



2017-2021 Capital Plan

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Executive Summary

The proposed 10 year capital plan for the 2017 to 2026 time period is broken into 2 sections of 5 years each. The first section, 2017 to 2021 provides a worksheet for each project and outlines the project description, justification or purpose of the project, the cost and relevant funding for each project, funding implications and the implications of a non-approval. In the second 5-year period each capital project is listed by the year the project is anticipated to go ahead.

In developing capital projects staff were directed to consider how each project addressed safety, regulations and the most effective use of taxpayer dollars. Of particular interest is the 2017 to 2021 time frame.

If Council approves the capital plan as presented, Council will have approved \$24,796,530 of capital projects over the next five years and over the ten-year period a total of \$85,912,820. The Town of Sundre cannot sustain such an investment in capital assets on its own. Increases of support from Federal, Provincial, and regional government is necessary to proceed with several of the larger infrastructure projects. There may be opportunities for the private sector to step up and partner with the Town on various proposals.

Over the next five years Council will be required to borrow \$8,725,810 of which \$5,239,445 will be debentures for various water and wastewater projects. The remaining \$3,486,365 of debentures is associated with road infrastructure projects. Debenture borrowing for non-water and wastewater projects is considered general debentures and the annual repayment of principal and interest will impact the mill rate for the duration of the debenture. User fees associated with water and wastewater services repay water and wastewater debentures.

Tax Supported Debentures

Mill rates are calculated utilizing the annual general assessment of the Town. To determine the impact on taxes I have used the 2016 general assessment as my base. The 2016 Tax Bylaw No. 04-16 sets out the value of all property in the Town of Sundre as \$368,014,930. As one mill is equal to one-one thousand of the value of all property then one mill equals \$368,015 of assessed value. To determine the impact on the mill rate you take the taxes required and divide it by the assessed value of one mill. Administration has calculated the base mill rate as 8.556 mills (3,148,936/368,015).

Tax supported debentures are projected to be taken out in 2017, 2020 and 2021. The impact on the mill rate is as follows:

Year	Project	Annual Payment	Mill Rate Required	New Mill Rate	%
2017	Center Street Upgrade	\$ 31,761.18	0.086	8.642	1.00%
2018	Center Street Upgrade	\$ 63,522.36	0.173	8.729	2.02%
2020	Main Avenue Phase I	\$ 94,850.47	0.258	8.814	3.01%
2021	Main Avenue Phase I	\$126,178.58	0.343	8.899	4.00%
2021	Main Avenue Phase II	\$173,820.34	0.472	9.028	5.52%
2022	Main Avenue Phase II	\$221,462.10	0.602	9.158	7.04%

The impact of the debenture borrowing of \$3,486,365 over the first five years of the capital plan will require a mill rate increase of 7.04% in the sixth year compared to the 2016 mill rate.

User Fee Supported Debentures

During the 2017 – 2021 fiscal periods the capital plan requires debenture borrowings in 2018 and 2020 for water and wastewater projects. Using 2016 as the base year, there are 1,140 accounts for water and 1,140 accounts for sewer. Both water and sewer charges a base monthly flat rate of \$19.50. The additional debenture payments will require an increase to both the water and the wastewater basic flat fee rate. The impact on the rates is as follows:

Year	Project	Annual Payment	Fee Increase	Base Rate	%
2018	Replace Mains 5 th Ave	\$ 19,056.71	0.70	20.20	3.59%
2019	Replace Mains 5 th Ave	\$ 38,113.42	1.39	20.89	7.13%
2020	Sewer Lagoon Expansion	\$165,585.11	6.05	25.55	31.02%
2021	Sewer Lagoon Expansion	\$293,076.80	10.71	30.21	54.92%

The impact of the debenture borrowing of \$5,239,445 over the first five years of the capital plan will require the basic monthly fee rate for both water and wastewater to increase \$10.71 for each service which is a 54.92% increase in the base user fees.

Introduction

Section 245 of the *Municipal Government Act (MGA), Revised Statutes of Alberta 2000, Chapter M-26* requires Council to adopt a capital budget for each calendar year. Section 246 requires the capital budget to include the estimated amount “needed to acquire, construct, remove or improve capital property” and identify “anticipated sources and amounts of money to pay the costs referred to in clause (a)” including the “amount to be transferred from the operating budget”.

The MGA also defines capital property as property that:

- “(i) is used in the production or supply of goods and services or is used for a municipal purpose,
- (ii) has a useful life extending beyond 12 months and is intended to be used on a continuing basis, and
- (iii) is not intended for sale in the ordinary course of operations”.

Town of Sundre Policy B-019 *Tangible Capital Assets* approved September 14, 2015 definition of a tangible capital asset is similar to the definition of capital property contained in the MGA. The Town’s policy defines a tangible capital asset as having the physical substance that:

- “a) are used continually in the Town’s operations
- b) have useful lives extending beyond one year
- c) are not held for re-sale in the ordinary course of operations”.

Also included in the policy is a definition for capital leases. The policy states “a capital lease is a lease with contractual terms that transfer substantially all the benefits and risks of ownership of property to the Town. For substantially all of the benefits and risks to be transferred to the lessee (Town), one or more of the following conditions must be met:

- a) there is a reasonable assurance that the Town will obtain ownership of the leased property by the end of the lease term.
- b) The lease term is of such duration that the Town will receive substantially all of the economic benefits expected to be derived from the use of the leased property over its life span.

- c) The lessor would be assured of recovering the investment in the leased property and of earning a return on the investment as a result of the lease agreement.”

In determining whether a tangible capital asset should be capitalized and thus recorded in the fixed asset sub-ledger the asset must meet the following thresholds:

- a) all land
- b) land improvements with a unit cost of greater than \$5,000
- c) buildings and building improvements with a unit cost of greater than \$5,000
- d) leasehold improvements with a unit cost of greater than \$5,000
- e) civil infrastructure systems (built assets such as roads, bridges, sewers, water, transit, etc.) with a unit cost of greater than \$5,000
- f) motor vehicles with a unit cost of greater than \$5,000
- g) computer hardware and software over \$5,000
- h) all others with unit cost of \$5,000 or greater

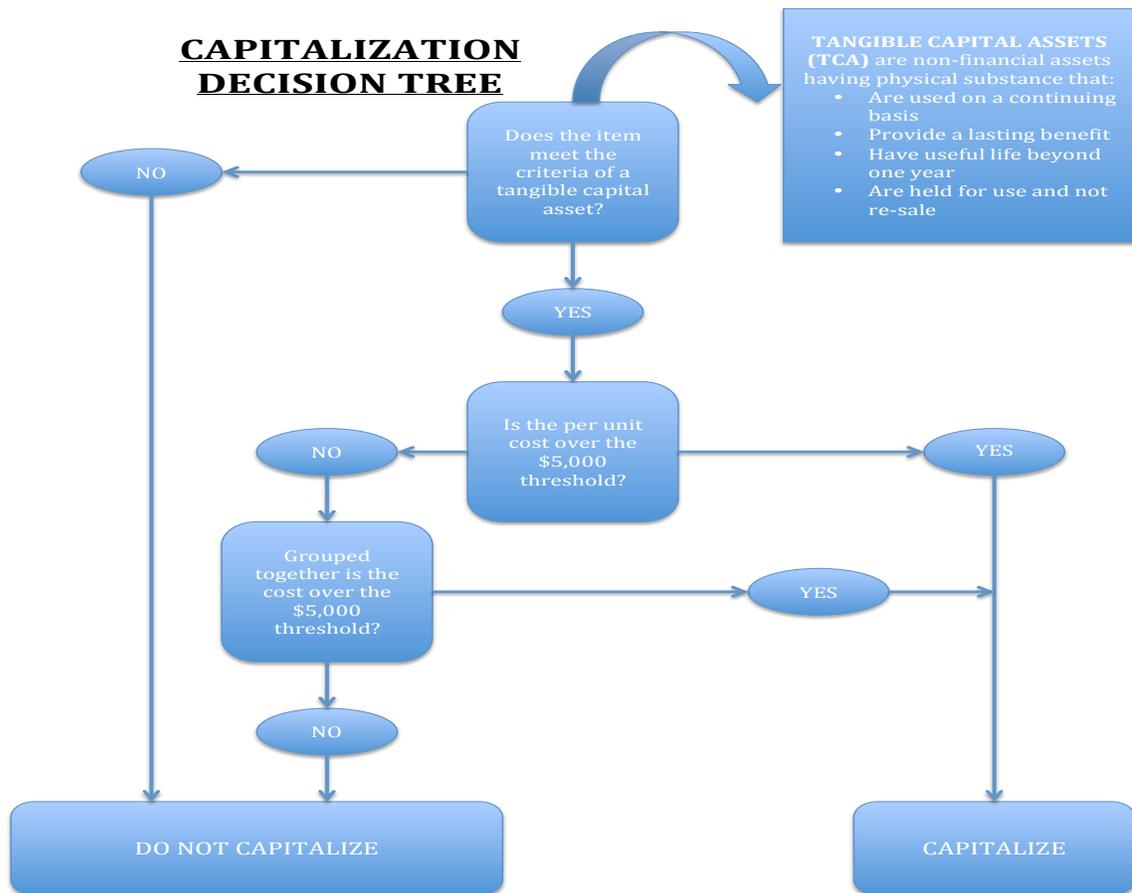
If the tangible capital asset expenditure is made to better an existing capital asset then the following threshold must be met:

- a) all building expenditures greater than \$25,000 for a single project
- b) civil infrastructure system expenditures with unit costs of \$25,000 or greater

To better an existing capital asset the expenditure is made to enhance the service potential of the capital asset and will:

- increase physical output of the service capacity and/or
- significantly lower associated operating costs and/or
- extend the life of the property and/or
- improve the quality of the output

The capitalization decision tree included on the following page is included to assist Council in determining when a project should be considered a capital or operational project.



Rationale For Doing Capital Plans

A multi-year capital plan provides residents and businesses with an overview of anticipated capital projects for all grant supported and non-grant supported projects. A multi-year approach provides an opportunity for the Town to prioritize the capital projects, develop appropriate financial strategies and to ensure that the critical long-term needs of the community are being considered.

Such a multi-year plan will support Council’s strategic objectives, be responsible to residents and businesses regarding expenditure of public funds, address safety, regulatory and environmental issues and will assist with developing future capital plans.

Sources of Capital Funding

Capital funding comes from a variety of sources such as operational revenues, user fees, grants, off-site levies, donations, sponsorships, private-public partnerships and sale of assets.

Operational Revenues

These revenues flow out of the operational budget to support capital projects and include a number of revenue types.

- a) Mill Rate – Council can adjust the mill rate to provide funding directly from the ratepayers for a specific project or projects in a given calendar year. These capital projects would be fully funded in the calendar year the project was undertaken.
- b) Debentures – Town of Sundre can borrow from the Alberta Capital Finance Authority. Such borrowings can be done four times a year (March, June, September, December) and at very low interest rates. The length of the debenture is determined by the useful life of the asset as set out in Town Policy B-019 *Tangible Capital Assets*. For example, a bridge has an estimated useful life of 30 years and therefore the Town could take out a debenture for 30 years for a bridge capital project with an estimated interest rate of 2.719%. Such debentures would be recovered from the general taxpayer through the mill rate.
- c) Local Improvements - Division 7 of the MGA deals with local improvement taxes. There is a series of procedures/steps that must be followed to implement a local improvement tax. A local improvement can be levied if Council considers the project to be of greater benefit to an area of the town instead of the entire town and the ratepayers benefitting from the local improvement pay for it. For example, paving of a residential back alley may be considered a local improvement as it benefits those ratepayers adjoining the back alley. Ratepayers have the option of paying the local improvement over the life of the debenture or can pay it out at any time through a predetermined payout schedule.
- d) Reserves – Each year Council sets through the operational budget process an amount to transfer to reserves for future capital projects. Through this same process funds are transferred out of reserves to pay for capital projects.
- e) User Fees – Capital projects involving water, wastewater, solid waste and gas infrastructures can be offset through user fees. Debentures taken out for these types of projects will have the annual debenture payments (interest and principal) covered through the user fees charged for each type of services.

Grants

- a) Municipal Sustainability Initiatives (Capital) – Each year the Province of Alberta provides municipalities with funding for various local infrastructure priorities to build “strong, safe and resilient communities. According to provincial guidelines, “MSI capital funding is limited to projects that involve the purchase, construction, development, betterment, rehabilitation, or non-routine maintenance of a capital asset, owned by a municipality...”. For 2016 the amount available for 2016 is \$695,174.

- b) Federal Gas Tax Fund - These funds are provided by the Federal Government and in Alberta are administered through Alberta Municipal Affairs. The funds are provide predictable, “long-term, stable funding for Canadian municipalities to help them build and revitalize their local public infrastructure while creating jobs and long term prosperity.” For 2016 the amount available for 2016 is \$145,296.

Other Funding Sources

- a) Off-Site Levy – Off-site levies are charged by the Town to developers and are paid in “respect of land that is to be developed or subdivided,”. These levies can only be used for the following purposes:
 - (a) new or expanded facilities for the storage, transmission, treatment or supplying of water;
 - (b) new or expanded facilities for the treatment, movement or disposal of sanitary sewage;
 - (c) new or expanded storm sewer drainage facilities;
 - (c.1) new or expanded roads required for or impacted by a subdivision or development;
 - (d) land required for or in connection with any facilities described in clauses (a) to (c.1).

- b) Donations - The Town can receive donations made by individuals or businesses to assist in various capital projects. To date, these donations have been made to support various fire department capital projects.

- c) Sponsorships - Sponsorships are normally provided for major public facilities such as libraries, arenas and community centres. Currently the Town has no facilities that have been sponsored by an outside party. Future capital projects that might lend itself to such funding would be a new sports complex.

- d) Private-Public-Partnerships (P3) – P3 projects are structure to involve the private sector as a partner with the public sector. Such partnerships can be structured in a variety of ways to best suit the individual capital project. An example of a P3 project could be the expansion of broadband throughout the Town. The private

sector could finance the project and possibly operate the service on behalf of the Town. The private partner would share with the Town in the revenues received from users of the service.

- e) Sale of Assets – Proceeds received from the sale of assets can be re-directed to future capital assets. For example, proceeds from the sale of various equipment or vehicles (ie the Town fleet vehicles) can be placed in reserves. These funds could then be used to partially fund the purchase of new capital assets.

2017 Capital Projects

CORPORATE SERVICES	
Project Year:	2017
Project Name:	Replace Existing Phone System
Project Cost:	\$30,000
Project Location:	Town Office, Town Shop, Community Services Office
PROJECT DESCRIPTION	
Replace existing phone system with a NEC SV9100 Communications Server	
PROJECT JUSTIFICATION/PURPOSE	
Existing phone system has become out-dated and the useful life of the phone system is very limited. Parts for the existing system are either not available or very difficult to find. The NEC SV9100 Communications Server is a robust, feature-rich, Unified Communications enabled system built on a cutting-edge technology which supports voice, unified communications & collaboration, unified messaging while remaining easy to manage. Two quotes were obtained to confirm capital costs.	
PROJECT COST AND FUNDING	
Project Cost:	\$30,000
Funding:	
General Reserve:	
Committed Funds in 2017	\$15,000
Unallocated Funds	\$15,000
FUNDING IMPLICATIONS	
<p>There are inadequate reserves specifically set aside for a new phone system in 2017 in the General Reserve. Half of the funding \$15,000 will be funded out of the General Reserve but from the unallocated (unnamed) amount. There will still be approximately \$12,000 still available as an unallocated amount in the General Reserve.</p> <p>As the project will be fully funded by reserves there will be no implication on the mill rate for 2017 or 2018.</p>	
IMPLICATIONS OF NON-APPROVAL	
Current phone system is very near the end of its useful life. Should the system malfunction or break down parts will be very difficult to find. Currently there is no tech support for our phone system under a service agreement. The Town's ability to communicate will be severely impaired should the current system become non-functional.	

ECONOMIC DEVELOPMENT	
Project Year:	2017
Project Name:	Way-Finding Signage
Project Cost:	\$12,000
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
<p>Finalize specific destinations and placement locations of way-finding signage based on way-finding implementation plan.</p> <p>Order signs from same supplier as 2016 and work out final renderings for each sign placement location until satisfied to have manufactured.</p> <p>Confirm with Operational Services their time availability to coordinate the install of signs.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>Signs will act as destination way-finding markers for residents and visitors, and they will help augment the brand of the Town of Sundre.</p> <p>Developing Sundre into a destination for visitation and new residents is a strategic priority supporting economic development.</p> <p>As a growing destination it is necessary to assist the growing number of visitors and new residents; way-finding signage is an important piece of infrastructure supporting developing communities.</p> <p>The installation of stylish new signs that utilize modern typeface and natural elements such as locally sourced timber poles also reinforces Sundre's brand association- that is, that Sundre is a community near nature and an appealing place to visit, live, and explore.</p> <p>The project is fairly inexpensive considering the mass visual effect that they produce.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 12,000
Funding:	
Economic Reserve:	
Committed Funds in 2016	\$ 12,000
FUNDING IMPLICATIONS	
<p>The Economic Development Reserve will have adequate funds committed to the way-finding signage project to cover the 2017 project.</p> <p>Operational budgets for 2017 and 2018 will require the existing level of funding (\$15,000) being transferred to the Economic Development Reserves.</p> <p>As the project is fully funded by reserves there will be no impact on the mill rate.</p>	

IMPLICATIONS OF NON-APPROVAL

Way-finding signage potential and plan will not be fully implemented.

Economic development destination development efforts will be reduced.

FLEET	
Project Year:	2017
Project Name:	New Steamer Unit
Project Cost:	\$15,500
Project Location:	Fleet
PROJECT DESCRIPTION	
Purchase new steamer unit for de-icing culverts, storms and manholes.	
PROJECT JUSTIFICATION/PURPOSE	
<p>Current unit (Unit 119A) has shown dramatic increases in non-performance and maintenance costs and does not operate properly for the needs of Operations.</p> <p>The new steamer unit is an emergency piece of equipment that is used to thaw storm lines, storm culvers and wastewater mains.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$15,500
Funding:	
Fleet Reserve:	
Committed Funds in 2016	\$ Nil
MSI – Capital	\$15,000
Sale of Assets	\$ 500 (Unit No. 119A)
FUNDING IMPLICATIONS	
<p>No reserve was established for the replacement of Unit 119A, therefore funding from the Municipal Sustainability Initiative – Capital will have to be used to cover the capital project costs in 2017.</p> <p>As the project will be fully funded through the Municipal Sustainability Initiative – Capital and the sale of the existing steamer there will be no implication on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
The piece of equipment will be used to mediate frozen mains and systems. Without this type of equipment operations would rely on expensive specialized contractors to complete emergent situations.	

FLEET	
Project Year:	2017
Project Name:	Unit No. 133 Conversion and Water Trailer
Project Cost:	\$25,000
Project Location:	Fleet
PROJECT DESCRIPTION	
<p>Convert existing Fleet Unit No. 133 which was planned for auction to a flat deck work unit that would be used as a sander/snowplow in winter season and a roads/community services work vehicle in the summer. The current box would be removed, kept as a storage shed and the truck frame would have a metal flat deck installed. This work and material is locally supplied. Our fleet mechanic in-house will install the lighting and parts. The existing sander and plow system would be removed from Unit No. 113 gravel truck and installed on the converted Unit No. 133.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>Our fleet mechanic has serviced and reported some major concerns with the existing gravel truck that is used as the sander/plow in winter. Most of the drive train is not supported with parts and there are chronic mechanical issues with the vehicle. There is a concern regarding the impact of a vehicle breakdown and no alternative being available. This would require contracting out sanding at an expensive cost to the operating budget. Unit No. 133 is low mileage and should serve as a secure 10-yr life span. Unit No. 133 will be sold at auction in the Spring of 2017.</p>	
PROJECT COST AND FUNDING	
Project Cost:	
Conversion of Unit No. 133	\$10,000
Water Trailer	\$15,000
Funding:	
Park Reserve:	
Committed Funds in 2016	\$ 4,000
Committed Funds in 2017	\$ 2,500 (Unit 147)
Sale of Assets	\$10,000 (Unit 147)
Fleet Reserve	\$ 8,500
IMPLICATIONS OF FUNDING	
<p>As the project will be fully funded through the Fleet Reserves and the sale of assets there will be no implication on the mill rate for 2017 or 2018.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>There are concerns with the mechanical security with the existing sander/plow vehicle and the potential breakdown may not be repairable. The loss of this unit would require contracted sanding services. Our experience in the past with this</p>	

service is very high costs and requires ride along by a Town operator to ensure areas are sanded.

As vehicles and equipment near the 10 year mark increases in maintenance repairs and degradation of drive train begin to show in the fleet management budget. It is best practice to forecast the life span and plan for replacement and to keep costs reduced. Extending the life of these units strains the fleet availability and increases the chance for more extensive repairs.

INFRASTRUCTURE	
Project Year:	2017
Project Name:	UPGRADE CENTRE ST. NE BETWEEN 6 TH AND 12 TH (James River Road)
Project Cost:	\$4,400,000
Project Location:	Centre Street North between 6 th Ave NE and 12 th Ave NE
PROJECT DESCRIPTION	
Remove existing road carriage way and replace or install water and wastewater main extensions as well as new road surface with featured boulevard pedestrian features and capability for expansion due to future development in the area.	
PROJECT JUSTIFICATION/PURPOSE	
<p>Centre Street North annexed in 2010 has inherent issues with compaction of the subgrade and surfaces. With the 12th Ave NE developments, an increase of traffic has been experienced subsequently causing further damage to the road surface. Centre Street North is a main traffic roadway with the potential to become a collector road with future development. The design includes landscaping and pedestrian mobility features to enhance this large residential area and meet the requirements of the Town's Municipal Development Plan.</p> <p>The water and wastewater mains will provide replacement to existing residents and extension capacity to potential developments.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$4,400,000
Funding:	
Off Site Levies:	
Committed Funds in 2016	\$ 240,000
Funds to be collected from developers	\$2,200,000
Infrastructure Reserve:	
Unallocated Funds in 2016	\$ 60,000
Fortis Franchise Fee in 2017	\$ 35,000 (2.0%)
Storm Sewer Funds in 2016	\$ 100,000
Storm Sewer Funds in 2017	\$ 50,000
MSI – Capital for 2016 and 2017	\$ 715,000
Debenture – 20 years	\$1,000,000
IMPLICATIONS OF FUNDING	
<p>Although the Town has allocated reserves for infrastructure they are inadequate to fully fund the capital project.</p> <p>Off-site levies can be used to partially offset the capital funding requirements, however, currently there is only \$298,000 available in these levies. The bulk of the levies will have to still be collected from developers.</p>	

A general debenture will be required to provide the balance of the funds. Using the Alberta Municipal Finance Corporation Loan calculator a debenture of \$1,000,000 amortized over 20 years at 2.446% (rate as at Sep 30/16) the bi-annual payments will be \$31,761.18.

The annual debenture payments will have an impact on the mill rate as our debenture debt will increase by \$31,761.18 in 2017 and in 2018 the full impact will be felt, as the annual debenture payment will be \$63,522.36.

Using the 2016 assessment, 1 mill equals \$368,015 thus for 2017 the mill rate will have to increase by 0.086 to 8.642 mills (1.0% increase over 2016) and in 2018 0.173 to 8.729 mills (2.0% increase over 2016).

IMPLICATIONS OF NON-APPROVAL

Attempts to repair the road within the Operations budget have been ineffective as short term repairs such as surface recoating will not last due to sub grade compaction requirements and increased traffic.

Residential frustration will continue to grow due to the condition of the road.

Very little major development can move forward in this area, as the water and wastewater mains are not sized correctly for the increased capacity required.

INFRASTRUCTURE	
Project Year:	2017
Project Name:	Well 4 Power Generator Upgrade
Project Cost:	\$43,0000
Project Location:	Well 4 817 2 nd Street NE
PROJECT DESCRIPTION	
Replace current diesel power generator and fuel tank to a natural gas generated system.	
PROJECT JUSTIFICATION/PURPOSE	
<p>Current generator is a diesel engine and has been flagged as a high risk in the drinking water safety program. During 2015 and 2016 annual inspections the Alberta Environment and Parks inspectors noted this risk. The concern is with the diesel fuel potential for vandalism, leakage, cold temperature gelling and the odour from the fuel.</p> <p>There is a natural gas main nearby that would provide clean safe and secure fuel with minimal emissions and mitigate the risks. Well 5 and the water treatment plant are both natural gas powered.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 43,000
Funding:	
Federal Gas Tax Refund Grant:	\$ 43,000
FUNDING IMPLICATIONS	
<p>The proposed capital project costs will be covered from funds generated from the Federal Gas Tax Refund grant.</p> <p>As the project is fully funded by the Federal Gas Tax Refund grant there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>Alberta Environment and Parks recommends the reduction of this risk and it is red flagged in the Town's drinking water safety program, which identifies and prioritizes risks to the system. If a leak occurs outside with the fuel tank or inside the well building there could be catastrophic results. It is now recorded as a risk by provincial authorities.</p>	

INFRASTRUCTURE	
Project Year:	2017
Project Name:	Electro Fusion Welder
Project Cost:	\$8,240
Project Location:	Town Shop
PROJECT DESCRIPTION	
Purchase and replace failed battery operated fusion welder for gas service installs and repairs.	
PROJECT JUSTIFICATION/PURPOSE	
The Gas Department currently uses a fusion welding technology for connection of services and pipe joining. A battery-operated welder is used to reach service and main work in areas that are hard to reach with a truck and generator. This type of machine is extremely useful in emergency repairs as it reduces noise and the amount of equipment required to repair damaged pipe. It also serves as a backup machine when calibrations are required.	
PROJECT COST AND FUNDING	
Project Cost:	\$8,240
Funding:	
Gas Reserve:	
Unallocated Funds in 2016	\$8,240
FUNDING IMPLICATIONS	
There are sufficient funds available in the gas reserves that have not been allocated to specific projects to pay for this equipment.	
As the project will be fully funded through Gas Reserves there will be no implication on the mill rate for 2017 or 2018.	
IMPLICATIONS OF NON-APPROVAL	
The equipment is critical to the Gas department. It is the only method used for service installs and repairs to our piping system. Replacement equipment on a loan basis is difficult and timely to obtain. It is best practice in industry to have a back up system. The current unit is now obsolete and is 11 years old. It cannot be relied upon.	

INFRASTRUCTURE	
Project Year:	2017
Project Name:	AML Pipe Locator
Project Cost:	\$10,000
Project Location:	Town Shop
PROJECT DESCRIPTION	
Purchase the latest technology pipe locator for the accurate location of all mains and services.	
PROJECT JUSTIFICATION/PURPOSE	
The water and wastewater department has difficulty in locating mains, changes in sizes and service locations. With the task of accurately improving our maps and drawings this equipment will be a vital tool in providing accurate location via our existing GIS map system. During leak investigations the locator will assist in determining where to dig accurately saving time and repair costs.	
PROJECT COST AND FUNDING	
Project Cost:	\$10,000
Funding:	
Gas Reserve:	
Unallocated Funds in 2016	\$10,000
FUNDING IMPLICATIONS	
There are sufficient funds available in the gas reserves that have not been allocated to specific projects to pay for this equipment.	
As the project will be fully funded through Gas Reserves there will be no implication on the mill rate for 2017 or 2018.	
IMPLICATIONS OF NON-APPROVAL	
The current method of locating mains is to line up valve sections and assume the main is located in between. There are many situations where this is not accurate. Having accurate mapping and locating is crucial to capital and operating planning. All departments will benefit from this accuracy for future project planning.	

2018 Capital Projects

ECONOMIC DEVELOPMENT	
Project Year:	2018
Project Name:	Way-Finding Signage
Project Cost:	\$15,000
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
<p>Note: Project depends on if there are placement locations still remaining to be installed that fall outside the restricted provincial highway areas.</p> <p>Finalize specific destinations and placement locations of way-finding signage based on way-finding implementation plan.</p> <p>Order signs from same supplier as 2016 and 2017 and work out final renderings for each sign placement location until satisfied to have manufactured.</p> <p>Confirm with Operational Services their time availability to coordinate the install of signs.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>Signs will act as destination way-finding markers for residents and visitors, and they will help augment the brand of the Town of Sundre.</p> <p>Developing Sundre into a destination for visitation and new residents is a strategic priority supporting economic development.</p> <p>As a growing destination it is necessary to assist the growing number of visitors and new residents; way-finding signage is an important piece of infrastructure supporting developing communities.</p> <p>The installation of stylish new signs that utilize modern typeface and natural elements such as locally sourced timber poles also reinforces Sundre's brand association- that is, that Sundre is a community near nature and an appealing place to visit, live, and explore.</p> <p>The project is fairly inexpensive considering the mass visual effect that they produce.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 15,000
Funding:	
Economic Reserve:	
Committed Funds in 2017	\$ 15,000

FUNDING IMPLICATIONS

The Economic Development Reserve will have adequate funds committed to the way-finding signage project to cover the 2018 project.

Operational budget for 2017 will require the existing level of funding (\$15,000) being transferred to the Economic Development Reserves.

As the project is fully funded by reserves there will be no impact on the mill rate.

IMPLICATIONS OF NON-APPROVAL

Way-finding signage potential and plan will not be fully implemented.

Economic development destination development efforts will be reduced.

EMERGENCY MANAGEMENT	
Project Year:	2018
Project Name:	Solar Powered Portable Changeable Message Sign
Project Cost:	\$22,500
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
Purchase a solar powered portable changeable message sign to be used during emergency situations as a method to provide information to residents of Sundre.	
PROJECT JUSTIFICATION/PURPOSE	
<p>During an emergency situation it is important to be able to provide residents with timely information.</p> <p>Using a solar powered sign enables Emergency Disaster Services with an opportunity in providing timely information about the emergency situation.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 22,500
Funding:	
Disaster Grant:	\$ 22,500
If funding is unavailable from the Province of Alberta through Disaster Services such expenditure is eligible under the Municipal Sustainability Initiatives – Capital.	
FUNDING IMPLICATIONS	
<p>The cost of purchasing a Solar Powered Portable Changeable Message Sign will be covered either under funding from the Province through Disaster Services or Municipal Sustainability Initiatives – Capital.</p> <p>As the project is fully funded by grants there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
There may be a delay in providing residents with timely information regarding an emergency situation.	

COMMUNITY SERVICES	
Project Year:	2018
Project Name:	Enhanced Trail Connections
Project Cost:	\$50,000
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
<p>Project will provide areas of the Town with new trails and therefore help in creating a more comprehensive and looped trail system. The types of trails, trail standards and locations will be determined in the new Open Space and Trails Plan.</p> <p>It will improve connectivity of the trail system.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>To provide the Town of Sundre residents and visitors with the best all season trails and open space leisure opportunities to enhance their health, wellness and fitness. To further maximize the tourism attractions of Sundre and surrounding area by utilizing the natural resources and beauty of Sundre and Mountain View County.</p> <p>This project was identified in the Trails Master Plan.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 50,000
Funding:	
Gas Tax Refund Grant:	\$ 50,000
FUNDING IMPLICATIONS	
<p>The Federal Gas Tax Refund Grant as eligible projects includes enhance trail systems.</p> <p>As the project is fully funded by the Federal Gas Tax Refund grant there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>Lost opportunity to promote tourism and encourage residents to explore the natural beauty of Sundre.</p>	

COMMUNITY SERVICES	
Project Year:	2018
Project Name:	Trail Signage
Project Cost:	\$10,300
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
To have proper signage, equipment and tools to identify and upgrade the unofficial trail to an official marked and used Town trail system for Sundre and MVC residents.	
PROJECT JUSTIFICATION/PURPOSE	
To clearly identify the Town's recreational trail systems for Sundre and MVC residents as well as visitors. With a focus on providing health and wellness opportunities and improving tourism. This project is identified in the Trails Master Plan.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 10,300
Funding:	
Gas Tax Refund Grant:	\$ 10,300
FUNDING IMPLICATIONS	
The Federal Gas Tax Refund Grant as eligible projects includes enhance trail systems.	
As the project is fully funded by the Federal Gas Tax Refund grant there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
Lost opportunity to enhance the equality of life for residents and to increase tourism into Sundre.	

INFRASTRUCTURE	
Project Year:	2018
Project Name:	Water and Wastewater Replacement - 5 th Ave to 2 nd Ave
Project Cost:	\$1,200,000
Project Location:	5 th Avenue NE from Centre Street No. to 2 nd Avenue NE
PROJECT DESCRIPTION	
Replace curb, gutter, sidewalk, and water and wastewater mains with full resurfacing of the road on 5 th Avenue NE from Centre Street North to 2 nd Avenue NE.	
PROJECT JUSTIFICATION/PURPOSE	
Operations have struggled with aging infrastructure throughout the Town particularly with an increasing amount of water leaks. Several areas have been identified as requiring full replacement of all infrastructures. Repeat repairs and leak investigations warrant this as a capital project to reduce the leak rate and rebuild the deteriorating sidewalk and road surface.	
PROJECT COST AND FUNDING	
Project Cost:	\$1,200,000
Funding:	
MSI – Capital for 2017	\$ 600,000
Debenture – 20 years	\$ 600,000
IMPLICATIONS OF FUNDING	
<p>The cost of water and wastewater improvements have been funded through user fees as established in the Town’s bylaw setting out the annual fees for services.</p> <p>A general debenture will be required to provide the balance of the funds. Using the Alberta Municipal Finance Corporation Loan calculator a debenture of \$600,000 amortized over 20 years at 2.446% (rate as at Sep 30/16) the bi-annual payments will be \$19,056.71.</p> <p>The annual debenture payments will have an impact on the water and wastewater rates as the Town’s debenture debt will increase by \$19,056.71 in 2018 and in 2019 the full impact will be felt, as the annual debenture payment will be \$38,113.42.</p> <p>Using the 1,140 water and wastewater accounts (in 2016 estimated at 1,139) and applying the debenture increase to the basic flat rate, the basic rate for 2018 for water and wastewater will increase by \$0.70 per month resulting in a basic monthly flat rate of \$20.20 per service. This is an increase of 3.6% over the 2016 rates.</p>	

For 2019 the rates would have to increase by a further \$0.70 as the full debenture payment of \$38,113.42 begins in 2019. The basic monthly rate for 2019 will be \$20.90 per month or \$1.40 more per month than the 2016 rates. This is an increase of 7.18% over the 2016 basic monthly flat charge.

As the project is fully funded through water and wastewater user fees there will be no impact on the mill rate.

IMPLICATIONS OF NON-APPROVAL

The current leak rate for the Town treated water system is approximately 50%. It appears that as leaks are found and repaired the system continues to experience the same rate of loss. This is an indication that some areas have surpassed the design life span of the piping. This leak rate will hamper the Town with future development and currently does show strain when fire suppression is required. The licence for water supply cannot be increased until the population reaches the 7,500 mark, therefore it is vital to address the breakdown in infrastructure as soon as possible to reduce any further strain on the system and prevent a reduction in service to the residents caused by future full piping collapse.

INFRASTRUCTURE	
Project Year:	2018
Project Name:	Underground Lift Station Upgrade
Project Cost:	\$12,300
Project Location:	Garnum Park, Tamarack Crescent and 2 nd Avenue NW
PROJECT DESCRIPTION	
Install alarmed lift stations complete with updated technology.	
PROJECT JUSTIFICATION/PURPOSE	
<p>These lift stations comprise small underground pump systems to move wastewater from one zone to another. The existing systems are past the life span and continue to shut down allowing wastewater to build up. These are extremely difficult to remove, clean and re-deploy for the operators. New technology has a more rugged design and better switchgear that prevents nuisance shut downs and unscheduled maintenance.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 12,300
Funding:	
Water and Wastewater Reserve:	
Unallocated Funds for 2016	\$ 12,300
FUNDING IMPLICATIONS	
<p>There are sufficient unallocated reserve funds in the Water and Wastewater Reserve to cover the cost of the capital project.</p> <p>As the project is fully funded by the Water and Wastewater Reserve there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>These lift stations can back up and cause sewer backups in buildings and homes. In winter this can be very costly when systems are frozen and require thawing. The operators are currently vigilant to check these stations but have had many close calls and very difficult working environment to complete repairs.</p>	

INFRASTRUCTURE	
Project Year:	2018
Project Name:	2 nd Ave NW Main Replacement
Project Cost:	\$110,000
Project Location:	Parking Lot adjacent to Skate Park
PROJECT DESCRIPTION	
Project will entail replacing end of life water main that has recently found to be in poor condition. After the piping is installed the lot will be completed in asphalt with paved trail repairs and fencing.	
PROJECT JUSTIFICATION/PURPOSE	
The piping in this section of water main was recently repaired for a leak. Upon repairing the leak the pipe was found to be in poor condition by the contractor and operations. The entire site of the Skate Park was considered for this project to complete development initiatives with rehabilitating the paved trail section and paving the parking lot. Community Services will be completing bench and shrub work in conjunction with the project.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 110,000
Funding:	
Water and Wastewater Reserve:	
Unallocated Funds for 2016	\$ 110,000
FUNDING IMPLICATIONS	
There are sufficient unallocated reserve funds in the Water and Wastewater Reserve to cover the cost of the capital project.	
As the project is fully funded by the Water and Wastewater Reserve there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
This main is in poor condition. It has the potential for several leaks. It will connect to the newer river crossing pipe of plastic and reduce our leak rate. Not approving this will impact operating budgets, as it will not have operating funds allocated for ongoing maintenance. The area within the main is in poor condition requiring proper drainage and trail rehabilitation. The trail is not usable during wet conditions.	

2019 Capital Projects

ECONOMIC DEVELOPMENT	
Project Year:	2019
Project Name:	Way-Finding Signage
Project Cost:	\$15,000
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
<p>Note: Project depends on placement locations still remaining to be installed that fall outside the restricted provincial highway areas.</p> <p>Finalize specific destinations and placement locations of way-finding signage based on way-finding implementation plan.</p> <p>Order signs from same supplier as previous years and work out final renderings for each sign placement location until satisfied to have manufactured.</p> <p>Confirm with Operational Services their time availability to coordinate the install of signs.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>Signs will act as destination way-finding markers for residents and visitors, and they will help augment the brand of the Town of Sundre.</p> <p>Developing Sundre into a destination for visitation and new residents is a strategic priority supporting economic development.</p> <p>As a growing destination it is necessary to assist the growing number of visitors and new residents; way-finding signage is an important piece of infrastructure supporting developing communities.</p> <p>The installation of stylish new signs that utilize modern typeface and natural elements such as locally sourced timber poles also reinforces Sundre's brand association- that is, that Sundre is a community near nature and an appealing place to visit, live, and explore.</p> <p>The project is fairly inexpensive considering the mass visual effect that they produce.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 15,000
Funding:	
Economic Reserve:	
Committed Funds in 2018	\$ 15,000

FUNDING IMPLICATIONS

The Economic Development Reserve will have adequate funds committed to the way-finding signage project to cover the 2019 project.

Operational budget for 2018 will require the existing level of funding (\$15,000) being transferred to the Economic Development Reserves.

As the project is fully funded by reserves there will be no impact on the mill rate.

IMPLICATIONS OF NON-APPROVAL

Way-finding signage potential and plan will not be fully implemented.

Economic development destination development efforts will be reduced.

CORPORATE SERVICES	
Project Year:	2019
Project Name:	Upgrade/Replace Town Server
Project Cost:	\$20,000
Project Location:	Town Office
PROJECT DESCRIPTION	
Replace or upgrade the Town server to meet the growing technology requirements and advancements.	
PROJECT JUSTIFICATION/PURPOSE	
In 2014 Council approved upgrading the existing server to better meet the requirements of technology for the Town to operate. Included in previous operational budgets Council approved a transfer to the General Reserve of \$2,500 specifically to replace the existing server in 2019. At the end of 2016 \$5,000 will be in the reserve.	
PROJECT COST AND FUNDING	
Project Cost:	\$20,000
Funding:	
General Reserve:	
Committed Funds in 2016	\$ 5,000
Committed Funds in 2017 - 2019	\$ 7,500
MSI – Operations	\$ 7,500
FUNDING IMPLICATIONS	
There are inadequate reserves specifically set aside for the Town server to be replaced in 2019. Keeping the annual amount transferred to General Reserves at \$2,500 will provide an additional \$7,500. The balance of the project will require \$7,500 from the Municipal Sustainability Initiatives (Operations).	
As the project will be funded through General Reserves and the Municipal Sustainability Initiatives (Operations) there will be no implication on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
As the server ages the ability of the server to handle cutting edge technology required by the Town to function effectively and efficiently diminishes. The potential for possible malfunctions of the server also increases over time creating serious concerns about the Town’s ability to operate across all departments.	

FLEET	
Project Year:	2019
Project Name:	Replace Units 139 & 145 with SUV/Van
Project Cost:	\$40,000
Project Location:	Fleet Department
PROJECT DESCRIPTION	
Replacement of Units No. 139 and 145 from the fleet department with a single unit, which will be a SUV or van.	
PROJECT JUSTIFICATION/PURPOSE	
<p>Unit 139 is a 2000 Sierra $\frac{3}{4}$ Ton Chev. Unit 145 is a 2007 Chev Trailblazer LS.</p> <p>Under Town of Sundre Policy No. B-019 <i>Tangible Capital Assets</i> a vehicles useful life is 10 years. By 2019 both of the above vehicles will have met or exceeded their useful life.</p> <p>The fleet manager maintains and records vehicle and equipment repairs and maintenance. Vehicles and drivable equipment generally begin to show wear and increased costs after the 10-year period. Fleet vehicles are chosen to provide maximum use for all departments for day-to-day service for the Town.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 40,000
Funding:	
Fleet Reserve:	
Committed Funds in 2016	\$ 15,000 (Unit 139)
Committed Funds in 2017 – 2019	\$ 15,000 (Unit 139)
Sale of Asset	\$ 1,000 (Unit 139)
Additional Funds from Fleet Res.	\$ 9,000
Please note there are no funds set aside for the replacement of Unit 145 nor is there any resale value estimated for the unit.	
FUNDING IMPLICATIONS	
The proposed new vehicle costs will be covered from funds generated from the Fleet Replacement Reserve.	
Operational budgets for 2017 to 2019 will require the existing level of funding (\$5,000) being transferred to the Fleet Replacement Reserve.	
As the project is fully funded by reserves there will be no impact on the mill rate.	

IMPLICATIONS OF NON-APPROVAL

As vehicles and equipment near the 10 year mark increases in maintenance repairs and degradation of drive trains begin to show in the fleet management budget. It is best practice to forecast the life span and plan for replacement to keep vehicle maintenance costs low.

Extending the life of these units strains the fleet availability and increases the chance for more extensive repairs.

FLEET	
Project Year:	2019
Project Name:	Replace Unit 110
Project Cost:	\$37,000
Project Location:	Fleet Department
PROJECT DESCRIPTION	
Replace Unit No. 110 a 2002 GMC Sierra 2500 with new pick up truck.	
PROJECT JUSTIFICATION/PURPOSE	
<p>Under Town of Sundre Policy No. B-019 <i>Tangible Capital Assets</i> a vehicles useful life is 10 years. By 2019 Unit No. 110 will be 17 years old.</p> <p>It is currently used for hauling water for landscaping and flowerbeds as well as general staff fleet use.</p> <p>The fleet manager maintains and records vehicle and equipment repairs and maintenance. Vehicles and drivable equipment generally begin to show wear and increased costs after the 10-year period. Fleet vehicles are chosen to provide maximum use for all departments for day-to-day service for the Town.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 37,000
Funding:	
Fleet Reserve:	
Committed Funds in 2016	\$ Nil
Committed Funds in 2017 – 2019	\$ Nil
Sale of Asset	\$ 3,000
Additional Funds from Fleet Res.	\$ 34,000
Please note there are no funds set aside for the replacement of Unit 110.	
FUNDING IMPLICATIONS	
<p>The proposed new vehicle costs will be covered from funds generated from the Fleet Replacement Reserve.</p> <p>As the project is fully funded by reserves there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
As vehicles and equipment near the 10 year mark increases in maintenance repairs and degradation of drive trains begin to show in the fleet management budget. It is best practice to forecast the life span and plan for replacement to keep vehicle maintenance costs low.	

This unit experiences heavy hauling usage, which causes increased maintenance and repairs particularly on brakes and drive trains.

Extending the life of these units strains the fleet availability and increases the chance for more extensive repairs.

FLEET	
Project Year:	2019
Project Name:	Replace Unit 143
Project Cost:	\$37,000
Project Location:	Fleet Department
PROJECT DESCRIPTION	
Replace Unit No. 143 a 2002 Ford F150 with new pick up truck.	
PROJECT JUSTIFICATION/PURPOSE	
<p>Under Town of Sundre Policy No. B-019 <i>Tangible Capital Assets</i> a vehicles useful life is 10 years. By 2019 Unit No. 143 will be 17 years old.</p> <p>The fleet manager maintains and records vehicle and equipment repairs and maintenance. Vehicles and drivable equipment generally begin to show wear and increased costs after the 10-year period. Fleet vehicles are chosen to provide maximum use for all departments for day-to-day service for the Town.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 37,000
Funding:	
Fleet Reserve:	
Committed Funds in 2016	\$ 32,500
Committed Funds in 2017 – 2019	\$ 15,000
Sale of Asset	\$ 4,000
Excess Funds	(\$14,500)
Excess reserve funds to be used to be applied against future fleet purchases.	
FUNDING IMPLICATIONS	
<p>The proposed new vehicle costs will be covered from funds generated from the Fleet Replacement Reserve.</p> <p>As the project is fully funded by reserves there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>As vehicles and equipment near the 10 year mark increases in maintenance repairs and degradation of drive trains begin to show in the fleet management budget. It is best practice to forecast the life span and plan for replacement to keep vehicle maintenance costs low.</p> <p>Extending the life of these units strains the fleet availability and increases the chance for more extensive repairs.</p>	

INFRASTRUCTURE	
Project Year:	2019
Project Name:	Bearberry Creek Bridge Upgrades
Project Cost:	\$48,765
Project Location:	Bearberry Creek Bridge
PROJECT DESCRIPTION	
Complete surface repairs to the bridge deck and expansion joint repairs.	
PROJECT JUSTIFICATION/PURPOSE	
<p>In 2014 Alberta Transportation provided a report on the condition of the Bearberry Creek bridge.</p> <p>The report concluded that some surface repairs to the bridge deck and some expansion joint repairs would be required. These repairs are considered non-critical but need to be addressed in a capital plan within the next 3-5 years.</p> <p>The Town is responsible for these repairs and have been advised that maintaining the bridge will extend the lifespan of the asset. The repairs will seal the surface from further freeze/thaw damage to the deck. Some snow removal activities have worn the expansion joints requiring repairs.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 48,765
Funding:	
Infrastructure Reserve:	
Fortis Franchise Fee	\$ 48,765 (2.0%)
FUNDING IMPLICATIONS	
<p>The proposed capital project costs will be covered from funds generated from the Infrastructure Replacement Reserve through the 2.0% allocation from the Fortis Franchise Fee.</p> <p>As the project is fully funded by reserves there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>By not completing these repairs in a timely fashion the life expectancy of the bridge will decrease. The bridge is a vital asset to the Town and will be an expensive capital project when large upgrades are needed. Maintenance measures will assist in allowing for reserves to be built up for the future.</p>	

INFRASTRUCTURE	
Project Year:	2019
Project Name:	Old Town Shop Remediation
Project Cost:	\$92,700
Project Location:	102 5 th Street NW
PROJECT DESCRIPTION	
Remediate the Old Town Shop site at 102 5 th Street NW arising from the storage of road salt and subsequent leakage from past use.	
PROJECT JUSTIFICATION/PURPOSE	
<p>The previous Town shop site had a storage area for the road salt used in the past for winter street maintenance. This salt has leaked into the soil in the NW section of the site causing potential issues for the adjacent Prairie Creek.</p> <p>Prairie Creek is a Class III waterway listed with Alberta Environment, which has clear directives when dealing with salt soil leakage. The site cannot be sold for any type of development until it is remediated and cannot be left untreated over an extended period of time.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 92,700
Funding:	
Infrastructure Reserve:	
Committed Funds for 2016	\$ 50,000
Unallocated Funds for 2016	\$ 42,700
FUNDING IMPLICATIONS	
<p>The proposed capital project costs will be covered from funds generated from the Infrastructure Replacement Reserve.</p> <p>As the project is fully funded by reserves there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>New reporting standards require the Town's auditors to recognize this site and other Brownfield sites as a liability to the Town. Alberta Environment recognizes these types of sites as requiring remediation plans. This site has been studied in 2008. In 2016 a new plan for the site remediation was development, which meets the needs of these agencies.</p> <p>If any salt is traced to Prairie Creek prior to remediation Alberta Environment could potentially fine the Town.</p>	

INFRASTRUCTURE	
Project Year:	2019
Project Name:	Water & Wastewater Replacement 2 nd St 5 th Ave NE - 6 th Ave NE
Project Cost:	\$1,250,000
Project Location:	2 nd Street NE 5 th Avenue NE to 6 th Avenue NE02 5 th Street NW
PROJECT DESCRIPTION	
Replace curb, gutter, sidewalk and mains with full resurfacing.	
PROJECT JUSTIFICATION/PURPOSE	
Operations have struggled with aging infrastructure throughout the town particularly with water leaks. Several areas have been identified as requiring full replacement of all infrastructures. Repeat repairs and leak investigations warrant this as a capital project to reduce the leak rate and rebuild the deteriorating sidewalk and road surface.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 1,250,000
Funding:	
MSI – Capital for 2018:	\$ 600,000
MSI – Capital for 2019:	\$ 650,000
FUNDING IMPLICATIONS	
The proposed capital project costs will be covered from funds generated from the Municipal Sustainability Initiatives – Capital in 2018 and 2019.	
As the project is fully funded by MSI – Capital grants there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
The current leak rate for the Town treated water system is approximately 50%. As leaks are found and repaired the system continues to experience the same rate of loss. This is an indication that some areas have surpassed the design life span of the piping. This leak rate will hamper the Town with future development and currently does show strain when fire suppression is required. The licence for water supply cannot be increased until the population reaches the 7,500 mark; therefore it is prudent to address these breakdowns in infrastructure.	

INFRASTRUCTURE	
Project Year:	2019
Project Name:	Drainage Swale Improvements
Project Cost:	\$41,540
Project Location:	10 th Ave & 1 st St NE – 8 th Ave & 1 st St NE – 6 th Ave & 1 st NE
PROJECT DESCRIPTION	
Improve storm drainage on asphalt and concrete swales by widening the concrete apron that provides the conveyance of storm water across intersections.	
PROJECT JUSTIFICATION/PURPOSE	
PROJECT COST AND FUNDING	
Project Cost:	\$ 41,540
Funding:	
Water and Wastewater Reserve:	
Unallocated Funds available for 2016	\$ 41,540
FUNDING IMPLICATIONS	
The proposed capital project costs will be covered from unallocated reserves residing within the Water and Wastewater Reserve.	
As the project is fully funded by the Water and Wastewater Reserve there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	

INFRASTRUCTURE	
Project Year:	2019
Project Name:	Foothills Gas Supply (Secondary Supply)
Project Cost:	\$285,000
Project Location:	Connection at 11 th Street NE
PROJECT DESCRIPTION	
<p>Foothills Gas Co-op has agreed to install a 4-inch gas pipeline from the north tap no. 9 to the Town border located at the 11th Street NE section of Town. This line will connect to the existing gas. The Gas department will complete the in-Town portion of the project.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>There have been 2 instances where the 4 inch steel gas line attached to the under side decking of the Red Deer river bridge has nearly caused the loss of service to the 90 residents and businesses.</p> <p>The first instance was a major corrosion of the pipe in 2006 due to salt-water drainage attacking the pipes integrity. Major repairs were required to reinforce the pipe.</p> <p>The second instance was during the 2013 near flood where a large tree wedged in between the pipe and the bridge decking that tore the pipe off the mounts and nearly ruptured.</p> <p>This pipe is extremely vulnerable to damages and could be requested at any time to be removed by Alberta Transportation. Attempts were made to drill a new line during the east side water and wastewater project design but there was not enough room for the pipe.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 285,000
Funding:	
Gas Reserve:	
Allocated East Side North District Gas Pipeline for 2016	\$ 25,000
Allocated East Side North District Gas Pipeline for 2017 – 2019	\$ 75,000
Allocated Capacity Expansion for 2016	\$100,000
Allocated Capacity Expansion for 2017 - 2019	\$ 85,000
FUNDING IMPLICATIONS	

The proposed capital project costs will be covered from the Gas Reserve.

As the project is fully funded by the Gas Reserve there will be no impact on the mill rate.

IMPLICATIONS OF NON-APPROVAL

Any damage to this pipe section would be of short notice and would cause the complete shut down of the gas system on the East side as well as major losses on the western section until the bridge line could be shut in. Compressed gas trailers would be required to provide gas feed to the consumers at the Town's cost until a permanent solution is found. It would be a lengthy process to resume service to the affected consumers as well as a major strain on the town operations.

INFRASTRUCTURE	
Project Year:	2019
Project Name:	Gas Line Heater
Project Cost:	\$80,000
Project Location:	Located at the RMO
PROJECT DESCRIPTION	
<p>Upon inspections on the line heater, the gas department will have to upgrade the fuel system. Municipal Affairs, Public Safety has issued a directive that all uncertified line heaters must meet the requirements of CSA B149. The line heater itself is operating, however it is as its end of service life. A plan to replace is required.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>The line heater is a mandatory device that is required so lines will not freeze up. It is past its life span. To be in compliance with the Gas Distribution Act, Part 1, Section 2(1) and Municipal Affairs CSA B149.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 80,000
Funding:	
Gas Reserve:	
Reallocation of existing Gas Reserves	\$ 80,000
FUNDING IMPLICATIONS	
<p>The proposed capital project costs will be covered from the Gas Reserve.</p> <p>As the project is fully funded by the Gas Reserve there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>Lines will freeze and the Town will not be able to supply gas to residents. The chemical glycol in the heater is toxic and can cause environmental issues as well as high pressure gas leaking.</p>	

2020 Capital Projects

FACILITIES	
Project Year:	2020
Project Name:	Enhanced Trail Connections
Project Cost:	\$50,000
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
<p>Project will provide areas of the Town with new trails and therefore help in creating a more comprehensive and looped trail system. The types of trails, trail standards and locations will be determined in the new Open Space and Trails Plan.</p> <p>It will improve connectivity of the trail system.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>To provide the Town of Sundre residents and visitors with the best all season trails and open space leisure opportunities to enhance their health, wellness and fitness. To further maximize the tourism attractions of Sundre and surrounding area by utilizing the natural resources and beauty of Sundre and Mountain View County.</p> <p>This project was identified in the Trails Master Plan.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 50,000
Funding:	
Gas Tax Refund Grant:	\$ 50,000
FUNDING IMPLICATIONS	
<p>The Federal Gas Tax Refund Grant as eligible projects includes enhance trail systems.</p> <p>As the project is fully funded by the Federal Gas Tax Refund grant there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>Lost opportunity to promote tourism and encourage residents to explore the natural beauty of Sundre.</p>	

COMMUNITY SERVICES	
Project Year:	2020
Project Name:	Trail Signage
Project Cost:	\$10,930
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
To have proper signage, equipment and tools to identify and upgrade the unofficial trail to an official marked and used Town trail system for Sundre and MVC residents.	
PROJECT JUSTIFICATION/PURPOSE	
To clearly identify the Town's recreational trail systems for Sundre and MVC residents as well as visitors. With a focus on providing health and wellness opportunities and improving tourism. This project is identified in the Trails Master Plan.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 10,930
Funding:	
Gas Tax Refund Grant:	\$ 10,930
FUNDING IMPLICATIONS	
The Federal Gas Tax Refund Grant as eligible projects includes enhance trail systems.	
As the project is fully funded by the Federal Gas Tax Refund grant there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
Lost opportunity to enhance the equality of life for residents and to increase tourism into Sundre.	

INFRASTRUCTURE	
Project Year:	2020
Project Name:	Main Avenue Upgrade – Phase I
Project Cost:	\$2,086,365
Project Location:	Main Avenue 10 th Street SW to 7 th Street SW
PROJECT DESCRIPTION	
<p>A complete upgrade of Main Avenue from 10th Street SW to 7th Street SW.</p> <p>Project will include the installation of a new road surface constructed to a heavy traffic design, the installation of an extended force main for wastewater expansion, to strengthen the system and allow for future development and the installation of a new storm water system. The project will also include improved pedestrian mobility features with sidewalks, landscaping, which will also be combined with the storm water system, and pedestrian amenities such as benches within the landscaped area.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>Main Avenue West has been rapidly deteriorating particularly in the last 2 years. The paved section is now narrowed considerably and potholes are constantly forming. The road is in close proximity to Highway 27 and has a large buffer zone, which can be used for, increased storm water management while increasing the desirability of the area for future potential commercial development. In addition, pedestrians are now walking in the middle of the road, as there is no sidewalk system, which is a traffic hazard. As commercial development increases along Main Avenue, the complaints about the state of the road and lack of pedestrian facilities will increase.</p> <p>The installation of a new storm water system will provide better control of the over land drainage which is contributing to the deterioration of the road and with the installation of a sidewalk and trail system pedestrians will be able to walk safely in this area. The new landscaping and storm ponds will provide increased protection to buildings in the area from high water events. The project will promote increased commercial development along Main Avenue and assist the current Main Avenue businesses to provide safe access for their customers.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 2,086,365
Funding:	
Infrastructure Reserves:	
Road – Main Avenue Phase I for 2016	\$ 60,000
Road – Main Avenue Phase I for 2017 – 2020	\$ 160,000
Road – Sidewalks	\$ 30,000
Unallocated funds in reserve	\$ 200,000
MSI – Capital for 2020	\$ 650,000
Debenture borrowing for 20 years	\$ 986,365

FUNDING IMPLICATIONS

Although the Town has allocated reserves for infrastructure they are inadequate to fully fund the capital project. MSI – Capital received in 2020 will be used for this project.

A general debenture will be required to provide the balance of the funds. Using the Alberta Municipal Finance Corporation Loan calculator a debenture of \$986,365 amortized over 20 years at 2.446% (rate as at Sep 30/16) the bi-annual payments will be \$31,328.11.

The annual debenture payments will have an impact on the mill rate as our debenture debt will increase by \$31,761.18 in 2020 and in 2021 the full impact will be felt, as the annual debenture payment will be \$62,656.22.

Using the 2016 assessment, 1 mill equals \$368,015 thus for 2020 the mill rate will have to increase by 0.085 to 8.641 mills (0.99% increase over 2016) and in 2021 0.170 to 8.726 mills (1.99% increase over 2016).

IMPLICATIONS OF NON-APPROVAL

The road surface of Main Avenue is in very poor condition to date and cannot be properly maintained with the increased traffic, which is causing further damage. Businesses are being impacted by the deteriorating condition of the road and concerns from both the businesses on Main Avenues and the public who drive and walk along it have begun to increase. Consistent maintenance of potholes is causing the road to deteriorate at a further rate of speed and putting additional workload pressure on the Operations.

Planning and Development identified that a number of commercial development opportunities have been lost due to the condition of the road, and lack of pedestrian amenities that need to be provided by the Town.

INFRASTRUCTURE	
Project Year:	2020
Project Name:	Expansion of Sewer Lagoon
Project Cost:	\$14,000,000
Project Location:	Wastewater Lagoon System
PROJECT DESCRIPTION	
Upgrade and expand the capacity of the wastewater system with new regulated effluent limit design and increased capacity.	
PROJECT JUSTIFICATION/PURPOSE	
<p>There are new regulations from the Federal and Provincial governments for effluent limit reductions with a fully engineered study of the current system. The Quality Effluent Based Limits Study requires municipalities to complete testing and report current levels of certain chemicals and follow with a design to meet the requirements based on this report.</p> <p>In addition, for future developments it is imperative to design increased capacity within the scope of the upgrade as data is indicating that the system is nearing capacity.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 14,000,000
Funding:	
Provincial Government Funding:	\$ 8,400,000 (60%)
Water and Wastewater Reserves:	
Allocated funding for new lagoon for 2016	\$ 410,555
Allocated funding for new lagoon for 2017 – 2020	\$ 400,000
Federal Gas Tax Refund Grant for 2020	\$ 150,000
Debenture borrowing for 25 years	\$ 4,639,445
<p>The above estimate does not take into consideration funding from MVC or if the Province considered the wastewater lagoon a regional site. If considered a regional site the Province would provide 90% of the funding (\$12,600,000) and our debenture costs would be reduced to \$439,445. With MVC participation our debenture costs would be further lowered.</p>	
FUNDING IMPLICATIONS	
<p>The cost of water and wastewater improvements have been funded through user fees as established in the Town's bylaw setting out the annual fees for services.</p> <p>A general debenture will be required to provide the balance of the funds. Using the Alberta Municipal Finance Corporation Loan calculator a debenture of \$4,639,445 amortized over 25 years at 2.649% (rate as at Sep 30/16) the bi-annual payments will be \$127,471.69.</p>	

The annual debenture payments will have an impact on the water and wastewater rates as the Town's debenture debt will increase by \$127,471.69 in 2020 and in 2021 the full impact will be felt, as the annual debenture payment will be \$254,943.38.

Using the 1,140 water and wastewater accounts (in 2016 estimated at 1,139) and applying the debenture increase to the basic flat rate, the basic rate for 2020 for water and wastewater will increase by \$4.66 per month resulting in a basic monthly flat rate of \$24.16 per service. This is an increase of 23.90% over the 2016 rates.

For 2021 the rates would have to increase by a further \$4.66 as the full debenture payment of \$254,943.38 begins in 2021. The basic monthly rate for 2021 will be \$28.82 per month or \$9.32 more per month than the 2016 rates. This is an increase of 47.80% over the 2016 basic monthly flat charge.

IMPLICATIONS OF NON-APPROVAL

The project is mandatory. The Town would be found to be in contravention of regulations at both levels of government if the design of the lagoon and systems were not meeting Federal and Provincial requirements.

In addition, development would have to be halted due to lack of capacity issues.

INFRASTRUCTURE	
Project Year:	2020
Project Name:	Gas Piping Change out
Project Cost:	\$50,000
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
<p>The project will consist of replacing 1 and ½ “ steel main to 4” Polyethylene pipe and reconnection of service to customers in the allotted time in construction season and Operations scheduling.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>Town has a majority of pre 1978 steel gas mains. This pipe is in fair condition however it is not well coated for corrosion and has surpassed its designed life expectancy. Corrosion will cause thinning of the pipe wall causing potential leaks. Pipe connections are susceptible to leaking due to the past practices of joining sections together. The plastic system will allow for fused joints reducing potential leaks or failures. The pipe size will be increased to allow for future capacity.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 50,000
Funding:	
Gas Reserves:	
Allocated for 2020	\$ 50,000
FUNDING IMPLICATIONS	
<p>The cost of the capital project is covered by the Gas Reserves.</p> <p>As the Gas Reserve covers the capital project there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>As the pipe continues to operate past the designed life expectancy, leaks and pipe wall failure will increase causing shut downs of supply and emergency replacement of pipe sections.</p>	

2021 Capital Projects

FLEET	
Project Year:	2021
Project Name:	Replace Unit 1131 – Olympia XE Ice Resurfacer
Project Cost:	\$165,000
Project Location:	Arena #1 101 – 2 nd Ave NW
PROJECT DESCRIPTION	
Replace 1993 Olympia propane ice resurface machine with an energy efficient electric 2016 Olympia Icebear Electric Ice Resurfacer.	
PROJECT JUSTIFICATION/PURPOSE	
Current 1993 Olympia is well beyond the useful life set out in Board Policy No. B019 <i>Tangible Capital Assets</i> of 10 years.	
The cost of maintenance and repairs will begin to escalate as it begins to break down more frequently.	
PROJECT COST AND FUNDING	
Project Cost:	\$165,0000
Funding:	
Fleet Reserve:	
Allocated funds for project in 2016	\$113,000
Allocated funds for project from 2017 to 2021	\$ 60,000
Sale of Asset	\$ 3,500
Excess reserve funds for other projects	(\$ 11,500)
IMPLICATIONS OF FUNDING	
The Fleet Reserve will have sufficient funds to cover the purchase of a new ice resurfacer.	
As a result of the Fleet Reserve having sufficient funds to cover the capital project there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
Unexpected machine failure will cause ice cancelations and disruption of service to facility users as well as have a significant financial impact on operation budgets.	

FACILITES	
Project Year:	2021
Project Name:	Sundre Community Centre Roof Upgrader
Project Cost:	\$25,480
Project Location:	#3 96 – 2 nd Ave NW
PROJECT DESCRIPTION	
Tremco, Weatherproofing Technologies Canada inspected the Sundre Community Centre roof and identified significant granule loss on the lower roof. The recommendation is to restore the lower roof to extend the life of the roof.	
PROJECT JUSTIFICATION/PURPOSE	
Although the Town does not own the land the Sundre Community Centre resides on, the Town does own the building.	
The cost of restoring the Community Centre lower roof is significantly less than having to replace the entire roof and maintaining the integrity of the roof means that there will be a lot less opportunity for water leaks, which will damage the interior of the building and the overall structure.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 25,480
Funding:	
Sundre Community Centre Reserve:	
Allocated funds for project in 2016	\$ 25,480
IMPLICATIONS OF FUNDING	
The Sundre Community Centre Reserve will have sufficient funds to cover the cost of a roof upgrade.	
As a result of the Sundre Community Centre Reserve having sufficient funds to cover the capital project there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
If the lower roof is not restored in 2012 the entire roof and all insulation will need to be replaced at some later point and will likely lead to the possibility of internal damage caused by rain and water leaks.	

FACILITES	
Project Year:	2021
Project Name:	Arena Compressor Overhaul
Project Cost:	\$15,000
Project Location:	101 – 2 nd Ave NW
PROJECT DESCRIPTION	
CIMCO Refrigeration will overhaul the arena compressor during the arena shut down period April to September.	
PROJECT JUSTIFICATION/PURPOSE	
<p>The compressor was last overhauled in 2012 and CIMCO Refrigeration recommends arena compressors be overhauled every 5 years.</p> <p>The Sundre Arena ice operations occurs six months of the year therefore, the arena compressor should be overhauled every ten years given our ice operation six month cycle.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 15,000
Funding:	
Arena Reserve:	
Allocated funds for project in 2016	\$ 10,000
Allocation of funds for project from 2017 – 2021	\$ 7,500
Excess of \$2,500 to stay in reserve to cover unexpected maintenance costs.	
IMPLICATIONS OF FUNDING	
<p>The Arena Reserve will have sufficient funds to cover the cost of a compressor overhaul.</p> <p>As a result of the Arena Reserve having sufficient funds to cover the capital project there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
Compressor failure may occur causing unexpected disruption of service and inconvenience to the ice rental groups leading to a negative financial impact on the Town.	

INFRASTRUCTURE	
Project Year:	2021
Project Name:	Main Avenue Upgrade – Phase II
Project Cost:	\$1,763,410
Project Location:	Main Avenue 7 th St SW to 6 th St SW
PROJECT DESCRIPTION	
<p>A complete upgrade of Main Avenue from 7th Street SW to 6th Street SW to follow on from the Main Avenue Upgrade Phase I project.</p> <p>Project will include the installation of a new road surface constructed to a heavy traffic design, the installation of an extended force main for wastewater expansion, to strengthen the system and allow for future development and the installation of a new storm water system. The project will also include improved pedestrian mobility features with sidewalks, landscaping, which will also be combined with the storm water system, and pedestrian amenities such as benches within the landscaped area.</p>	
PROJECT JUSTIFICATION/PURPOSE	
<p>Main Avenue West has been rapidly deteriorating particularly in the last 2 years. The paved section is now narrowed considerably and potholes are constantly forming. The road is in close proximity to Highway 27 and has a large buffer zone, which can be used for, increased storm water management while increasing the desirability of the area for future potential commercial development. In addition, pedestrians are now walking in the middle of the road, as there is no sidewalk system, which is a traffic hazard. As commercial development increases along Main Avenue, the complaints about the state of the road and lack of pedestrian facilities will increase.</p> <p>The installation of a new storm water system will provide better control of the over land drainage which is contributing to the deterioration of the road and with the installation of a sidewalk and trail system pedestrians will be able to walk safely in this area. The new landscaping and storm ponds will provide increased protection to buildings in the area from high water events. The project will promote increased commercial development along Main Avenue and assist the current Main Avenue businesses to provide safe access for their customers.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 1,763,410
Funding:	
Infrastructure Reserves:	
Storm Sewer Funds	\$ 263,410
Debenture borrowing for 20 years	\$ 1,500,000

FUNDING IMPLICATIONS

Although the Town has allocated reserves for infrastructure they are inadequate to fully fund the capital project.

A general debenture will be required to provide the balance of the funds. Using the Alberta Municipal Finance Corporation Loan calculator a debenture of \$1,500,000 amortized over 20 years at 2.446% (rate as at Sep 30/16) the bi-annual payments will be \$47,641.76.

The annual debenture payments will have an impact on the mill rate as our debenture debt will increase by \$47,641.76 in 2021 and in 2022 the full impact will be felt, as the annual debenture payment will be \$95,283.52.

Using the 2016 assessment, 1 mill equals \$368,015 thus for 2021 the mill rate will have to increase by 0.129 to 8.685 mills (1.51% increase over 2016) and in 2022 0.259 to 8.815 mills (3.03% increase over 2016).

IMPLICATIONS OF NON-APPROVAL

The road surface of Main Avenue is in very poor condition to date and cannot be properly maintained with the increased traffic, which is causing further damage. Businesses are being impacted by the deteriorating condition of the road and concerns from both the businesses on Main Avenues and the public who drive and walk along it have begun to increase. Consistent maintenance of potholes is causing the road to deteriorate at a further rate of speed and putting additional workload pressure on the Operations.

Planning and Development identified that a number of commercial development opportunities have been lost due to the condition of the road, and lack of pedestrian amenities that need to be provided by the Town.

INFRASTRUCTURE	
Project Year:	2021
Project Name:	Water & Wastewater Replacement 5 th Ave to 6th Ave NE
Project Cost:	\$650,000
Project Location:	5 th Avenue NE to 6 th Avenue NE
PROJECT DESCRIPTION	
Replace curb, gutter, sidewalk and mains with full resurfacing.	
PROJECT JUSTIFICATION/PURPOSE	
Operations have struggled with aging infrastructure throughout the town particularly with water leaks. Several areas have been identified as requiring full replacement of all infrastructures. Repeat repairs and leak investigations warrant this as a capital project to reduce the leak rate and rebuild the deteriorating sidewalk and road surface.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 650,000
Funding:	
MSI – Capital for 2021:	\$ 650,000
FUNDING IMPLICATIONS	
The proposed capital project costs will be covered from funds generated from the Municipal Sustainability Initiatives – Capital in 2021.	
As the project is fully funded by MSI – Capital grants there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
The current leak rate for the Town treated water system is approximately 50%. As leaks are found and repaired the system continues to experience the same rate of loss. This is an indication that some areas have surpassed the design life span of the piping. This leak rate will hamper the Town with future development and currently does show strain when fire suppression is required. The licence for water supply cannot be increased until the population reaches the 7,500 mark; therefore it is prudent to address these breakdowns in infrastructure.	

INFRASTRUCTURE	
Project Year:	2021
Project Name:	Water Leak Detector
Project Cost:	\$11,500
Project Location:	Town Shop
PROJECT DESCRIPTION	
Purchase new water leak detection equipment.	
PROJECT JUSTIFICATION/PURPOSE	
Operations has indicated a need to invest in more up to date leak detection equipment to assist in more accurate investigation of and pin pointing water leaks.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 11,500
Funding:	
Water and Wastewater Reserve:	
Allocated funds to 2016	\$ 4,000
Allocated funds from 2017 to 2021	\$ 5,000
Unallocated funds	\$ 2,500
FUNDING IMPLICATIONS	
The proposed capital project costs will be covered from funds generated from the Water and Wastewater Reserve.	
As the project is fully funded by Water and Wastewater Reserves there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
Water leaks are an issue for all municipalities. High leak rates not only reduce available capacity but also are very costly for lost treated water. Operations are striving to keep outside leak consultant costs at a minimum by providing staff the expertise to locate and prioritize leaks. As technology progresses equipment needs to be replaced to improve on success and reduce the cost of lost treated water for the community,	

INFRASTRUCTURE	
Project Year:	2021
Project Name:	RMO Gas Piping Change
Project Cost:	\$208,000
Project Location:	RMO Station to 5 th Street NW
PROJECT DESCRIPTION	
Replacement of the aging 6 inch thin walled steel pipe with HD Polyethylene plastic pipe from the RMO station along the Prairie Creek to the Old shop property. There are 2 creek crossings within the project.	
PROJECT JUSTIFICATION/PURPOSE	
<p>This section of pipe is the main feed line for the Town. It was installed in 1958 and operates at 35 psi. This year class pipe does not have the present coating specifications for corrosion protection. It is also classed as a schedule 40 thin-walled pipe. The line is continually monitored and Operations has determined that a replacement is required within the next 5 years.</p> <p>This pipe project has been identified in the 2013 gas infrastructure risk assessment.</p>	
PROJECT COST AND FUNDING	
Project Cost:	\$ 208,000
Funding:	
Gas Reserve:	
Allocated funds to 2016	\$ 11,750
Allocated funds from 2017 to 2021	\$ 8,750
Other reserve funds	\$ 187,500
FUNDING IMPLICATIONS	
<p>The proposed capital project costs will be covered from funds generated from the Gas Reserve.</p> <p>As the project is fully funded by Gas Reserves there will be no impact on the mill rate.</p>	
IMPLICATIONS OF NON-APPROVAL	
<p>This is a critical supply pipe for the Town's gas needs. A second additional 4-inch line operates but is insufficient to supply in the colder seasons. A breach would affect the majority of customers and due to the landscape and creek it would be very difficult to repair in a timely fashion. Alberta Environment and Parks approval would be required to perform any work near the creek therefore it is prudent to repair in a scheduled capital plan where Provincial approvals can be</p>	

requested well in advance of the capital plan and residents would not be required to have no gas for a prolonged period of time.

INFRASTRUCTURE	
Project Year:	2021
Project Name:	Gas Piping Change out
Project Cost:	\$50,000
Project Location:	Throughout the Town
PROJECT DESCRIPTION	
The project will consist of replacing 1 and ½ “ steel main to 4” Polyethylene pipe and reconnection of service to customers in the allotted time in construction season and Operations scheduling.	
PROJECT JUSTIFICATION/PURPOSE	
Town has a majority of pre 1978 steel gas mains. This pipe is in fair condition however it is not well coated for corrosion and has surpassed its designed life expectancy. Corrosion will cause thinning of the pipe wall causing potential leaks. Pipe connections are susceptible to leaking due to the past practices of joining sections together. The plastic system will allow for fused joints reducing potential leaks or failures. The pipe size will be increased to allow for future capacity.	
PROJECT COST AND FUNDING	
Project Cost:	\$ 50,000
Funding:	
Gas Reserves:	
Allocated for 2021	\$ 50,000
FUNDING IMPLICATIONS	
The cost of the capital project is covered by the Gas Reserves.	
As the Gas Reserve covers the capital project there will be no impact on the mill rate.	
IMPLICATIONS OF NON-APPROVAL	
As the pipe continues to operate past the designed life expectancy, leaks and pipe wall failure will increase causing shut downs of supply and emergency replacement of pipe sections.	

Costing and Funding For 2017 to 2021

Capital Project Name	Cost	Debentures	Grants	Assets	Reserves
					15,000
Replace Town Phone System	30,000				15,000
Way-Finding Signage	12,000				12,000
New Steamer Unit	15,500		15,000	500	
					6,500
Unit No. 133 Conversion and Water Trailer	25,000			10,000	8,500
					240,000
					95,000
					150,000
Upgrade Center Street - Phase I	2,200,000	1,000,000	715,000		
Well 4 Power Generator Upgrade	43,000		43,000		
Electro Fusion Welder	8,240				8,240
AML Pipe Locator	10,000				10,000
Sub Totals - 2017	2,343,740	1,000,000	773,000	10,500	560,240
Way-Finding Signage	15,000				15,000
Solar Power Portable Message Sign	22,500		22,500		
Enhanced Trail Connections	50,000		50,000		
Trail Signage	10,300		10,300		
Water & Wastewater Main Replacement - 5th Avenue to 2nd Avenue	1,200,000	600,000	600,000		
Underground Lift Stations Upgrade	12,300				12,300
Main Replacement - 2nd Avenue	110,000				110,000
Sub Totals - 2018	1,420,100	600,000	682,800	-	137,300
Way-Finding Signage	15,000				15,000
					12,500
Upgrade Town Server	20,000		7,500		
New SUV Unit	40,000			1,000	39,000
Replace Unit No. 110	37,000			3,000	34,000
				4,000	22,500
Replace Unit No. 143	37,000				10,500
Bearberry Creek Bridge Upgrades	48,765				48,765
					50,000
Old Town Shop Remediation	92,700				42,700
Water & Wastewater Main Replacement - 2nd Street, 5th Avenue to 6th Avenue	1,250,000		1,250,000		
Drainage Swale Improvements	41,540				41,540
					100,000

Foothills Gas Supply	285,000				185,000
Gas Line Heater	80,000				80,000
Sub Totals - 2019	1,947,005	-	1,257,500	8,000	681,500
Enhanced Trail Connections	50,000		50,000		
Trail Signage	10,930		10,930		
					220,000
					30,000
					200,000
Main Avenue Upgrade - Phase I	2,086,365	986,365	650,000		
			8,400,000		
			150,000		
Sewer Lagoon Upgrade/Expansion	14,000,000	4,639,445			810,550
Gas Piping Change out	50,000				50,000
Sub Totals - 2020	16,197,295	5,625,810	9,260,930	-	1,310,550
Replace Olympia Resurfacer	165,000			3,500	161,500
Sundre Community Centre Roof Upgrade	25,480				25,480
Arena Compressor Overhaul	15,000				15,000
Main Avenue Upgrade - Phase II	1,763,410	1,500,000			263,410
Water & Wastewater Main Replacement - 5th Avenue to 6th Avenue	650,000		650,000		
					9,000
Water Leak Detector	11,500				2,500
					20,500
RMO Gas Piping Change	208,000				187,500
Gas Piping Change out	50,000				50,000
Sub Totals - 2021	2,888,390	1,500,000	650,000	3,500	734,890
TOTALS FOR 2017 - 2021	24,796,530	8,725,810	12,624,230	22,000	3,424,490

2022 - 2026 Capital Projects

The following capital projects have been identified over the following five-year period 2022 to 2026.

2022 Capital Projects

Replace Police Interceptor Unit No. 150	65,000
Replace Backhoe Unit No. 1121	150,000
Replace Sweeper Unit No. 1138	250,000
Replace Arena Chiller	83,000
Replace Arena Condenser	82,150
Wood Siding on Arena Front	10,000
Planning for new Protective Services Building	200,000
New Town Office & Public Works	15,000,000
Replace Playground Equipment	50,000
Enhance Trail Connections	50,000
Trail Signage	11,600
East End Sign Project	40,000
Upgrade Centre Street - 12th to Town Boundary	3,000,000
Upgrade Centre Street - Phase II 6th to 12th	2,200,000
Project 1-10 Centre Street East to Bridge	470,000
Highway 27 - Utilities & Road Upgrades - Phase I	2,000,000
Upgrade Centre St - 6th Ave to Highway 27	4,000,000
Water & Wastewater 6th Ave to 2nd Street	950,000
Well Expansion/Upgrades	1,468,685
Lift Station No. 5 Upgrades	620,000
Concrete Swale Repairs	43,000
Gas Piping Change outs	50,000
Blue, Green, Black Garbage Bin Replacements	75,000
Sub Totals - 2022	30,868,435

2023 Capital Projects

Replace Unit No. 146	37,000
Replace Unit No. 148	37,000
New Protective Services Facility	5,000,000
Replace Playground	50,000
Project No. 1-10 Centre Street Hwy 27 to Greenwood	1,140,000
Highway 27 Utilities & Road Upgrades - Phase II	2,000,000
Water Sales Station	60,500
Line Camera	18,150

Underground Lift Station Upgrades	2,500,000
Gas Piping Change outs	50,000
Sub Totals - 2023	10,892,650

2024 Capital Projects

Replace Unit No. 149	37,000
Enhance Trail Connections	50,000
Trail Signage	12,300
Extension of 1st Av NW into Bearberry Creek Dev.	1,000,000
Highway 27 Utilities & Road Upgrades - Phase III	2,000,000
Water Grid Upgrade (Prairie Creek Crossing)	1,436,205
Gas Piping Change outs	50,000
Sub Totals - 2024	4,585,505

2025 Capital Projects

Replace Kubota Unit No. 1160 A-K	46,000
Replace Golf Cart	10,000
Replace Lawn Mower Unit No. 1161	65,250
Enhance Trail Connections	50,000
Trail Signage	12,700
Gas Piping Change outs	50,000
Sub Totals - 2025	233,950

2026 Capital Projects

Replace Unit No. 151	37,000
Replace Unit No. 152	52,200
Replace Unit No. 1125	46,500
Replace Unit No. 1139	250,000
Replace Unit No. 153	37,000
New Sportsplex	14,000,000
Enhanced Trail Connections	50,000
Trail Signage	13,050
Gas Piping Change outs	50,000
Sub Totals - 2026	14,535,750

TOTALS FOR 2022 - 2026 61,116,290

TOTALS FOR 2017 - 2026 85,912,820