

## Request for Decision

<b>Title</b>	<b>Termination of Capital Equipment Purchase - Rotary Mixer and Reallocation of Capital Funds</b>
<b>Proposed Motion</b>	<p>1. That Council rescind Motion 199/17, as a result Administration will terminate the purchase of a RM300 Rotary Mixer at a cost of \$650,000 (\$535,000 current taxes plus revenues of \$115,000 from sale of assets).</p> <p>2. That Council approve funds of \$175,000 to fund newly identified equipment purchases to support the Sustainable Roads Improvement Strategy (SRIS) as recommended and the remaining funds of \$360,000 be transferred to the Capital Vehicle and Equipment Reserve 8.15.</p>
<b>Administrative Recommendation</b>	<p>Manager of Transportation Services recommends that Council authorize Administration to terminate the purchase of a RM300 Asphalt Reclaimer at a cost of \$650,000 (\$535,000 current taxes plus revenues of \$115,000 from sale of assets).</p> <p>Manager of Transportation Services recommends that Council approve funding for the purchase in the amount of \$175,000 of the reallocated capital funds for the following equipment:</p> <ul style="list-style-type: none"> <li>- 2 Grader Packers (\$60,000);</li> <li>- 1 Grader Gravel Recovery Unit (\$75,000); and</li> <li>- 1 Gravel Mixer (\$40,000).</li> </ul>
<b>Previous Council Direction</b>	<p>May 9, 2017 – Motion 199/17 That Council authorize Administration to purchase one (1) RM300 Rotary Mixer from Finning Canada for the aggregate price of \$595,375.</p> <p>April 25, 2017 Motion 170/17 - That Council direct Administration to prepare plans and future Operating and Capital Budgets using the Sustainable Roads Improvement Strategy as the framework.</p> <p>Motion 169/17 - That Council accept the Sustainable Roads Improvement Strategy Final Report as information.</p>
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>• Motion 199/17 authorized Administration to purchase (1) RM300 Rotary Mixer from Finning Canada for the aggregate price of \$595,375. This motion was brought forward as part of the Fleet Department’s 2017 capital vehicle purchase plan, while Motion 169/17 directed Administration to prepare plans and future Operating and Capital</li> </ul>

Budgets using the Sustainable Roads Improvement Strategy (SRIS) as the framework.

- Motion 199/17 was made prior to the Transportation Department understanding the extent of the impacts of Motion 169/17, which directs Administration to prepare plans and future Operating and Capital Budgets using SRIS as the framework.
- The RM300 Rotary Mixer is used to maintain oiled and thin lift asphalt roads.
- Strategies within SRIS have Transportation replacing existing oiled roads with full-strength asphalt over the next five (5) years.
- SRIS Strategy also focuses on additional gravel road maintenance, in the areas of Arterial and Collector roads.
- As Transportation moves forward with the SRIS strategies of eliminating oiled roads and providing additional maintenance for gravel roads, the need for alternative pieces of equipment have emerged.
- After weighing the costs and the benefit of replacing the RM300 reclaimer, Transportation has decided on a more economical and more productive use of equipment over the long term.
- The current RM300 reclaimer has an annual maintenance cost of \$42,000 per year. The plan is to continue to use and maintain the existing RM300 reclaimer until all the oiled roads have been replaced with structural asphalt roads.
- The additional equipment to be purchased will support the SRIS strategy of increased gravel road maintenance. The proposed purchase of the additional equipment:
  - 2 Grader Packers (\$60,000) would complement the existing grader packer purchased in 2013, and would provide improved quality of gravel roads.
  - 1 Gravel Recovery Unit (\$75,000) will provide Transportation with the ability to reclaim significant amounts of gravel from road side ditches, over time the objective is to reduce the volume of gravel purchased though this savings.
  - 1 Gravel Mixer (\$40,000) is utilized to mix surface gravel with roadside recovered gravel which will improve gravel road characteristics by reducing washboard and potholes.

External Communication

- Communicate Council’s decision to Finning Canada.




Relevant Policy/Legislation/Practices:

- *Municipal Government Act, RSA 2000, c. M-26*
- Procurement Directive (dir\_pro\_exe\_2014 Procurement Directive)

**Implication of Administrative Recommendation**

Strategic Alignment:

Goal 1.2 Sturgeon County is financially and fiscally sustainable

	<p>Goal 1.2.1 Short-term and long-term financial plans are developed that ensure the provision of core services and infrastructure to residents.</p> <p><u>Organizational:</u></p> <p>This decision will help ensure that the strategies as presented in the SRIS report are met in an organized and well managed process.</p> <p><u>Financial:</u></p> <p>This decision will provide Sturgeon County with the opportunity to fund components of the SRIS report in a prudent and responsible financial model.</p> <p>There is currently no contractual obligation to purchase a RM300 from Finning Canada exists.</p>
<b>Alternatives Considered</b>	Continue with the purchase of a new RM300 reclaimer.
<b>Implications of Alternatives</b>	<p><u>Strategic Alignment:</u></p> <ul style="list-style-type: none"> <li>Capital lifecycle replacement plan</li> </ul> <p><u>Organizational:</u></p> <ul style="list-style-type: none"> <li>Does not provide the immediate opportunity to enhance the SRIS gravel road maintenance strategy.</li> </ul> <p><u>Financial:</u></p> <ul style="list-style-type: none"> <li>Currently funded.</li> </ul>
<b>Follow up Action</b>	<ol style="list-style-type: none"> <li>Contact Finning Canada (Fleet, July 2017).</li> <li>Prepare RFQ for additional equipment (Fleet, July 2017).</li> <li>Prepare operational plans for new equipment (Transportation, September 2017).</li> </ol>
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>May 9, 2017 Request for Decision re: Motion 199/17</li> <li>April 25, 2017 Request for Decision re: Motion 169/17</li> </ol>
<b>Report Reviewed by:</b>	<p> Shane Hogan, Manager Transportation Services</p> <p> Ian McKay, P.Eng. General Manager, Municipal Services</p> <p> Peter Tarnawsky, County Commissioner – CAO</p>

## Strategic Alignment Checklist

**Vision:** Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

**Mission:** Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
<b>Strong Local Governance and Regional Leadership</b>			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Consistent with neighborhood role (see MDP), master plans, policies</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Considers fiscal stability and sustainability</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Has a positive impact on regional and sub-regional cooperation</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Respect the Natural Environment</b>			
<i>We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Compliance with Provincial and Federal regulations and/or legislation</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Ensure effective environmental risk management</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Community Identity &amp; Spirit</b>			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Promotes and/or enhances residents' identification with Sturgeon County</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Enhances service provision through community partnerships</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Supports Sturgeon County's cultural history</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Planned Growth and Prosperity</b>			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Considers cumulative costs and long-term funding implications</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Targets growth around current or planned infrastructure</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Maintain and Enhance Strong Communities</b>			
<i>We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Positive impact on residents' quality of life</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Supports and promotes volunteer efforts</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Provides programs and services that are accessible to all residents</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Operational Excellence</b>			
<i>We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost effective manner</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Staff have the knowledge, skills and capability to perform their jobs</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Streamlines operational processes and policies</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Promotes engagement and professional interaction with stakeholders</i></li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li><i>Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context</i></li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>