



**Council - Special Meeting  
Agenda**

Monday, December 23, 2019

12:00 p.m.

Council Chambers

**Pages**

- |     |  |       |
|-----|--|-------|
| 1.  | CALL TO ORDER                                |       |
| 2.  | ADOPTION OF AGENDA                           |       |
| 3.  | DISCLOSURE OF INTEREST                       |       |
| 4.  | NEW BUSINESS                                 |       |
| 4.1 | 2020 Capital Budget                          | 2 - 5 |
| 4.2 | 2020 Operating Budget                        | 6 - 8 |
| 4.3 | Appointment - Alternate Deputy Mayor         | 9     |
| 5.  | IN CAMERA                                    |       |
| 5.1 | Chief Administrative Officer (CAO) Agreement |       |
| 6.  | ADJOURNMENT                                  |       |



## STAFF REPORT

**Title:** 2020 Capital Budget

**Meeting Date:** December 23, 2019

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### **Executive Summary:**

The Municipal Government Act (MGA) provides direction to Council regarding the adoption of Capital Budgets. The Municipal Government Act requires that all expenditures of the municipality are within an approved Capital Budget. Due to the uncertainty of the funding source of the 2020 budget Administration recommends only passing a minimal Capital Budget. Section 245 of the MGA states each council must adopt a capital budget for each calendar year.

### **Background:**

Administration is recommending that Council pass a \$2,985,390 Capital Budget. This budget will only include the following:

- 2020 Annual Capital Street Improvement Program \$1,741,640;
- 8 Street Roadway Extension (Phase 2a) \$500,000;
- City Hall HVAC and Furnace Replacement \$135,000;
- AB First Responder Radio Communication System (AFRACS) - \$228,750;
- IBM Software Replacement \$80,000
- 69 Avenue (Radar Road) Road Improvements \$300,000.

The above noted projects are primarily funded thru grants, restricted surplus, and/or off-site levies. All remain capital projects will be put on hold. Grant funding remaining available for 2020 projects total just over \$2.8M Capital Budget amendments will be brought to Council for consideration based on priority and funding sources.

### **Alternatives:**

Council may consider the following options:

1. Council may pass a motion to approve the 2020 Capital Budget for \$2,985,390.
2. Council may consider other options in the 2020 Capital Budget

### **Recommended Action:**

Administration recommends Council pass the 2020 Capital Budget for \$2,985,390.

### **Budget Implications (Yes or No):**

Yes

### **Submitted by:**

Kevin Nagoya, Chief Administrative Officer

2020 DRAFT CAPITAL BUDGET SUMMARY

DESCRIPTION	DECISION MATRIX		MUNICIPAL FUNDS					PROVINCIAL/FEDERAL GRANTS			
	TOTAL BUDGET	FUNDED	OFF-SITE LEVY	RESTRICTED SURPLUS	UNRESTRICTED SURPLUS	CLAWR	DEBENTURE	MSI CAPITAL	BMTG	GAS TAX REBATE	OTHER SPECIAL GRANTS
Estimated Available Funding or Estimated Status ----->			4,332,455	1,245,000	0	0	2,000,000	2,364,217	984,640	1,573,310	0
<u>Fleet and Equipment Infrastructure:</u>											
2020 Annual Fleet Replacement Program Total		0									
Light Fleet Vehicles 3 + 1 CLUSC	120,000	0									
Turf Maintenance Equipment	70,000	0									
Pumper Truck	1,000,000	0									
Rescue 2	300,000	0									
<u>Additional Equipment:</u>											
Water Truck - Replacement	150,000	0									
Pot Hole Truck	105,000	0									
Video Camera and Audio Equipment - podcasting	5,000	0									
Golf Equipment Attachments	25,000	0									
Replace Rental Golf Clubs	30,000	0									
GPS Installation Recycling Truck	15,000	0									
Asphalt Recycler-Overhaul/Rebuild	35,000	0									
Concrete/Asphalt Grinder	3,300	0									
Crack Sealing Kettle	3,800	0									
Anti-icing/Dust control Slide in Tank	25,000	0									
Air Conditioning Testing Equipment Replacement	9,495	0									
Community Events Trailer	20,000	0									
Fleet and Equipment Infrastructure Total:	1,916,595	0									
<u>Environmental Infrastructure:</u>											
Water System											
Building 5 Bulk Metering Station Improvements	30,000	0									
300mm Waterline Extension-16 Avenue (6 St to City Limits)	1,000,000	0									
Water Distribution PRV Program (Phase 2 of 5)	900,000	0									
Waste Water System											
Lakeshore Drive Infrastructure Improvements (\$500k funded so far)	10,000,000	0									
Building 8 Upstream Enhancements (Phase 2)	2,500,000	0									
Other Environmental Projects											
Beach Avenue Bed and Shore Erosion Control	100,000	0									
Stormwater Management											
Birch Avenue Storm Sewer Upgrade (Pine Avenue to Outfall)	400,000	0									
Waste Management											
Compost Pad Expansion	300,000	0									
Environmental Infrastructure Total:	15,230,000	0									
<u>Roadway Infrastructure:</u>											
2020 Annual Street Improvement Program (Road Analytics Program)	1,800,000	1,741,640		317,000					984,640	440,000	
2020 Annual Residential Lane Construction	200,000	0									
2020 Annual Commercial Lane Improvement Program	200,000	0									
2020 Annual Trail/Sidewalk Connectivity Improvements	200,000	0									
2020 Annual Street Lighting Enhancement Program (Year 2)	250,000	0									
2020 Way Finding Signage Program (Year 2)	200,000	0									
Hwy 28 Street Lights LED Upgrade - 54 Ave to Lakeshore Drive	200,000	0									
Downtown Parking Signage	21,600	0									
Downtown Intersection Improvements	100,000	0									
Downtown Lighting Replacement	200,000	0									
8 Street Roadway Extension (Phase 2a)	500,000	500,000	350,000					150,000			
8 Street Roadway Extension (Phase 2b)	1,000,000	0									
Highway 28 Widening Enhancements	6,000,000	0									

2020 DRAFT CAPITAL BUDGET SUMMARY

DESCRIPTION	DECISION MATRIX		MUNICIPAL FUNDS					PROVINCIAL/FEDERAL GRANTS			
	TOTAL BUDGET	FUNDED	OFF-SITE LEVY	RESTRICTED SURPLUS	UNRESTRICTED SURPLUS	CLAWR	DEBENTURE	MSI CAPITAL	BMTG	GAS TAX REBATE	OTHER SPECIAL GRANTS
Estimated Available Funding or Estimated Status ----->			4,332,455	1,245,000	0	0	2,000,000	2,364,217	984,640	1,573,310	0
Highway 28 Traffic Light Synchronization Review and Enhancements	30,000	0									
Roadway Infrastructure Total:	10,901,600	2,241,640									
Transit Infrastructure:											
No projects have been indentified for 2020	0	0									
Transit Infrastructure Total:	0	0									
Facilities Infrastructure:											
North Arena											
Ice Plant	1,000,000	0									
Board Replacement	180,000	0									
Portable Outdoor Rink Board System	20,000	0									
Energy Centre											
Imperial Oil Place Dressing Room Expansion (Junior A Dressing Room) (\$30k funded for Design)	300,000	0									
Mens & Womens Sauna	42,000	0									
Upgrade Mini Stick Rink - Glass & Doors	10,500	0									
Public Works/Operations											
Public Works Operations Centre Phase 1 (Total Funded to date = \$2,285,900)	22,000,000	0									
Overhead Furnaces	30,800	0									
Seacan Containers (Storage)	10,000	0									
City Hall											
City Hall Conceptual Design Development	115,000	0									
City Hall HVAC and Furnace Replacement	135,000	135,000			135,000						
Marina											
Marina Dredging	1,700,000	0									
Marina Dredging Pilot Project	50,000	0									
EDAC-Largest Trout Monument at Marina	500,000	0									
EDAC-BLOCK Letter Attraction	50,000	0									
Floating dock system	30,000	0									
Boat launch repairs to concrete		0									
Totem Pole Replacement		0									
Emergency Services											
RCMP Expansion (Construction Top up 3,500,000 to 11,000,000)	11,000,000	0									
Fire Training Centre Assembly	30,000	0									
Fire Service Transition to AB First Responder Radio Comm. System (AFRACS)	228,750	228,750						228,750			
Lake District Fire Station - Feasibility Study	25,000	0									
Emergency Operations Centre Renovations and Equipment	20,000	0									
Radio Repeater for Municipal Enforement (Not required if converting to AFRACS)	14,160	0									
Speed/Red Light Cameras (Intersection)	120,000	0									
Cemetary											
Grand Centre Memorial Cemetery - Phase 1 (\$525k funded-top up to \$1,300,000)	1,300,000	0									
West End Yard											
Animal Shelter Replacement (top up from \$500,000 to \$1,200,000)	1,200,000	0									
FCSS											
FCSS/Parent Link Centre Playground Fencing	10,000	0									
Golf and Winter Club											
No projects have been indentified for 2020	0	0									

## 2020 DRAFT CAPITAL BUDGET SUMMARY

DESCRIPTION	DECISION MATRIX		MUNICIPAL FUNDS					PROVINCIAL/FEDERAL GRANTS			
	TOTAL BUDGET	FUNDED	OFF-SITE LEVY	RESTRICTED SURPLUS	UNRESTRICTED SURPLUS	CLAWR	DEBENTURE	MSI CAPITAL	BMTG	GAS TAX REBATE	OTHER SPECIAL GRANTS
Estimated Available Funding or Estimated Status ----->			4,332,455	1,245,000	0	0	2,000,000	2,364,217	984,640	1,573,310	0
Museum											
Access Road Improvements (\$75,000 to \$500,000) - funded \$250k in 2019	300,000	300,000								300,000	
Parking Lot Resurfacing	150,000	0									
Thomas Varughese Field											
Field Flooring System	500,000	0									
Land Acquisitions											
Land Acquisitions	0	0									
Facilities Infrastructure Total:	41,071,210	663,750									
Airport Infrastructure:											
No projects have been indentified for 2020	0	0									
Airport Infrastructure Total:	0	0									
IST Infrastructure:											
Last Mile Fibre	200,000	0									
IBM Replacement	80,000	80,000		80,000							
Surveillance cameras main intersection	30,000	0									
WiFi Infrastructure	35,000	0									
Web Conferencing Council	20,000	0									
Sound System Council	20,000	0									
IST Infrastructure Total:	385,000	80,000									
Planning and Development:											
Planning and Development Total:	0	0									
Recreational Infrastructure (Parks and Sportsfields):											
2019 Annual Park Replacement and Enhancement Program	150,000	0									
Mountain Bike Park											
Mountain Bike Trails (Phase 2)											
Bike Skills Park (Phase 3)	600,000	0									
Eugene Dery Reclamation Project	25,000	0									
Off Leash Dog Park-Imperial Park	50,000	0									
Community Dog Bag Program	20,000	0									
Imperial Park:											
Basketball Court (Request by Northern Lights School Division)	200,000	0									
Concrete barriers in parking lot	25,000	0									
River Slide - Public Water Slide	250,000	0									
Entry Feature Improvements - concrete curbing	32,000	0									
Kinosoo Beach:											
Next Phase funded in 2019 subject to grant											
Swimming Platform	15,000	0									
Bird Deterent Equipment	5,000	0									
Tennis Court Enhancements	15,000	0									
Pickle Ball Court Enhancements	15,000	0									
Recreational Infrastructure (Parks and Sportsfields) Total:	1,402,000	0									
<b>TOTAL 2019 CAPITAL BUDGET</b>	<b>70,906,405</b>	<b>2,985,390</b>	350,000	397,000	135,000	0		378,750	984,640	740,000	0
<b>RESIDUAL AVAILABLE FUNDS OR ESTIMATED STATUS</b>			3,982,455	848,000	-135,000	0		1,985,467	0	833,310	0



## STAFF REPORT

**Title:** 2020 Operating Budget

**Meeting Date:** January 14, 2020

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### **Executive Summary:**

The Municipal Government Act (MGA) provides direction to Council regarding the adoption of Operating Budget. The Municipal Government Act requires, with limited exceptions, that all expenditures of the municipality are within an approved Operating Budget. Due to the uncertainty of the funding source for the 2020 budget the City will not be able to pass the 2020 Operating Budget. The City will not be able to incur any expenditures after Dec 31, 2019 without adopting at least an interim 2020 Budget. Administration is recommending for Council's consideration passing an interim budget for 12 Million for the first 3 months of 2020.

### **Background:**

#### Section 242 Adoption of Operating Budgets

- (1) Each council must adopt an operating budget for each calendar year.
- (2) A council may adopt an interim operating budget for part of a calendar year.
- (3) An interim operating budget for a part of a calendar year ceases to have any effect when the operating budget for that calendar year is adopted.

Passing of an interim budget will allow Administration to continue to make operating expenditures in 2020 until the final operating budget is passed.

#### Section 248 Expenditure of Monies

- (1) A municipality may only make an expenditure that is
  - (a) Included in an operating budget, interim operating budget or capital budget or otherwise authorized by council,
  - (b) For an emergency, or
  - (c) Legally required to be paid.

It should be noted that the City of Cold Lake's financial forecasting and budget modeling included taxation revenue from the ID349. It was also included in the City's annexation application, indicating that funding from I.D. 349 has a material effect on the finances and sustainability of the City of Cold Lake.

As it currently sits, the deficit will continue to grow until an agreement is solidified and/or a tax increase along with a reduction in program or services in 2020.



At this time, Administration is recommending that Council adopt an interim operating budget for 2020. Administration estimates that an interim budget of \$12 million will hold over committed and/or legislated expenses for the period of January 1, 2020 and March 31, 2020. No commitments will be made beyond March 31, 2020 except where existing contractual agreements are in place. Prior to the end of March and dependent on solidifying the funding sources for 2020, Administration will be presenting for Council's consideration an amendment to the interim budget or the 2020 Operational Budget. The 2020 Operational Budget must be passed prior to setting the tax rate in May 2020.

Administration would like to highlight that this will include the following:

- 2020 Airshow Sponsorship \$125,000 plus GST (\$131,250); and
  - Council has passed a motion to sponsor the 2020 Airshow. The City has received the funding agreement of which is currently being reviewed by administration.
- MCCAC Municipal Program Manager \$11,000 (22,000 over 2 years)
  - Council passed a motion to contribute funding with the M.D. of Bonnyville (host) and Village of Glendon to hire a "Manager" to review municipal facilities and provide recommendations that support bold to address climate change and reduce greenhouse gas emissions.
- Northern Lights Library System \$1,197
  - Subject to membership approval, the NLLS will be increasing their fees by 1.5%. Council provided a motion of support for this increase.

It should be noted that this interim budget may impact contracted services, staffing, programming and supply chains beyond March 31, 2020, unless other authorizations are in place. This will include spring and summer road maintenance activities etc. The interim budget will also impact Council Goodwill and Grants to community related organizations.

The following specific requests may need to be considered in the New Year for planning purposes:

- Full Throttle Festival \$30,000
  - The City of Cold Lake holds a street festival opening to the Cold Lake Airshow on Main Street. This event is always very well attended.

Further to the above, the Chief Administrative Officer (CAO) has already implemented a freeze to hiring any vacant positions inclusive of all positions (full-time, part-part time, term, casual, specific projects). In extraordinary circumstances a requisition to hire will be considered by the CAO however these circumstances will be based on merit of meeting only immediate legislated and/or operational requirements until the hiring freeze is lifted.



**Alternatives:**

Council may consider the following options:

1. Council may pass a motion to approve an interim operating budget of 12 Million to cover expenses from Jan 1, 2020 to March 31, 2020.
2. Council may consider approval of a different amount or time period for the interim budget

**Recommended Action:**

Administration recommends Council pass a motion to approve an interim Operating Budget of \$12 Million to cover operations, committed and/or legislated expenses between January 1, 2020 and March 31, 2020.

**Budget Implications (Yes or No):**

Yes

**Submitted by:**

Kevin Nagoya, Chief Administrative Officer





## STAFF REPORT

**Title:** Appointment - Alternate Deputy Mayor

**Meeting Date:** December 23, 2019

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### **Executive Summary:**

As Mayor Copeland will be absent from the January 14, 2020 Council meeting and Deputy Mayor Lefebvre will also be absent, a resolution is required to appoint an alternate Deputy Mayor in order to have a Chair for the January 14<sup>th</sup> Council meeting. As Deputy Mayor Lefebvre will be away for the period of January 14 - February 4, 2020, Council may wish to appoint an alternate Deputy Mayor for the whole period.

### **Background:**

Upcoming Deputy Mayor rotation appointments are as follows:

- July 2020-February 2021 - Councillor Soroka
- March 2021-October 2021 - Councillor Vining

Currently, Councillors Buckle, Grau, Lay, Soroka, and Vining have confirmed their attendance at the January 14, 2020 regular meeting of Council which confirms quorum for the meeting.

### **Alternatives:**

- Motion to appoint an alternate Deputy Mayor from January 14 - February 4, 2020.
- Cancel the January 14, 2020 Council meeting.
- Reschedule the January 14, 2020 Council meeting.

### **Recommended Action:**

That Council appoint Councillor \_\_\_\_\_ as the alternate Deputy Mayor for the period of January 14 - February 4, 2020.

### **Budget Implications (Yes or No):**

No

### **Submitted by:**

Kevin Nagoya, Chief Administrative Officer