

**BRAZEAU COUNTY
2023 BUDGET DISCUSSION COUNCIL MEETING
AGENDA**

DATE: 2022 11 23
TIME: 9:00 AM TO 3:00 PM
PLACE: COUNCIL CHAMBERS

1. Addition to and Adoption of the Agenda
2. ECDC 2023 Funding Update (**Page 2**)
 - Letter from the Town of Drayton Valley
3. Equipment Hours and Years of Service (as directed November 18) (**Pages 3-7**)
4. Mowing (as requested by Councillor Brooks November 18)
5. 2023 Interim Budget Capital Plan Review
 - Capital Package in Budget Binder
6. 2023 Interim Budget Capital Requests for Decision
 - Reports for Council package in Budget Binder
7. 2023 Proposed 5 Year Capital Plan (**Pages 8-9**)
8. Degelman Blade Information (as requested by Council)
 - Update Report for Council (**Page 10**)
9. Approval of Interim Operating Budget
10. Approval of Interim Capital Budget
11. Adjournment



DRAYTON
VALLEY

OFFICE OF THE MAYOR

November 17, 2022

Brazeau County Reeve and Council

I wanted to provide further context and clarification on a matter that has recently been brought to our attention regarding the 2023 contribution to the ECDC required by the ICF decision. Although the Town has not approved the budget and the percent attendance on which the contribution is based cannot be provided at this time, the current draft of the budget for 2023 reflects a lower deficit than 2022 and current estimates are that the required contribution from Brazeau County is decreasing from 2022 to approximately \$55,000. Although the final contribution number for 2023 will not be available until the budget is approved on December 7th, I wanted to provide some assurance that rumours of 65% increase in the contribution were false.

I hope this provides some clarity to the situation. Should you have any further questions, please reach out to me at 780-514-2201 or at mayor@draytonvalley.ca

Yours Truly,
Mayor Nancy Dodds



BRAZEAU COUNTY UPDATE REPORT TO COUNCIL

SUBJECT: Equipment Replacement Policy

DATE TO COUNCIL: November 23, 2022 - Interim Budget Discussions

PREPARED BY: Adam Saltesz, Interim Director of Public Works

UPDATE INFORMATION:

At the 2023 Interim Budget Deliberations held on November 18, 2022, Council made the following motion:

950/22-11-18

Moved by R. Swap to direct Administration to bring back suggested hour extensions to the Equipment Replacement Policy, as discussed during the workshop, to the next budget meeting.

D. Ekstrom friendly amendment “and years of service”

R. Swap accepted the amendment.

IN FAVOUR - D. Wiltse, R. Swap, B. Guyon, D. Ekstrom, C. Brooks, K. Westerlund

OPPOSED - A. Heinrich

CARRIED

During the Equipment Reserve & List Workshop held on November 1, 2022, potential changes to the Equipment Replacement Policy thresholds had been brought forward for discussion. The following modifications were discussed:

- Increase Grader Hours to 11,000-12,000 hours (from 7,500)
- Applying adjustments to other equipment hours/km based on percentage change to grader hours.

2023 Requested Replacements

The requested equipment replacements being brought forward during the 2023 Interim Budget Deliberations, along with details on hours/years of service have been outlined below:

EQUIPMENT ID	DESCRIPTION	DEPARTMENT	RATIONALE	HRS / KM [POLICY]	AGE (YRS) [POLICY]	ESTIMATED COST
T108	Ford F350	Utilities	<ul style="list-style-type: none"> • Mileage • Age • Towing/Hauling Capability 	250,598 [225,000]	2012 (11) [10]	\$90,000
A63	Degleman 15' Mower	Maintenance	<ul style="list-style-type: none"> • Shape of Equipment 	2,005 [None]	2014 (9) [None]	\$102,545 *w/ wetblade \$66,865 *w/o wetblade
M140	John Deere Motor Grader 872GP	Maintenance	<ul style="list-style-type: none"> • Hours • Warranty 	8,480 [7,500]	2016 (7) [None]	\$ 703,344
M142	Cat Motor Grader 160M	Maintenance	<ul style="list-style-type: none"> • Hours • Warranty 	9,003 [7,500]	2016 (7) [None]	\$ 703,344
T125	Freightliner Tandem Dump Truck	Maintenance	<ul style="list-style-type: none"> • Hours • Age • Downtime 	8,835 [8,500]	2015 (8) [6]	\$ 368,029
2023 INTERIM BUDGET – REPLACEMENT TOTAL						\$1,967,262

It should be noted that Administration has not brought forward all equipment that currently meets the equipment replacement policy thresholds, only first response equipment that Administrations feels immediate attention is required.

Modification of Policy Thresholds

All equipment listed within the current policy was not discussed at the recent equipment workshop, with discussions mainly focused on grader and plow truck replacements. Administration has applied equally weighted changes to the other equipment listed within the policy based on percentage change to the grader hours from 7,500 hours to 11,000 hours, being an increase of roughly 47%.

The equipment replacement schedule as defined within Council’s current Policy has been summarized, along with the modifications requested:

Asset Type	Established Policy Criteria			Modified Policy Criteria		
	Km's / Hrs	or	Years In Service	Km's / Hrs	or	Years In Service
Emergency Service Vehicles (CPO, Fire Department, etc) Pickups up to and including two tons	175,000 km		10 years	255,000 km		15 years
Pick-ups up to and including two tons	225,000 km		10 years	325,000 km		15 years
Plow, Gravel Trucks	8,500 hrs		6 years	12,500 hrs		9 years
Motor Graders	7,500 hrs		None	11,000 hrs		None
Wheel Loaders	7,500 hrs		None	11,000 hrs		None
Crawler Tractors, Soil Compactors	7,500 hrs		None	11,000 hrs		None
Excavator, Gradall	7,500 hrs		None	11,000 hrs		None
Agriculture Tractor	5,000 hrs		None	7,500 hrs		None
Gravel Pups, Equipment Trailers	None		10 years	None		15 years
Skid Steers	3,500 hrs		3 years	5,000 hrs		5 years

Impacts of Policy Modification to 2023 Equipment Replacement Request

If the modified policy criteria were adopted, the 2023 requested equipment replacement list would be as shown below:

EQUIPMENT ID	DESCRIPTION	DEPARTMENT	RATIONALE	HRS / KM [POLICY]	AGE (YRS) [POLICY]	ESTIMATED COST
T108	Ford F350	Utilities	• Towing/Hauling Capability	250,598 [325,000]	2012 (11) [15]	\$90,000
A63	Degleman 15' Mower	Maintenance	• Shape of Equipment	2,005 [None]	2014 (9) [None]	\$102,545 *w/ wetblade \$66,865 *w/o wetblade
2023 INTERIM BUDGET – MODIFIED REPLACEMENT TOTAL						\$192,545

Potential Advantages/Disadvantages to Delaying Equipment Replacements

POTENTIAL ADVANTAGES	POTENTIAL DISADVANTAGES
<ul style="list-style-type: none"> • Long-term savings to maintain existing fleet vs. replacement 	<ul style="list-style-type: none"> • Increased Maintenance Costs <ul style="list-style-type: none"> ○ Increase to Operating GL Codes for parts and repairs • Increased Unexpected Downtime for Equipment <ul style="list-style-type: none"> ○ Snow Removal Policy ○ Decreased Level of Service ○ Increased Rental Costs • Lack of Rental Opportunities <ul style="list-style-type: none"> ○ Plow Trucks • Lower Resale Value • Warranty Considerations <ul style="list-style-type: none"> ○ Extended warranty required (not included in existing equipment) ○ Higher repair costs due to failures not covered through warranty • Manufacturing/Shipping Delays <ul style="list-style-type: none"> ○ Plow Truck – mid 2024 delivery (as of Sept/Oct 2022) ○ Adds to Hours prior to replacement • Additional staffing requirement to maintain equipment with high hours • Similar concerns with equipment replacement after 1-2 years when fleet hits new replacement targets

Attachment(s): PW-16 – Equipment Replacement Program

Policy Name

Equipment Replacement Program

Policy Number

PW- 16



Policy Statement

Council recognizes that the overall equipment maintenance costs are directly tied to the timing for replacement of equipment to ensure that the most maintenance free productivity is achieved from all equipment. This being the case, it is essential that the timing for replacement of each piece of equipment corresponds with warranty periods or the shop's experienced knowledge on the amount of productive, low-maintenance life left on any particular piece of equipment.

Policy

This policy will allow Administration to replace equipment using the following guidelines at Administration's discretion, with Council's approval, on an annual basis. This would reduce the annual maintenance costs and the amount of downtime that takes place when a piece of equipment has been kept too long.

Equipment replacement schedule:

1. Emergency Service (CPO, Fire department etc.) Pick-ups up to and including two tons – 175,000 km or 10 years
2. Pick-ups up to and including two tons – 225,000 km or 10 years
3. Plow, Gravel Trucks – 8500 hrs/6 years
4. Motor Graders – 7500 hrs
5. Wheel Loaders – 7500 hrs
6. Crawler Tractors, Soil Compactors – 7500 hrs
7. Excavator, (Gradall) – 7500 hrs
8. Agriculture Tractor – 5000 hrs
9. Gravel Pups, Equipment Trailers – 10 years
10. Skid Steers - 3,500 hrs or 3 years

Chief Administrative Officer: _____
 Approved By Council: 04/12/14
 Revision Dates: 07/09/18; 11/08/23, 15/12/15
 Reviewed: 14/09/29

2023 BRAZEAU COUNTY 5 YEAR CAPITAL PLAN
As Recommended November 17, 2022

YEAR	PROJECT ID	DESCRIPTION	SCOPE	KM's	DIV.	\$ TOTAL	2022	2023	2024	2025	2026	2027	APPROVED BUDGET	COMMENTS
2021	ROAD-0263	RR65 (TWP494 to TWP495)	Regrade - In-House	3.4	5	\$600,000.00	\$187,683.00		\$412,317.00				\$250,000.00	
	WSWT-0013	Hamlet of Cynthia Lagoon Refurbishments	Lagoon Refurbishments	-	1	\$1,185,555.00	\$1,185,555.00						889,166 AMWWP / 296,389 BC	
	ROAD-0187	Watercourse Crossing on SE-26-47-8-W5M	New Watercourse Crossing	-	2	\$500,000.00	\$466,395.00						\$500,000.00	
2022	ROAD-0285	TWP492 (RR65 to RR70)	Culvert Replacement - In-House	0.8	5	\$250,000.00	\$250,000.00						\$250,000.00	
	ROAD-0284	TWP474 (RR52 to RR53)	New Road	1.62	6	\$1,750,000.00	\$250,000.00	\$1,500,000.00					\$250,000.00	
	ROAD-0170	TWP484 (East & West of RR74)	Environmental Assessment	1.22	2	\$50,000.00	\$50,000.00						\$50,000.00	
	ROAD-0281	BF81806 - Bridge Culvert - RR70 @ HWY616	Bridge Culvert Replacement	-	6	\$310,000.00	\$77,500.00						232,500 STIP / 77,500 BC	
	ROAD-0280	BF81139 - Bridge Culvert - RR100 N. of TWP484	Bridge Culvert Replacement	-	2	\$385,000.00	\$96,250.00						288,750 STIP / 96,250 BC	
2023	ROAD-0282	RR83 (HWY620 to TWP480)	Capping - Cape Seal	5.25	2	\$563,770.00		\$563,770.00						
	ROAD-0262	TWP485 (RR85 to RR91)	Capping - Cape Seal	3.24	2	\$328,696.00		\$328,696.00						
	ROAD-0202B	TWP494 (HWY22 to RR81)	Capping - Cape Seal	4.64	1, 3, 4	\$458,753.00		\$458,753.00						
	ROAD-0237	RR73 (TWP502 to HWY624)	Capping - Cape Seal	6.48	4	\$684,630.00		\$684,630.00						
	ROAD-0135	RR53 (TWP500 to TWP502)	Base Stabilization & Cape Seal	3.24	5	\$792,250.00		\$792,250.00						
		BF09850 - Bridge - TWP494 @ Lindale Hall	Major Bridge Repair	-	5	\$600,000.00		\$150,000.00						Require 25% (STIP - 450000 / BC - 150000)
	BF71545 - Bridge Culvert - RR71 S. of TWP504	Bridge Culvert Replacement	-	4	\$1,170,000.00		\$292,500.00						Require 25% (STIP - 877,500 / BC - 292,500)	
2024	ROAD-0170	TWP484 (East & West of RR74)	New Road	1.22	2	\$750,000.00			\$750,000.00					Samis Road Request - In-House Construction
		RR80 (N of TWP 494 to The Ranch Country Estates)	Base Stabilization & Cape Seal	1.9	1	\$522,655.00			\$522,655.00					
		TWP474 (RR54 to RR55)	New Road	1.62	6	\$1,250,000.00			\$1,250,000.00					
		ROAD REQUEST ALLOCATION							\$600,000.00					
	ROAD-0283	Parview Estates Roads	Capping - Cape Seal	2.61	4	\$235,465.00			\$235,465.00					
		TWP502 (RR72 to HWY22)	Overlay	3.24	4	\$950,000.00			\$950,000.00					
	TWP494 (RR52 to RR54)	Partial Mill & Overlay	3.24	5	\$1,150,000.00			\$1,150,000.00						
2025		BF70530 - Bridge - TWP482 E. of RR50	Bridge Replacement	-	6	\$3,200,000.00				\$3,200,000.00				Applying for STIP grant funding
		BF81755 - Bridge Culvert - RR63 S. of TWP490	Bridge Culvert Replacement	-	6	\$692,000.00				\$692,000.00				Applying for STIP grant funding
		BF75463 - Bridge Culvert - TWP500 @ RR52	Bridge Culvert Replacement	-	5	\$996,000.00				\$996,000.00				Applying for STIP grant funding
		Northside Meadows Subdivision Roads	Base Stabilization & Cape Seal	2	4	\$489,043.00				\$489,043.00				

2026	RR63 (TWP490 to HWY39)	Base Stabilization & Cape Seal	3.55	5	\$868,052.58					\$868,052.58		
	RR72 (TWP504 to HWY624)	Regrade - Contracted	3.2	4	\$1,760,000.00					\$1,760,000.00		
	RR45 (TWP473 to HWY616)	Regrade - In-House	4.8	6	\$1,536,000.00					\$1,536,000.00		
	TWP473A (RR42 to HWY20)	Regrade - Contracted	1.6	6	\$880,000.00					\$880,000.00		
2027	RR52 (RR51A to HWY39)	Regrade - In-House	2.14	5	\$685,000.00					\$685,000.00		
	TWP501 (Hwy759 to RR62)	Regrade - Contracted	1.63	5	\$896,000.00					\$896,000.00		
	RR70 TWP502 N. to End)	Regrade - In-House	4.85	4	\$1,555,000.00					\$1,555,000.00		
					2022	2023	2024	2025	2026	2027		
					2,563,383	4,770,599	5,870,437	5,377,043	5,044,053	3,136,000		

* Proposed Plan Subject to Change based on, but not limited to, Provincial Funding Allocations, Budgetary Adjustments, and Other Emergent Matters

Draft



**BRAZEAU COUNTY
UPDATE REPORT TO COUNCIL**

SUBJECT: Degleman Blades for Winter Maintenance

DATE TO COUNCIL: November 17, 2022 - Interim Budget Discussions

PREPARED BY: Adam Saltesz, Interim Director of Public Works

**UPDATE
INFORMATION:**

Based on the discussions held at the November 1, 2022 Equipment Reserve & List Workshop, Administration has investigated the costs associated with purchasing new Degleman Blades for use on County owned tractors and skid steer.

Brazeau County has three tractors in the equipment fleet, one of which has recently been fitted with a Degleman Blade to assist with winter maintenance. The addition of this tractor and Degleman Blade to complete snow removal work was well received as its use assisted in times where graders were down for maintenance or was able to be mobilized in addition to the grader fleet to assist in increasing overall levels of service.

There are two tractors that are currently not utilized in the winter and could be fitted with similar Degleman Blades to complement Brazeau County's winter maintenance fleet. Issues are expected with finding operators to run two additional pieces of winter maintenance equipment. If Council desires to add additional tractors and blades to the winter fleet, Administration is suggesting the addition of only one Degleman Blade and tractor during the 2022/23 winter season to determine overall effectiveness and ability to utilize the equipment based on current staffing levels.

The Utility department within Public Works is required to complete snow removal at all Brazeau County transfer stations, along with sewage lagoons, lift stations, and water plants. Currently, Utilities utilize a skid steer with a standard blade to complete this work. By incorporating a Degleman Blade on this existing skid steer, it is expected that the time to complete this work could potentially be cut in half, increasing level of service.

QUOTES RECEIVED NOVEMBER 2, 2022		
DESCRIPTION	EQUIPMENT UTILIZED	QUOTE (w/o GST)
Degleman Speed Blade (w/ all mounts)	Tractor	\$40,535.00
Degleman Speed Blade (w/ all mounts)	Skid Steer	\$14,425.00