – Budget Placeholder

- Hydrovac Truck – estimated replacement cost of \$300,000. The current unit is 18 years old with an estimate useful life of 25 years, however, the unit is overweight on Alberta Highways. Replacement would be a smaller single axle truck, however we are still in the review process for this. This equipment is required for catch basin cleaning, curb stop and utility repairs, sign hole posts, other work. Current rental rates range from \$220 to \$280 per hour.
- Terrain Cut Mower – estimated replacement cost of \$80,000. Current equipment is 3 years old with an estimate useful life of 7 years. Equipment is currently in good shape, however it will likely have to be replaced in 4 – 5 years.
- Paint Sprayer – estimated replacement cost of \$13,000. The current equipment is 7 years old with an estimate useful life of 10 years.

# 5D. Equipment / Machinery Replacement Program

## 2026 – Budget Placeholder

- Tandem Truck – estimated replacement value of \$295,000. Current equipment is 15 years with a 20 year expected useful life. Will be nearing replacement in 5 years.
- Zero Turn Mower – estimated replacement cost of \$55,000. Current equipment is 11 years old with an estimated useful life of 15 years. Schedule for replacement in 5 years.

# 5D. Equipment / Machinery Replacement Program

## Budget Request:

- That Council approve the equipment replacement requests for 2022.
  - That the 2023-2026 requests be approved as a temporary placeholder within the Town's 2022-2026 Capital Plan. These items are to be reviewed at each year's budget meeting, before the asset is finalized for purchase.
  - Further, that a full review of the Town's equipment replacement schedule be completed in 2022/2023, subsequent to the development of Council's Strategic Plan. This will be required as the projected equipment costs will exceed the expected reserve funds in 2025.
- Single Axle Dump Truck - \$180,000 – Fleet / Equipment Reserve 2022
  - Wide Area Mower #1 - \$130,000 – Parks Reserve – 2022
  - Broom Attachment for Bobcat - \$8,000 Fleet / Equipment Reserve – 2022



# 5D. Equipment / Machinery Replacement Program

## Budget Request (2023 – 2026) – Temporary Budget Placeholder:

- Boom Crane Auger Truck - \$180,000 – 2023
- Automotive Hoist - \$50,000 – 2023
- Parks Tractor - \$80,000 – 2023
- Single Axle Loader - \$270,000 – 2024
- Wide Area Mower #2 - \$130,000 – 2024
- GrassVac Attachment - \$30,000 – 2024
- HydroVac Truck - \$300,000 – 2025
- Terrain Cut Mower - \$80,000 – 2025
- Paint Sprayer - \$13,000 – 2025
- Tandem Truck - \$295,000 – 2026
- Zero Turn Mower - \$55,000 - 2026

## 6. Potential Future Projects / Areas of Need

- The Town of Coaldale does have additional capital requirements that have not yet been finalized through planning and budgeting stages. These items have been identified through our Infrastructure Master Plan, community development, etc.
- Due to the large scope of these projects, additional planning / engagement for these projects will be required in the future before these projects are finalized.
- However the purpose of this is to “start the conversation” with Council is regards to these and provide an update on the work completed to date.

## 6. Potential Future Projects / Areas of Need

- 6A - New Town Water Reservoir (Infrastructure Master Plan)
- 6B - Town Pool / Arena Enhancements (Working Groups)
- 6C - Road and Deep Utility Rehabilitation / Replacement Program
- 6D - West Coaldale Sanitary Trunk Line (Infrastructure Master Plan & NW Land Development)
- 6E - Skate Park (Working Group)
- 6F - Potable Water Reservoir Pump Replacement (Asset Management Plan, Infrastructure Master Plan)

# 6A. New Town Water Reservoir

- As identified in the Town's Infrastructure Master Plan (IMP), the current water reservoirs lack the capacity required to respond to Coaldale's future growth, development and fire capacity needs.
- The estimated cost for this project in the IMP is noted as up to \$9 million. However this is only a rough estimate to which further work and a study will be required before a budget can be finalized.
- This is a high priority project that is likely a number of years out from completion based on the planning process needed for such a critical piece of infrastructure. Administration is requesting to proceed with an engineering study to begin planning for this project.

# 6A. New Town Water Reservoir

- Water Reservoir - potential future funding sources:
  - Debenture debt funded through utility rates
  - Water utility cash reserves
  - Offsite levies
  - Potential Provincial / Federal Infrastructure Grant
- Budget Request – That Council approve \$50,000 for a study related to the water reservoir project that will narrow the scope the project, potential cost and potential grant funding opportunities. Note such a study would be an operating budget item, to which it is being discussed with Council due to its relation to the future water reservoir capital project.

## 6B. Town Pool / Arena Enhancements

- The Town Pool went through an approximate \$240,000 in mechanical repair in 2020 to extend the useful life of the pool by an estimated five years.
- In 2021 the Coaldale Arena went through a \$1,020,000 upgrade to replace the arena floor, dasher boards, and other minor upgrades.
- With a limited life expectancy of the current Town Pool and seasonal capacity restraints for the Coaldale Arena, there has been wide dialogue for a new pool (outdoor vs indoor) and a second sheet of ice at the arena. Currently, volunteer working groups are meeting to assist with these important planning processes.
- Potential capital and operating costs related to the projects though can be significant. As a result, extensive community planning, financial budgeting, and cost servicing models will be required.

## 6B. Town Pool / Arena Enhancements

- Currently the Town does have the “Waves and Blades” community working group.
  - Working group is currently discussing various scenarios, budget options, pros, cons and other related information.
  - Further information / presentation from the group likely to be presented to Council in 2022.
- Potential Budget – unknown at this time as the variables associated are extensive.
- Potential Funding – Debenture Debt, Fundraising, Grants, P3’s.
- Budget Request – None at this time, further consultation likely to occur in the summer of 2022 upon findings/suggestions of the Waves and Blades community working group with Town Council.



## 6C. Road and Deep Utility Rehabilitation / Replacement Program

- Due to aging infrastructure, growing community, and proper asset management, the implementation of a road and deep utility rehabilitation / replacement program will be required. Currently the Town does provide road patching and repairs, however a full replacement program is currently not in place.
- The Town's Infrastructure Master Program does list the areas of need based on priority.
- Due to the significant costs associated with this, an annual program that fits within the Town's budget is ideal. An example of this would be replacing a portion of road and deep utilities each year, based on available funding.

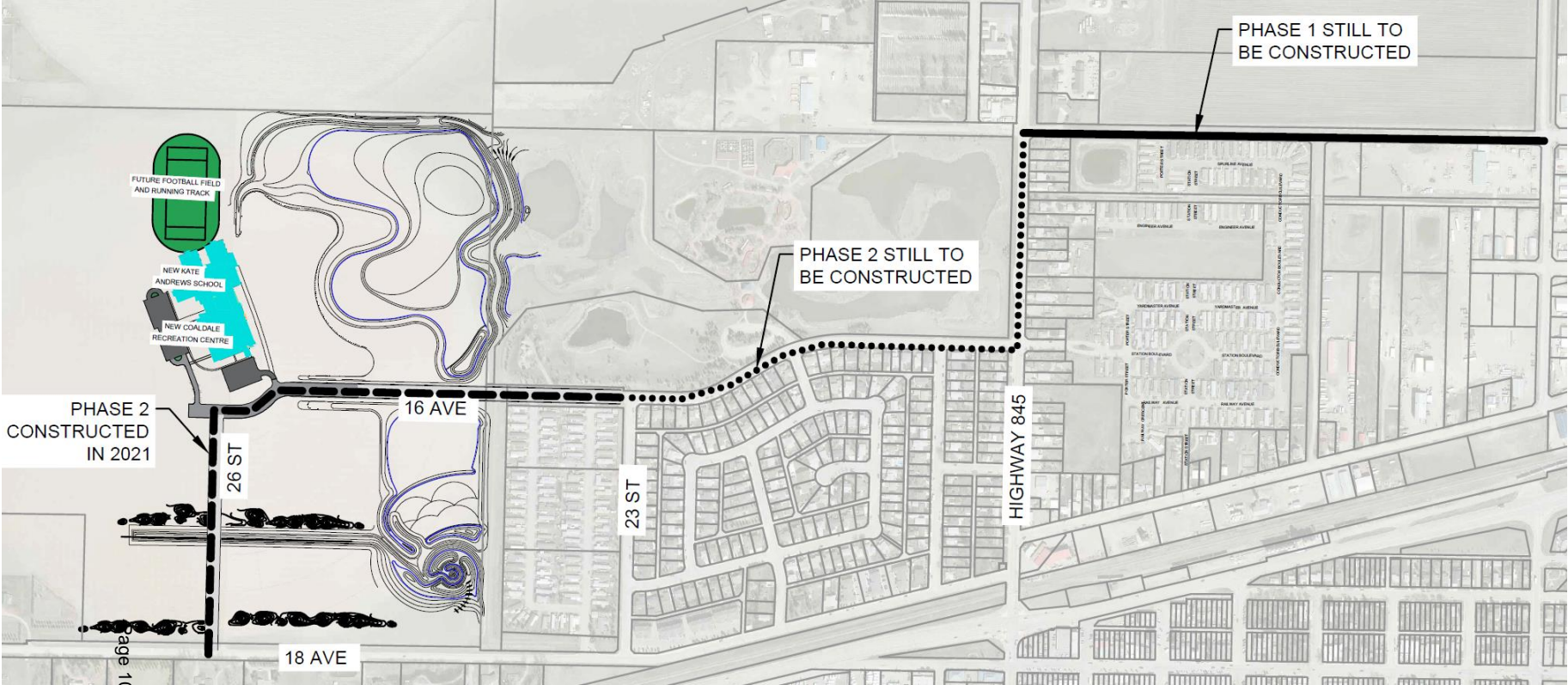
## 6C. Road and Deep Utility Rehabilitation / Replacement Program

- Potential Budget - Further work will be required to identify the potential costs to establish such an annual program with the infrastructure's useful life in mind. However, Council may wish to start allocating towards an annual replacement program.
- Potential Funding Sources:
  - Annual MSI Capital and Canada Community Fund – Estimated annual allocation of \$1,387,000.
  - Capital reserves - Council can direct additional funds to capital reserves for this project if required.
- Budget Request – Based on the priority Council places on such a program, Administration can work towards planning such a program in 2022, with annual construction potentially starting in 2023. And that a budget placeholder for this project to listed starting in 2023, which will be revised after completion of such an annual plan.

## 6D. West Coaldale Sanitary Trunk Line

- To assist in future development of North Coaldale, an upgrade and extension to the West Coaldale Sanitary Trunk Line will be required in the future. The trunk line is currently sufficient for current demand, however it will have to be expanded to accommodate future growth, as this trunk line (via 16<sup>th</sup> Ave) is the key conduit to growth in the West.
- The timing of this project will be dependent on future developer growth in West Coaldale. As such this is not an immediate need, however it is a future need that is being brought to Council's attention at this time.

# 6D. West Coaldale Sanitary Trunk Line



# 6D. West Coaldale Sanitary Trunk Line

- Expected Budget – Unknown at this time.
- Potential Funding – Profit from land sales (NW land currently owned by the Town – site of recreation centre / high school), offsite levies.
- Budget Request: None at this time, however future information updates will be presented to Council based on the timing for further development in West Coaldale. Further, that a marketing package for the 70+ acres of Town owned property around the joint high school / recreation centre be created.

## 6E. Skate Park

- Based on the recent success of Eastview Park and the Mountain Bike Park, a desire has been expressed to explore a rehabilitation of the Coaldale Skate Park.
- Recently Town Council approved the members of the Skate Park working group at the November 22, 2021 Council Meeting.
- The potential of this project is in the very preliminary stages, with a significant amount of engagement and planning required for a budget can be considered.

## 6E. Skate Park

- Potential Costs – Unknown at this time.
- Potential Funding – Fundraising, others unknown at this time.
- Budget Request – None at this time, unless further direction is received from Council.



# 6F. Potable Water Reservoir Pipe Replacement

- The header pipe brings the water into the reservoir. The theory behind the header pipe is that you want the potable water to be entering the reservoir as far as possible from where the water leaves the reservoir so that the water does not short circuit. When short circuiting occurs, it leaves places in the reservoir where water may get stagnant and may not have the required chlorine content.
- During the 2013 inspection, Utility staff noticed that the header pipe was starting to degrade and was getting pin sized holes in it. These holes allow water to short circuit the system. During the 2018 inspection, measurements were taken of the pipe to be able to complete a re-design.
- Initial design work for replacement of this pipe is currently underway, however the results are not yet known at the time for this budget presentation. Any work required to correct the issue would be scheduled for 2023 based on associated maintenance work planned at the reservoir this time.

## 6F. Potable Water Reservoir Pipe Replacement



## 6F. Potable Water Reservoir Pipe Replacement

- Once the outcome of the study is known, further information will be brought back to Council for review and consideration for the 2023 budget deliberations.
- Estimated Costs – Unknown – not expected to be greater than \$500,000.
- Potential Funding Source – Water Utility Reserve
- Budget Request – None at this time, as future costs / scope of the work is not yet known. Likely a budget request for 2023 when further information is known at that time.

# 7. Questica Capital Projects - Demo

## Implementation of Questica OpenBook

- Questica OpenBook acts as an easy to use, easy to access, medium for the Town of Coaldale to communicate financial and other useful project information to the community.
- <https://coaldale.openbook.questica.com/>

# 7. Questica Capital Projects - Demo

Select a Visualization to Explore

Town of Coaldale Capital Projects - Project Explorer

29 Projects

Detailed information is provided regarding the capital projects that have been approved by Town Council as part of the Town's Capital Plan.

2021 Operating Expenses - Budget Explorer

\$22.8 Million

A breakdown of Coaldale's 2021 budgeted operating expenses broken out by department and by object.

Budgeted costs are compared to actual costs each year as the information becomes available.

2021 Operating Revenues - Budget Explorer

\$22.8 Million

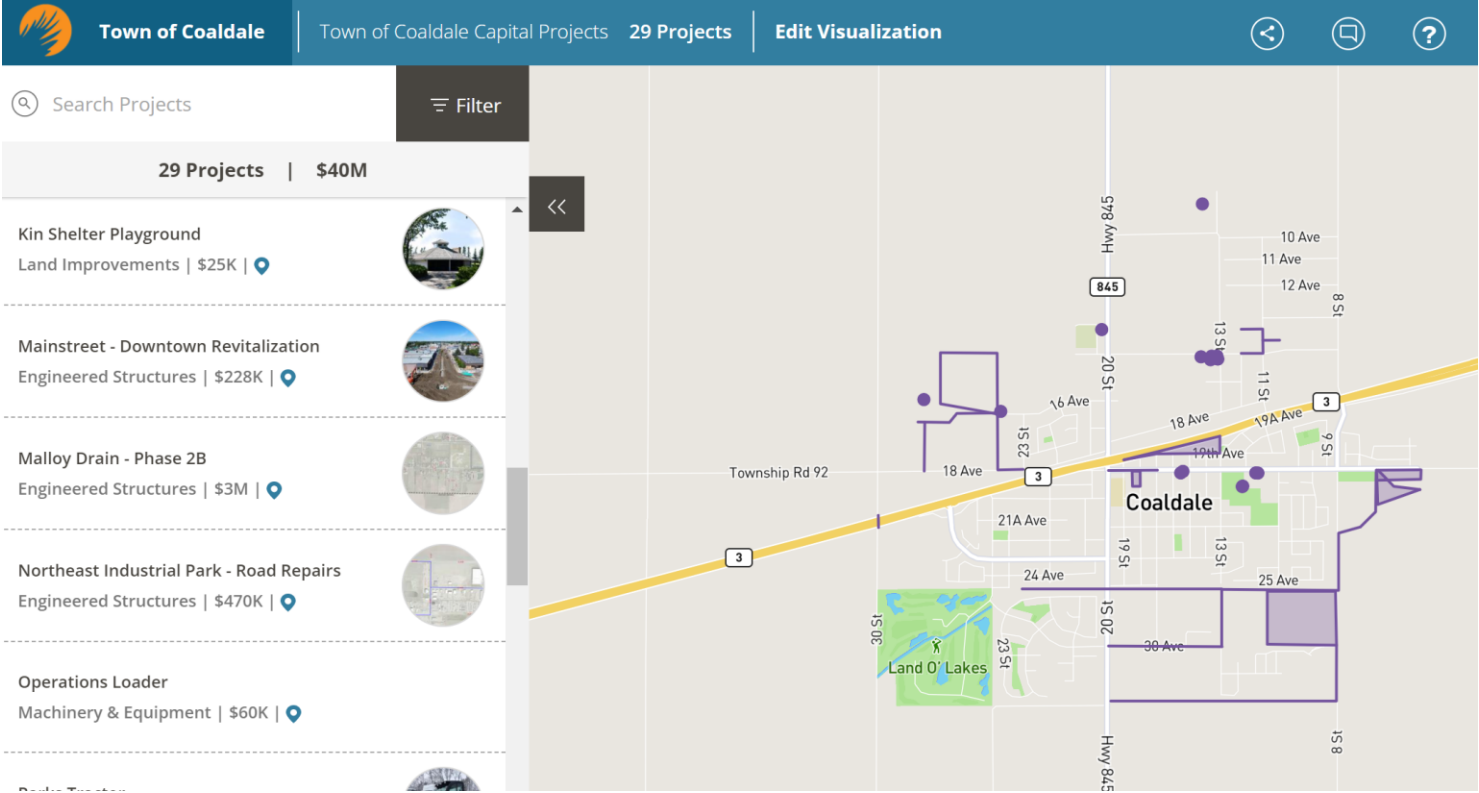
A breakdown of Coaldale's 2021 budgeted operating revenues broken out by department and by function.

Budgeted revenues are compared to actual revenue each year as the information becomes available.


Accessibility Statement

Learn More about OpenBook™

# 7. Questica Capital Projects - Demo




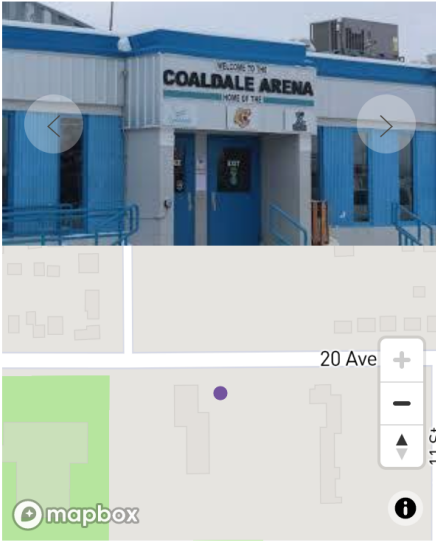
# 7. Questica Capital Projects - Demo

**Town of Coaldale**

Town of Coaldale Capital Projects 29 Projects

Edit Visualization





The image shows a photograph of the Coaldale Arena building with a blue and white facade. Below the photo is a map interface with a purple dot indicating the location, a street view of 20 Ave, and a mapbox logo.

## Arena Floor & Dasher Boards

The concrete refrigeration pad in the Coaldale Arena is being replaced, and new dasher boards and glass are being installed. The old original concrete pad, poured in sections in 1971, is well past its projected life span; large cracks have formed, and the floor is unlevel -- creating ice that is inefficiently thick in certain places to ensure a level surface. The new pad will improve both energy and maintenance efficiencies. It will also be more suitable for other "offseason" activities such as Lacrosse. Finally, accessibility to the space will improve as the new pad will match the surrounding floor levels as there will no longer be a large step down to the activity surface.

New Dasher Boards (perimeter structure with glass and netting) are included within the scope of the project. The new boards are a state-of-the-art seamless design that will improve spectator experience and player safety.

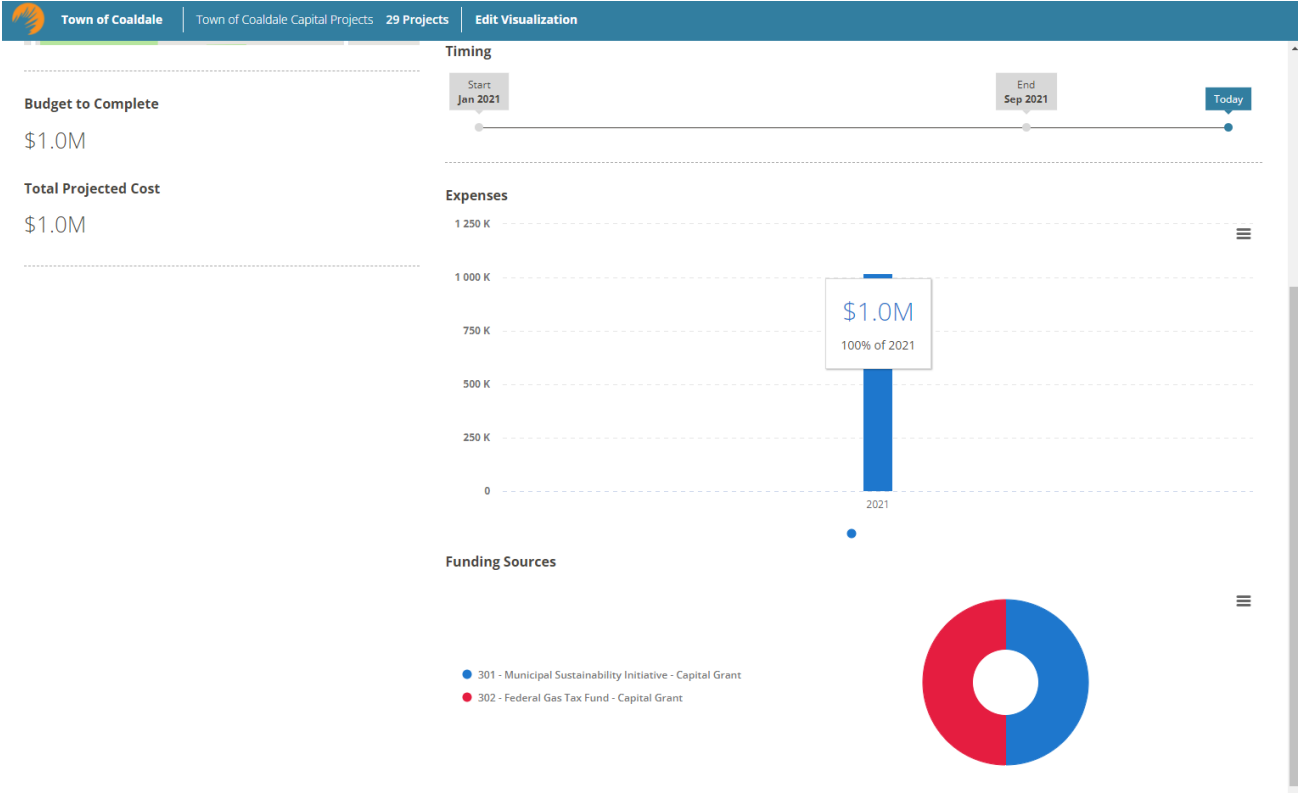
**Project Number:** 3032

**Project Type:** Buildings

**Status:** Open (In Progress)



# 7. Questica Capital Projects - Demo



# 8. Further Deliberations as Council Requests / Conclusion

- As Council begins upon development of their Strategic Plan in 2022, the majority of future budget requests / deliberations (2023) will be guided from this plan. With this in mind:
  - Are there any questions from Council on anything discussed or not discussed?
  - Does Council have anything they would like Administration to review further in regards to the draft capital budget for 2022?
- Administration will bring back a capital budget for Council's consideration / approval at a subsequent budget meeting, following any further direction or requests provided by Council.
- Conclusion.

# Conclusion - 2022 Budget Deliberations – December 8, 2022

**Town of Coaldale - Detail Reserve Balance Projections**  
**2022 Capital Budget - Section / Slide 2C. Municipal Reserves**

<b>Reserve Fund</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Community Service	15,351	15,351	15,351	15,351
Planning / Infrastructure Studies	246,360	71,360	71,360	71,360
General Operating	1,070,296	892,196	800,696	782,196
Emergency Management	20,897	20,897	20,897	20,897
Safety Grant	113,621	113,621	113,621	113,621
Community Futures	30,000	30,000	30,000	30,000
IT Software / Hardware	297,723	297,723	297,723	297,723
Snow Removal	226,500	226,500	226,500	226,500
Civic Square	-54,668	0	0	0
NE Industrial Park	1,607,638	1,545,633	785,633	785,633
General Capital	370,500	370,500	370,500	370,500
Electrical Franchise Fee	976,969	976,969	976,969	976,969
Fleet	185,295	147,295	122,545	13,145
Firehall Replacement	18,000	22,000	46,000	60,000
Firehall Equipment	565,336	600,336	718,211	839,031
Bylaw	170,570	173,229	188,604	204,364
General Operations / Shop	128,615	153,615	129,240	155,540
Road Reserve	308,280	423,280	425,280	427,280
Storm Utilities	1,213,042	1,370,372	1,201,918	1,116,434
Water Utilities	1,095,771	1,340,771	1,750,771	2,275,771
Sewer Utilities	279,775	279,775	534,775	794,775
Waste Collection	180,979	220,979	260,979	300,979
Pool	60,394	75,394	90,769	106,539
Highway 3	10,960			
Arena	12,672	42,672	73,422	105,172
Parks & Playgrounds	233,364	143,364	165,864	110,864
General Recreation	328,209	328,209	328,209	328,209
Spray Park	101,950	116,950	132,325	148,085
Senior Centre	67,182	82,182	97,557	113,307
Community Centre	70,685	85,685	101,060	116,820
Curling Rink	114,500	129,500	144,875	160,635
Kin Shelter	140,100	155,100	170,475	186,235
Recreation Centre Construction	9,158,590	7,025,590	25,590	6,123
Recreation Centre Loan	565,802	524,691	502,580	470
Museum	6,905	21,905	37,280	53,040
Cemetery	322,685	347,685	373,185	399,185
Library	14,305	19,305	34,680	50,430
HUB	39,300	54,300	69,675	85,435
Centennial Pathway	40,000	40,000	40,000	40,000
NW Coaldale Internal Loan	-1,893,486	-1,803,486	-563,486	-473,486
Recreation Centre Capital Replacement	100,000	153,000	209,000	268,000
Pathways	542,438	353,500	8,500	8,500
Offsite Levies Water	784,499	784,499	784,499	784,499
Offsite Levies Storm	582,032	582,032	582,032	582,032
Offsite Levies Sewer	1,805	1,805	1,805	1,805
Offsite Levies Roads	407,171	407,171	407,171	407,171
<b>Total</b>	<b>20,878,912</b>	<b>18,963,455</b>	<b>12,904,640</b>	<b>13,467,139</b>