



The Summer Village of Rochon Sands
2021-2025 Capital Budget Presentation for Council

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Presented to Council April 13, 2021

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The Summer Village of Rochon Sands 2020-2025 Capital Budget

Overview:

The Summer Village is required by legislation to prepare a 3 year Operating and 5 Year Capital Budget for submission to Alberta Municipal Affairs (if requested) for the 2021 and subsequent calendar years. It is a good practice for any corporation to review, revise and implement any financial changes year to year to ensure the goals of the corporation are being achieved.

Grant Funding and Revenue Sources

The Summer Village of Rochon Sands has three revenue sources for Capital Spending: 1. Municipal Sustainability Initiative (MSI), 2. Federal Gas Tax Fund (FGTF) and 3. Municipal Reserves (Operating Budget Surplus). The Summer Village of Rochon Sands is unique with management of Rochon Sands and the Narrows PRA with operating profits being retained by the Summer Village. Historically, Council has retained 25% of Park Operating Profits to the Summer Village of Rochon Sands Capital Budget outside of taxation and/or grant funding. The Municipal Reserves funds are at Council discretion as they have been created by surplus operational budgets and surplus Parks Operations as per Council Policy. Municipal Reserve Funds are classified as “unrestricted” funds as they may be allocated for any spending that Council directs. Both the MSI program and the FGTF (“restricted” funds) have expenditure limitations and all projects must meet eligibility requirements and be approved by the appropriate Ministry prior to spending funding. The Province of Alberta had announced previously the end of the MSI program in 2021-2022. This program has been reinstated and will be continued until 2024-2025 under the same current MSI agreement, in the light of financial difficulty and unprecedented financial impacts of COVID-19. ***The formula for funding for each municipality will be reduced as the total amount of provincial funding will be reduced from \$1.226 Billion in 2021 to \$722 Million in 2022/2023 fiscal years. This represents over a 40% decrease in Capital and Operating in the MSI funding formula.***

As such each municipality in Alberta will be reduced in MSI funding, with actual numbers will be dependent on the Annual Provincial Budget in any given year. This also leads to estimating future funding and unstable revenue source for all municipalities. This creates a challenge to budget any future Capital Spending as a multi-year plan.

The Summer Village of Rochon Sands does not currently own or need to maintain typical infrastructure such as water mains and sewer mains, with a large portion of municipal access roads being Highway 835 which is maintained by Alberta Transportation. This leaves Capital Spending in a unique situation with projects that meet eligible requirements for the MSI and FGTF spending are limited. The Village Square project has been fully funded by MSI funding, which is nearing completion for eligible funding. The Lakeview Drive project was funded by FGTF accumulations for many years. Administration has **proposed** such projects as the Bay View Walkway, Bay View Paving Overlay, Marina Renovations/Upgrades as possible suggestions for future capital projects. A new Public Works Shop could be considered if the Alberta Parks contract is not renewed on a long-term basis, for utilization of the shops in the Provincial Park for Village operations.

The 2021-2025 Capital Budget for the Summer Village of Rochon Sands needs to be created/revised in accordance with a new updated Strategic Plan for 2021-2025. The Strategic Plan becomes essential for Council to approve to give Administration direction to priority spending and fulfill the visions for the community that translate into the Capital Budget spending.

2020-2024 Capital Budget Spreadsheet-Attached for review and forms part of the 2020-2024 Capital Budget for Council Approval

****MSI Projects Approved by the Minister are denoted by a “CAP-Number” ****

Ongoing/Unfinished Projects 😞

1. Village Square Phase II should be completed in 2021/2022 with paving of Hall Street and Basketball Court with possible washroom building-this has been noted as a priority of several years and has not been completed. A washroom building has been discussed for several years with no consensus by Council on construction or placement within Village Square.

2. Snak Shak Project has been removed from the capital budget for replacement-Many scenarios have been presented to Council for consideration for replacement with no consensus of financial/community support. The Snak Shak is owned by the Summer Village and there is a likelihood of not opening due to Alberta Health Inspectors previously recorded violations for food preparation regulations. No interior upgrades have been made to ensure the building conforms with Alberta Health Standards for food service. **Unfortunately, operations of the Snak Shak may be in jeopardy as early as Spring 2021, with health regulation violations. This also affects the long term tenant who operates the Snak Shak as a lease agreement with the Summer Village.**

Successful and Completed Projects 😊

1. Emergency Address Signs/Posts have been delivered in October 2020, but weather hampered the installation of the signs with an approved quote from CCM Construction for Spring 2021. Signs purchase show expenditure in 2020 and 2021 will be reported as installation costs. This have been approved for MSI Funding and has been reported accordingly for 2020-year end.

2. Office renovations were budgeted in 2020 for \$10,000 but were not started until early 2021 with Council being apprised of extra costs as construction proceeded with structural issues found in the walls and ceiling. The Capital Budget for 2021 needs to be revised for the additional funds as the overall cost was closer to \$25,000 for the Village Office renovation.

3. Dump Trailer for Public Works was researched for specifications and purchased for Public Works in 2020. This adds to the equipment list available in the Summer Village and was a welcome addition.

4. Equipment replacement in 2020 added a new zero turn lawnmower purchased and brought into service early in the year. Another welcome addition to the seasonal staff to maintain grounds in an efficient manner, with the purchase price being much lower than budget. Equipment replacement must be planned accordingly to ensure smooth transition from old equipment to new equipment.

Administration would recommend the purchase of an additional zero turn mower with same model as purchased in 2020.

5. Solid Waste Compound was planned to be replaced with new chain link fencing and gates. Upon more discussion with Public Works, Waste Removal Truck Driver and Administration, gates/fencing have not been replaced as previous. Resident feedback has been positive on the revised design and the area has been kept cleaner with less work for Public Works. A new steel catwalk, steel stairs and bumper posts were installed in the late fall of 2020, as a much needed and safer access to the solid waste bins for the residents.

6. Public Dock/Boat Launch in the Marina was removed in fall of 2020, with excessive decay of wood platform and overall poor condition. New aluminum docking purchase was approved by Council and will be installed for service in Spring 2021. This was a much-needed upgrade, as the old dock was removed and salvaged by a local company at no cost to the Summer Village. Cost of new dock was absorbed in the 2020 operating budget as a contingency item which reduced the overall operating surplus projected.

7. "Harvey the Northern Pike" was installed in June 2020, in anticipation of Canada Day 2020. This memorial donation by the Kassian family was an interesting and "monumental" project that has been overwhelmingly supported by residents and guests. This has become the centerpiece for the Rochon Sands Marina and is the focal point of future plans of the area. Dedication of the monument is anticipated for Canada Day 2021 with the possibility of COVID -19 restrictions being allowed for group gatherings.

Administration Changes Proposed for the 2021/2022 Years

The realization of the SMRWSC extending the regional water line into the Summer Village is now upon Council/Administration. Administration had anticipated this project with Council approving WSP Global as the Village Engineering firm in 2020 calendar year, to oversee the construction/feasibility/sustainability of a water system entering the Village. WSP Global has been tasked to review the SMRWSC project and represent the Summer Village to ensure design/infrastructure/placement are acceptable to Council and Administration.

Planning must include future vision/plans for the Summer Village as this has great interest in the residents of the Summer Village as there has been many inquiries from property owners to “tie in” to potable water within the SV boundaries. This would include the Snak Shak (future of) where untreated well water is provided via the water well from the Community Hall.

As outgoing Chief Administrative Officer, my opinion is that public consultation is essential to gauge the interest and gain opinions of current residents, and especially new residents that have purchased property in the past 5 years on the possibility of potable water distribution/fill station system within the Summer Village. This must factor into the design and delivery of the regional water system prior to construction. Public consultation should have occurred prior to 2021 with a professional communication company to ensure the proper design, results driven and factual final report to Council to base decisions on options for a water delivery system.

This public consultation may be coordinated with WSP Global Engineering with expertise (referral contacts) in various previous engineering projects involving resident feedback.

Potable Water Line to Rochon Sands Provincial Park

It is of my opinion that the regional water line does not need to continue into the Rochon Sands Provincial Park. Anticipation of permitting issues with Alberta Environment, cost to the Summer Village NOT the Alberta Government, and necessity of pressurized potable water in the campground. The overall condition of the water distribution lines in the campground have become an issue with several water line breaks over the past couple of years. The SV operates the Park on a contract basis that is subject to cancellation with one years notice and the SV should not invest capital into the Park in the form of a water line. This also creates a legal issue of ownership between the Village and Alberta Parks and Environment. The campground does possess a potable water pressure system currently with a large holding tank, the campground water distribution system uses the existing water well to supply non-potable water. The current water systems work well and see no need to access potable water in property that the Summer Village does not own.

The author as of today's date does not have sufficient information/authority to engage a proper scope of work with WSP Global and Council as this has not been discussed/approved. Therefore, assumption of MSI Funds being used for construction on the regional water line entering the Summer Village ***have not been approved as an MSI expenditure for 2021*** and the Chief Administrative Officer will have to complete the appropriate application for MSI grant funding.

The proposed funding is highlighted in yellow on attached spreadsheet.

****If Council does adopt the funding required on the regional water line, all future MSI and/or LGFF (Local Government Funding Framework after 2024) funding allocations will change accordingly.** This may postpone/delay/cancel other projects identified such as the Bay View Walkway Project, Marina Expansion/Renovation, or equipment replacement as previously identified by Council.

Attachment: 2021-2025 Summer Village of Rochon Sands Capital Budget Spreadsheet as of April 13, 2021.

Approved by Resolution # _____, _____ day of _____, 2021.

Chief Elected Official

Chief Administrative Officer