

# Agenda

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COUNCIL COMMITTEE OF THE WHOLE

Tuesday, June 25, 2024

3:45 PM

The *Municipal Government Act* (MGA) states all meetings are public unless the [Freedom of Information and Protection of Privacy Act](#) (FOIP) applies. See applicable references below.

*Council Standing Committee meetings that are conducted through Microsoft Teams are recorded and kept temporarily for the use of Council and approved staff only. For more information regarding the storage and use of the recordings, please contact the FOIP Head at [clerk@medicinehat.ca](mailto:clerk@medicinehat.ca)*

## 1 2025 – 26 Budget Deliberations – New Growth Opportunities

**Notes:**

Staff Attendance:

- Aaron Hoimyr
- Lola Barta

## Adjournment

**DATE: 2024-06-25****DEPARTMENT: FINANCE****MEETING: COUNCIL COMMITTEE OF THE WHOLE****REPORT AUTHOR: AARON HOIMYR,  
Accounting Supervisor – Budget and Systems****2025-2026 BUDGET: NEW GROWTH OPPORTUNITIES****EXECUTIVE SUMMARY:**

The New Growth Opportunities Deliberation series (held on June 25<sup>th</sup> and July 9<sup>th</sup>) is the second deliberation series of the 2025-26 budget pathway. This series focuses on opportunities to invest in new services, programs, operational initiatives, and capital projects to help meet the needs of the City today and the requirements of tomorrow. The purpose is to seek alignment with Council on where the City will invest its time and money in 2025 and 2026. This series gives Council the opportunity to ensure that the City's budget plans align with their strategic priorities for 2025 and 2026. The decisions made during this discussion will have a significant impact on how the City grows over the next few years.

This series is meant to be a strategically focused and future-oriented discussion. Administration has constructed 82 forward-thinking opportunities for Council's consideration. Opportunities presented are discretionary in nature which means that the City has a choice to enact them or not. The opportunities represent the cumulative expertise, experience and technical knowledge of the City's Administrative staff. They demonstrate Administration's recommendation on what enacting the strategic priorities and goals of Council might look like for 2025 and 2026.

Out of Scope of these deliberations are the energy transition and facilities for the future. The work completed in this series will set the appropriate baseline for those discussions.

This Report to Council communication is provided as supplementary material to the Council Committee of the Whole meeting on June 25<sup>th</sup>, 2024, and July 9<sup>th</sup>, 2024. During these meetings Administration will facilitate a discussion with Council about the proposed plans giving the opportunity for Council to ask questions, seek understanding and suggest changes. The series will conclude on July 15<sup>th</sup> in Regular Council where Councilors will be able to make a motion to move items on or off the recommended list which will be used to compile the official budget proposal which will be presented and approved in December 2024.

**STRATEGIC ALIGNMENT:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**RECOMMENDATION:**

This report is provided for information only. Administration is seeking alignment with Council at the preliminary stages of 2025-2026 budget development. Administration will utilize the information gathered over this series to inform the final budget package recommendations in December of 2024.

Subsequent budget related touchpoints with Council have been planned for October/November ahead of formal approval in December at a regular council meeting.

### **PREVIOUS COUNCIL MOTIONS / DIRECTIONS:**

There are no previous Council motions directly pertaining to this request. However, these meetings are a direct response to survey feedback received from Council during the previous 2023-2024 budget cycle. In the previous budget cycle, Council asked for:

- More direct tie between strategic priorities and budgets;
- More clarity around additions or increases to budget including workforce additions; and,
- More time to deliberate and discuss.

### **BACKGROUND / ANALYSIS:**

New Growth Opportunities are an essential component of the City's strategy to balance the needs of today with the requirements of tomorrow. It addresses multiple budget commitments. Most notable are:

- Address community needs and ensure excellent service;
- Balance affordability with the need to invest in City Infrastructure and operations; and,
- Alignment with Council strategic priorities.

The New Growth Opportunities series focuses primarily on growth capital and new operating initiatives (the second tier of our budget structure). Out of scope of these discussions are sustaining capital, base operating expenditures, and other operating items. These discussions of new growth opportunities are intended to be strategically focused and future oriented. All opportunities presented in this package are discretionary in nature, which means the city could choose whether to move forward with them.

City Administration has constructed 82 new growth opportunities in the form of business cases that provide descriptions, anticipated outcomes, and justifications. Business cases have gone through a considerable vetting process at the department, division, and City-wide level before being presented to Council. Of the 82 cases submitted, 55 have been recommended to proceed.

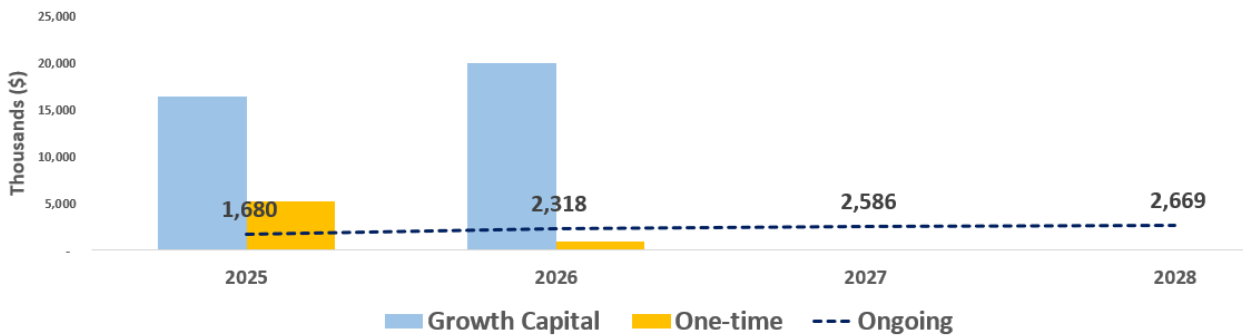
During deliberation meetings Council can ask for any additional clarification on the proposed opportunities.

## Investment by Strategic Priority

in thousands (\$)

Council Strategic Priority	2025 -2026	2025	2026
	Capital	Operating	Operating
Innovation	10,739	800	701
Community Wellness	9,085	859	769
Economic Evolution	1,150	2,975	102
Partnerships & Governance	4,950	401	78
Resilience & Sustainability	4,042	1,255	341
Service Orientation	6,457	656	1,320
<b>Total Funding</b>	<b>36,423</b>	<b>6,946</b>	<b>3,311</b>

A successful budget planning process is marked by Administration’s ability to advance Council’s strategic plan while balancing our budget commitments to operational excellence, financial sustainability and affordability. The City is recommending the investment of \$36.4M for 2025-2026 capital and \$6.9M in operating expense for 2025 and \$3.3M in 2026. The investment of \$36.4M in growth capital is 5.5% higher than the previous original 2023-2024 budget (\$34.5M) (i.e. before any budget amendments approved by Council).



If the recommended opportunities are approved there will be an enduring impact on the future budgets. If these items are approved it is anticipated that this will add ongoing operational costs to the City of \$2.7M by 2028.

The estimated impact to rates and taxes because of these new growth opportunities would be:

- **Property Taxes:** 2.03% incremental property tax revenue increases per year in 2025 and 2026;
- **Reserves:** \$4.5M reduction to operating reserves primarily for 2025 municipal operating initiatives.
- **Water:** 4.05% overall impact;
- **Sewer:** 2.48% overall impact;
- **Solid Waste:** 4.57% overall impact; and,
- **Electric Distribution:** 0.1% overall impact.

Total annual tax impact for 2025 and for 2026 is currently anticipated to be 5.6% (5.1% rate increase and 0.5% related to assessment growth). The 2.03% incremental property tax revenue related to the new growth opportunities is included in the total tax impact of 5.6%. Impacts may vary from final calculations due to the timing of capital and other cost pressures incorporated into the final picture.

Critical to controlling any further impact to property taxes or utility charges is to ensure that the overall recommended funding amounts are maintained. Therefore, if Council chooses to recommend adding items to the list, they should also consider removing other items from the list.

**INTERNAL AND EXTERNAL ENGAGEMENT CONSIDERATIONS:**

All City departments are involved in the budget process and contribute to developing the 2025-2026 budget.

**POTENTIAL RISKS / IMPACTS:**

**Financial:**

Funding Request:	No	If yes, amount: \$Click to enter text.
Budgeted Item:	No	Funding Source:
Funding Explanation:	N/A	
Budget Amendment Form?	No	

The following assumptions are recommended by Administration to establish the direction for the 2025-2026 Budget development.

**Health, Safety and Environmental:**

No HSE impacts are anticipated.

**Legal / Legislative / Policy:**

The City’s budget must be developed with various legislation, bylaws, and policies established by the Municipal Government Act and City Council.

**PUBLIC PARTICIPATION REQUIRED FOR IMPLEMENTATION:**

There will be ongoing public communication efforts throughout the budget development process as building community awareness and understanding of this significant topic is important.

<b>INFORM</b> <input checked="" type="checkbox"/>	<b>CONSULT</b> <input type="checkbox"/>	<b>INVOLVE</b> <input type="checkbox"/>	<b>COLLABORATE</b> <input type="checkbox"/>	<b>EMPOWER</b> <input type="checkbox"/>
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**ALTERNATIVE OPTIONS / PROS AND CONS:**

There are no alternative options as this report is for information to seek Council’s alignment in development of the 2025-2026 budget.

**IMPLEMENTATION PLAN:**

After the New Growth Opportunities series has been concluded on July 9<sup>th</sup>. Council will have the opportunity to present motions at the July 15<sup>th</sup> Regular Council meeting to add items to the recommendation list or remove items from that list. Administration will consider the incorporation of Council’s feedback into its budgeting process.

The next steps for Administration will be:

- 1.) Continue budget development throughout the summer including discussions surrounding energy transition, facilities for the future, and financial reserve designation.
- 2.) Final Council Budget Deliberations: October 22 through November 13.
- 3.) Council's approval of the 2025-2026 budget on December 2 with second and third readings of the rate bylaws on December 16.

<b>REVIEWED BY &amp; DATE:</b>	Lola Barta Director of Finance	2024-06-17
<b>APPROVED BY &amp; DATE:</b>	Dennis Egert Managing Director of Corporate Services & CFO	2024-06-17
<b>ATTACHMENTS:</b>	1: 2025-2026 Budget Planning Presentation 2: New Growth Opportunities Compendium	

# New Growth Opportunities

Part 1 of 2

2025-2026  
Budget Deliberations

*Balancing the needs of today  
with the requirements of  
tomorrow*



# Agenda

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1. Overview of the Session
2. Budget Planning: Recap
3. Budgeting 101:
  - a. Financial Sustainability
  - b. Project Selection Process
4. New Growth Opportunities
5. Council Questions





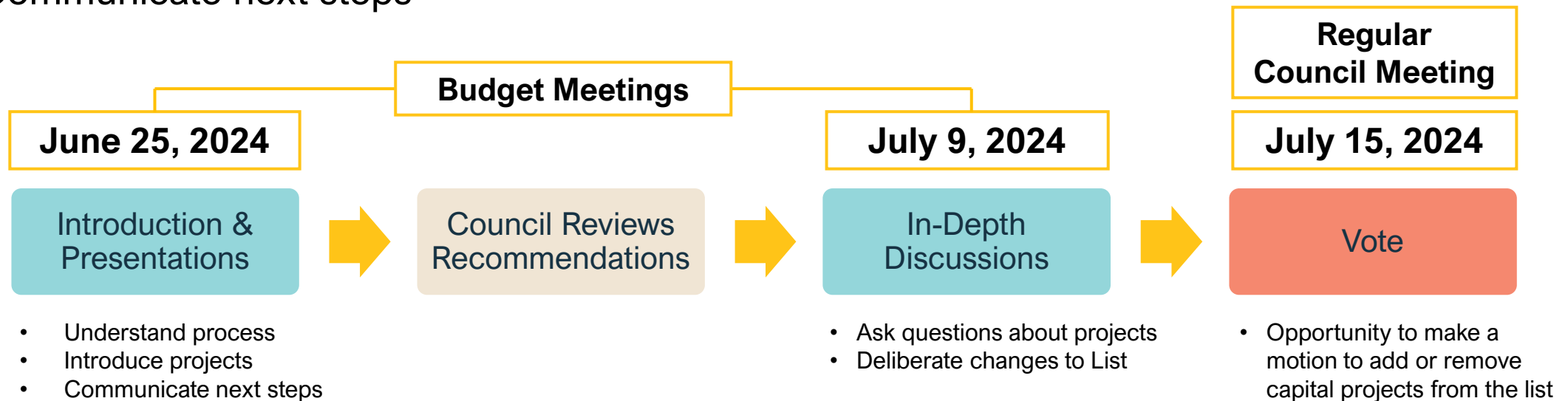
# *Series Overview*



NEW GROWTH OPPORTUNITIES - 2025-2026 BUDGET  
BALANCING THE NEEDS OF TODAY WITH THE REQUIREMENTS OF TOMORROW

# Today's Objectives

- ❑ Understand budget processes and goals
- ❑ Introduce the New Growth Opportunities
- ❑ Communicate next steps



**Goal:** Alignment on which New Growth Opportunities should be included in the 2025-2026 Budget

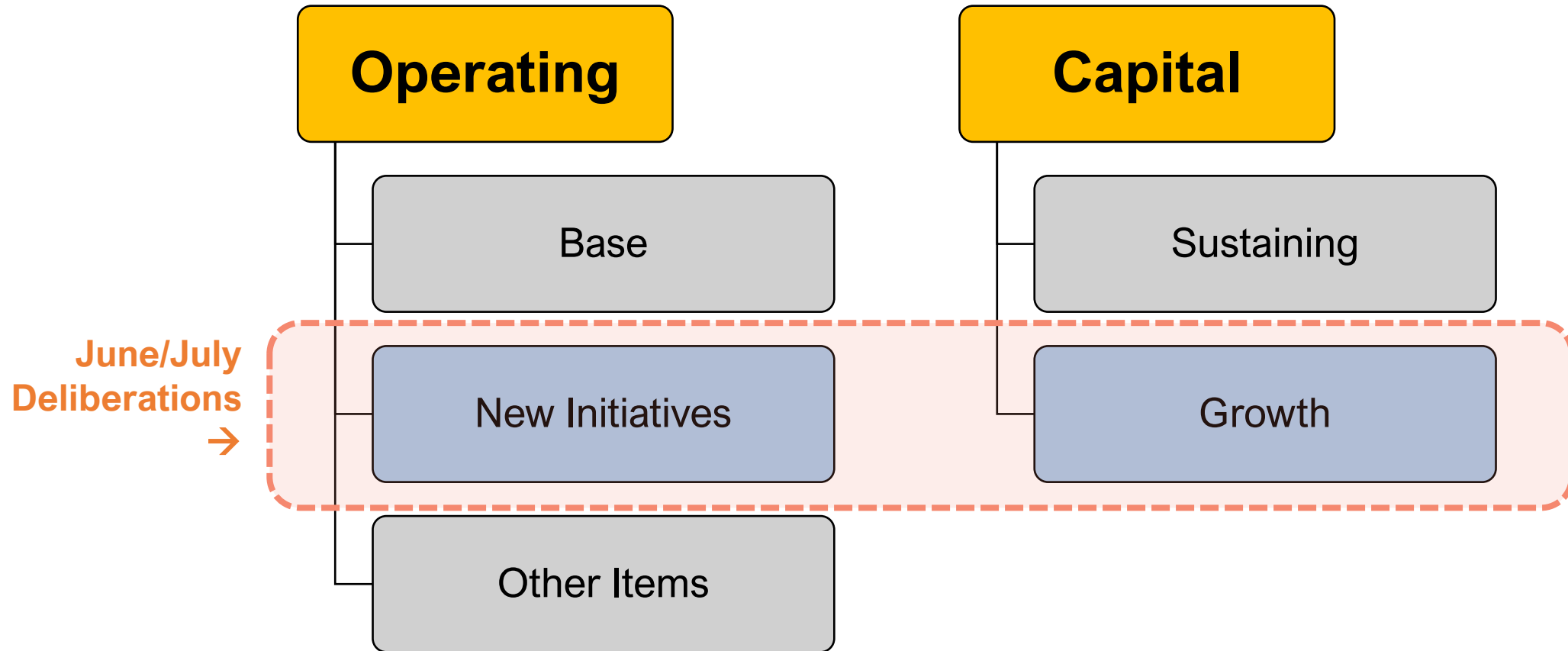
# Budget Pathway

2024 Planned Council Dates	
<i>Budget Planning</i>	<i>April 23</i>
New Growth Opportunities – Part 1	June 25 ★
New Growth Opportunities – Part 2	July 9
Final Deliberations – Part 1	October 22
Final Deliberations – Part 2	October 30
Final Deliberations – Part 3	November 5
Final Deliberations – Part 4	November 13
Regular Council – Rate Bylaw, First Reading	November 18
Budget Approval	December 2
Regular Council – Rate Bylaw Public Hearing, Second and Third Reading	December 16



**Budget must be passed by December 31<sup>st</sup> under the Municipal Government Act**

# Budget Structure



# Tier 1 Considerations

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- Base Operating (Existing operating activities)
  - 2024 base plus key assumptions and cost pressures

## **Balancing Measures**

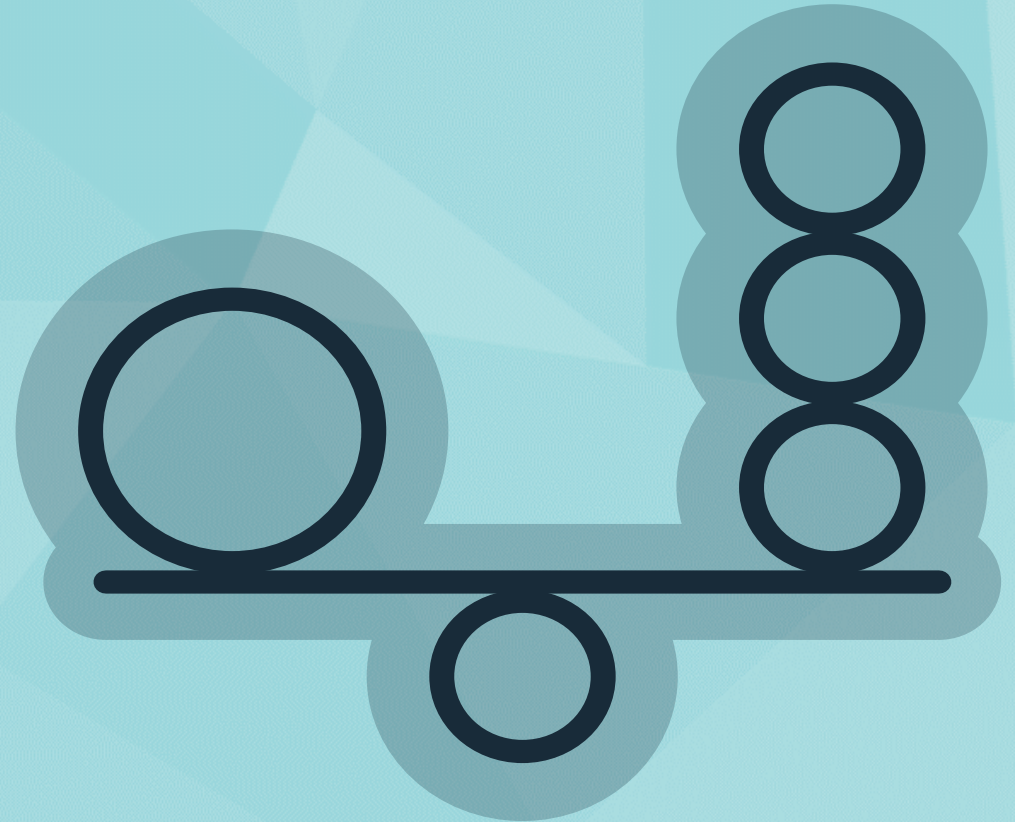
- \$2.0M Service/Efficiency Target
  - \$8.0M transfer from in-year business unit earnings and heritage savings
  - Tax revenue increases
- Sustaining Capital (ongoing asset renewal)
  - Considered average historical spend + forecasted needs
  - adjusted for future inflation

# Budget Planning Recap



21657920	414264	320659
21215720	5498216	32664
326225		58742
32255021	32154316	
1245755		3322144

**Balancing the  
needs of *today*  
with the  
requirements  
of *tomorrow***



# Budget Commitments

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## *Balancing the needs of today with the requirements of tomorrow*

- Address community needs and ensure excellent service
- Balance affordability with the need to invest in City infrastructure and operations
- Ensure financial sustainability of our municipality
- Thoughtful use of financial reserves for future needs
- Alignment with Council Strategic Priorities



# Budget Goals

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- Realigning financial resources to where they can better serve the community
- Ensure property tax increases are sustainable and predictable
- Use programs like Fair Entry to provide relief for the most vulnerable
- Identifying major opportunities/challenges ahead for the city and ear-marking financial reserves
- Balance the Municipal budget gap by 2026
- Reduce reliance on business unit revenue to lessen the risk of declining commodity-based revenues
- Maintain sufficient financial reserves
- Align with Council's Strategic Priorities

# Council's Initial Response – April 2024

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- **66% very likely or somewhat likely** to support a plan to reduce city's exposure to volatile business revenue.
- **74% very likely or somewhat likely** to support initiatives to reduce service levels to eliminate the budget gap.
- **87% very likely or somewhat likely** to support the use of heritage reserve endowment funds in the 25-26 budget period.
- **28% somewhat likely** to support a tax increase higher than inflation to balance the budget by 2026.

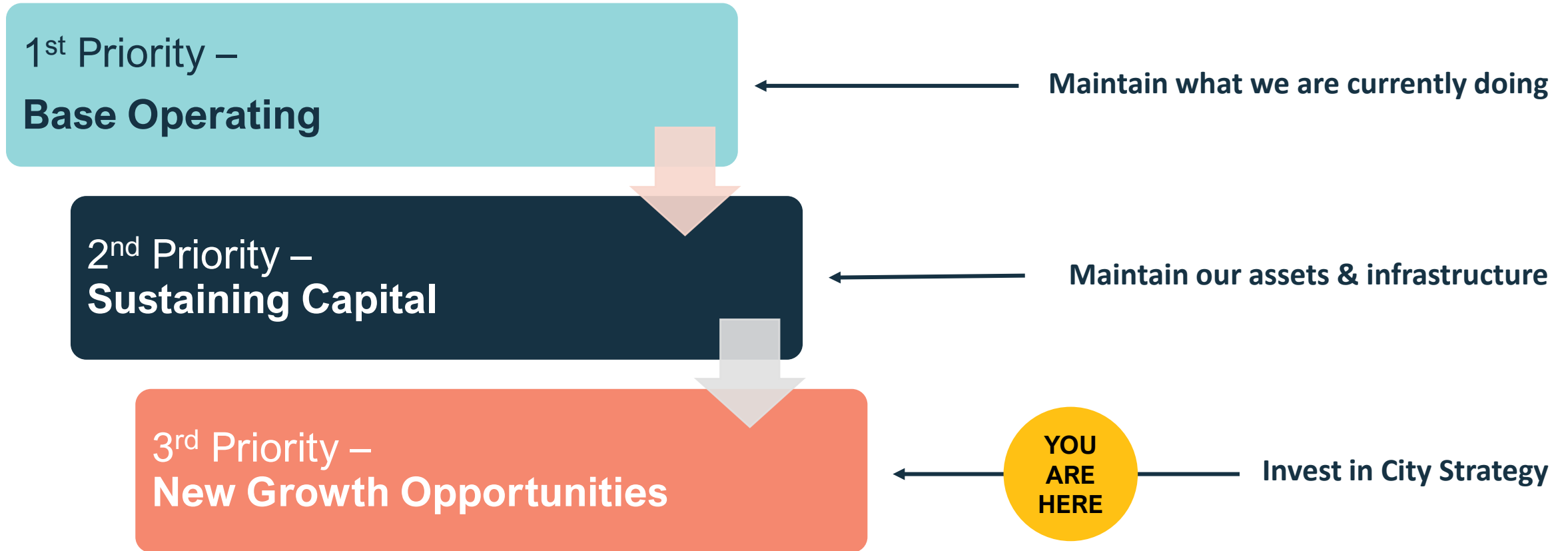
# Key Assumptions – Changes since April 2024

	April 23, 2024	Today		Change
Sustaining Capital	\$178.5M	\$195.6M	↑	\$17.1M
Growth Capital	\$37.4M	\$36.4M	↓	\$1.0M
Operating Initiatives	\$5.0M	\$10.3M	↑	\$5.3M
Property Tax	4.9% + 0.5% assessment growth	5.1% + 0.5% assessment growth	↑	0.2%
2025 Budget Gap	\$6.9M	\$10.3M	↑	\$3.4M

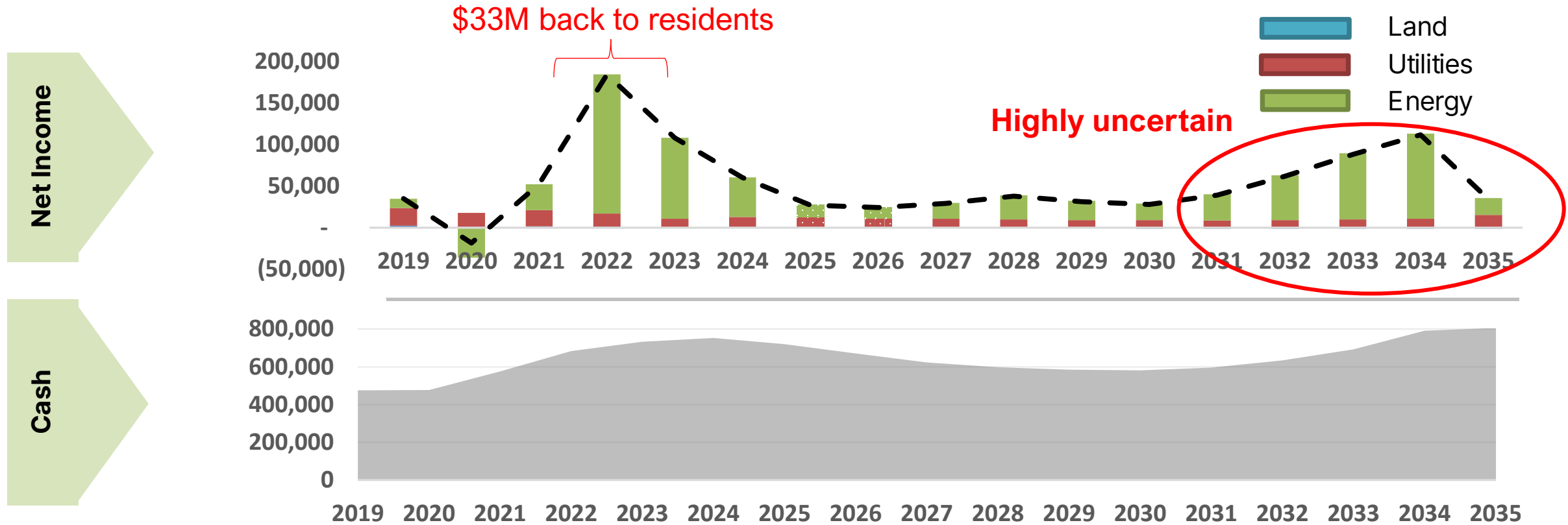
# ***Budgeting 101:***

# ***Financial Sustainability***

# Financial Sustainability – Prioritize Current Operations

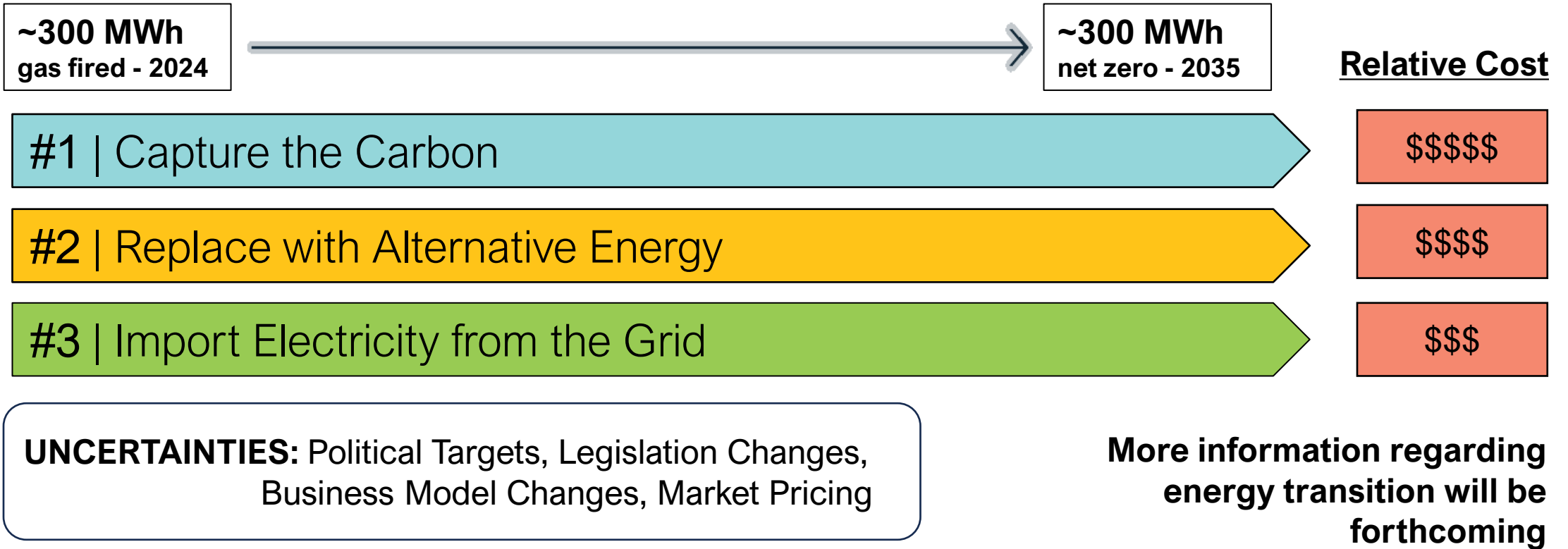


# Financial Sustainability – Sustainable Investment



**Between 2024 and 2030 it is anticipated that the City's Cash position will drop \$30M per year.**

# Financial Sustainability – Energy Transition



# Financial Sustainability – Set Fiscal Targets

Commitment to the Key Budget Assumptions ensures we are on track to meet these targets...

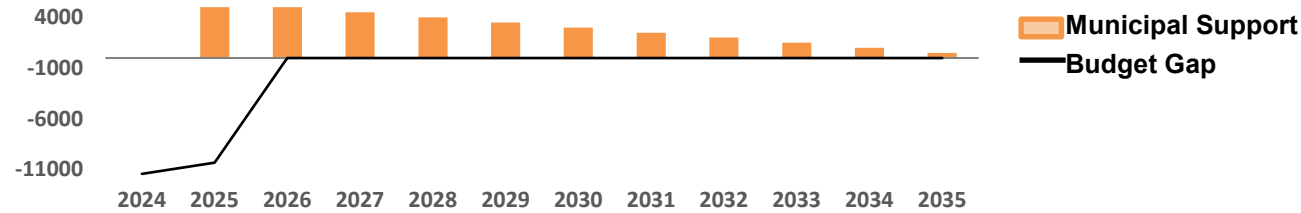
Target Name	Definition	2025-2026 Fiscal Target
<b>Municipal Budget Gap</b>	The annual cash deficit from <u>municipal</u> operations	Budget gap solution by 2026
<b>Cash Holdings</b> <i>(includes Financial Reserves)</i>	The targeted cash balance to remain be financially sustainable	Maintain sufficient cash levels (est. between \$576 and \$886 million)
<b>Free Cash Flow</b>	The cash the city earns from its business units that flows to reserves	Generate enough to fund capital reserve needs and municipal gap (est. \$38 million per year)
<b>Debt to Revenue</b>	A target of the City's level of debt	< 70% of MGA limit

Risks and Uncertainties could negatively impact our fiscal targets.

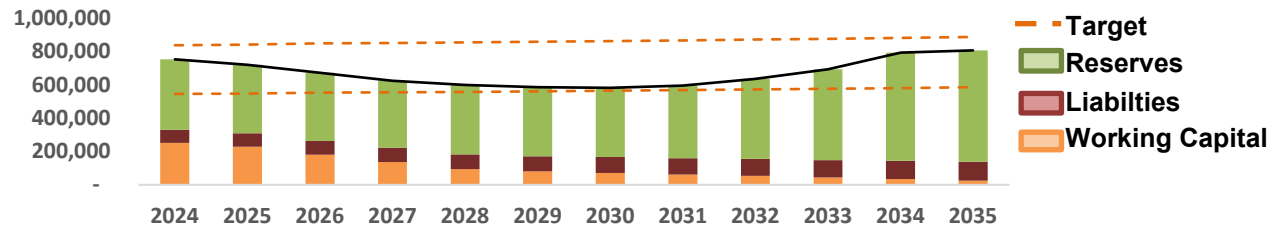


# Financial Sustainability – Consider Long-term Impacts

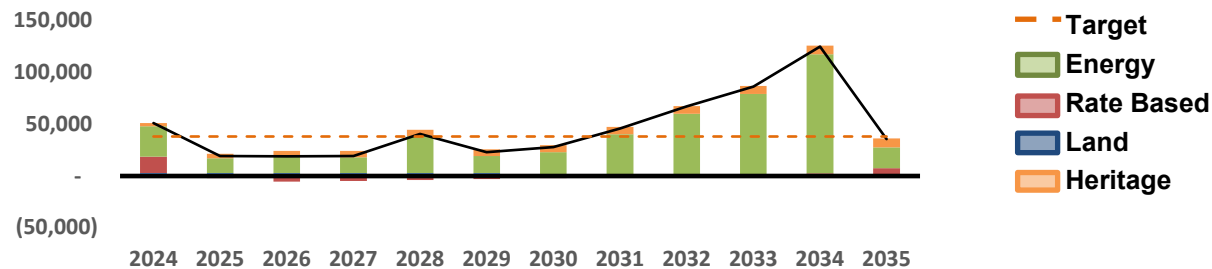
Budget Gap



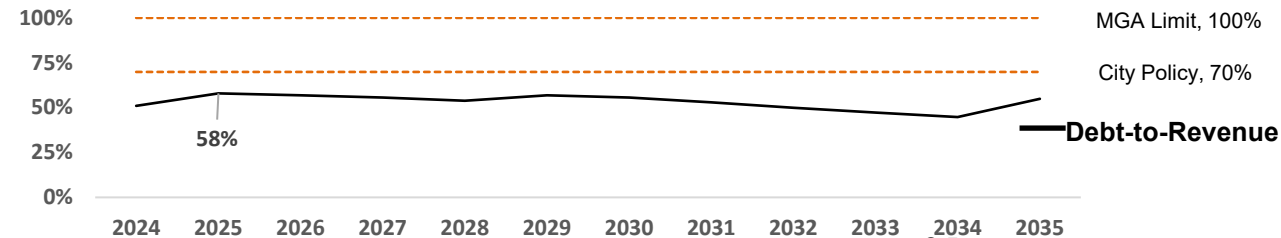
Cash



Free Cash Flow



Debt-to-Revenue



## Budget Gap Solved –

- Current projected Tax Revenue Increase = 5.6% per year

## Cash Target Met –

- Low Point: \$581M in 2030
- Low Target: \$576M

## Free Cash Flow Met on Average

- Risk that FCF does not increase in 2031

## Debt-to-Revenue Met –

- High Point: 58% in 2025

# Risks to meeting Fiscal Targets

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## Uncertainties:

- Facilities for the Future
- Energy Business Review
- Energy Transition to Net-zero
- Asset Retirement Obligations
- Ad Hoc Requests for funding including from external parties

## Risks:

- Market Volatility
- Further reductions from Provincial funding

# Sensitivity Analysis – Incremental Operating Funding

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## Operating

- **\$1.0M incremental increase to 2026 Municipal Operating costs** = results in 1.11% tax increase.
- **\$1.0M incremental increase to ongoing operating costs for Rate-Based Utilities** would have the following impact to rates:
  - **Water** – 3.86%
  - **Sewer** – 4.45%
  - **Solid Waste** – 8.22%
  - **Electric Distribution** – 5.00%
  - **Gas Distribution** – 6.00%

*\*Depending on the nature of the costs these would be allocated appropriately between residential and commercial customers. This could have different effects on these customer class depending on the allocation.*

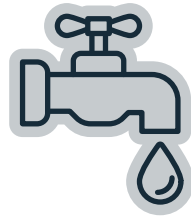
# Sensitivity Analysis – Increasing Capital Funding

A \$5M One-time increase to Capital for any one Business Unit could have the following impact on the City's Fiscal Targets:

- ~\$5M reduction in cash by 2030 because of reserve funding and debt servicing costs
- ~\$300K increase to budget gap in 2026 due to lost investment revenue and interest on debt
- Debt-to-revenue ratio moves up an estimated 0.3%

## RATE IMPACTS

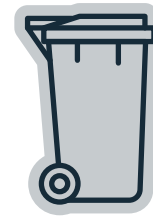
*Rate impacts vary depending on which business unit is taking on the additional \$5M*



**Water**  
0.945%



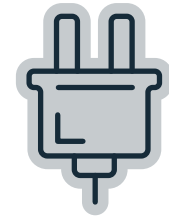
**Sewer**  
1.09%



**Solid Waste**  
2.08%



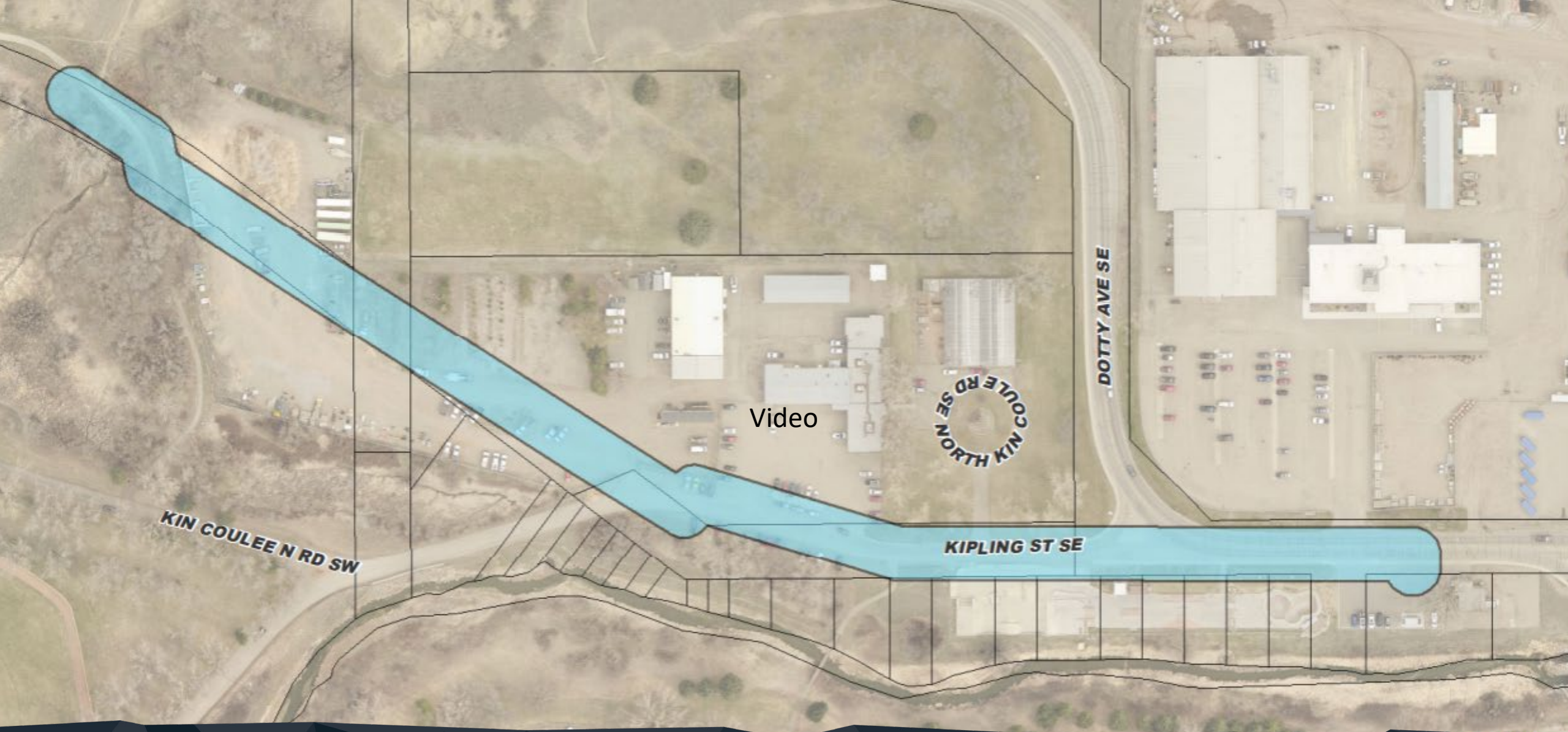
**Gas Distribution**  
1.50%



**Electric Distribution**  
1.25%

# *Project Prioritization*



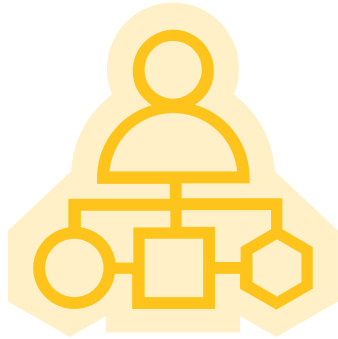


Video

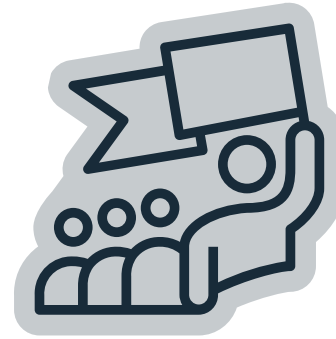
# Where should City Invest its Finances?

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Perspectives:



**Administration**  
(Operationally-  
Focused)

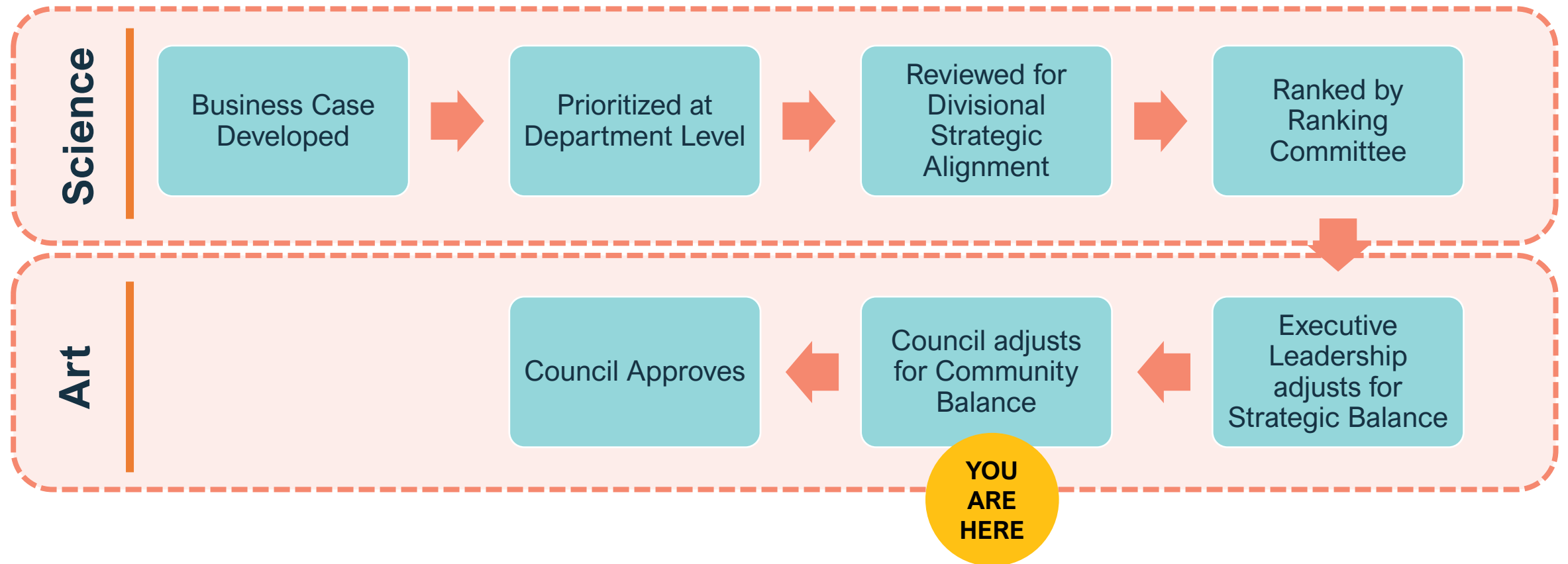


**Executive  
Leadership**  
(Strategically-  
Focused)



**Council**  
(Community-  
Focused)

# Project Prioritization Process





# Business Case Intake

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- 82 Business Cases Received
  - \$49.0M in Growth Capital Requests
  - \$16.9M in New Operating Initiatives
- 55 cases recommended
- 27 cases deferred

# *New Growth Opportunities*









**NEW GROWTH OPPORTUNITIES - 2025-2026 BUDGET**  
*BALANCING THE NEEDS OF TODAY WITH THE REQUIREMENTS OF TOMORROW*

# New Growth Opportunities

<i>in thousands (\$)</i> <b>Council Strategic Priority</b>	<b>2025/2026 Capital</b>	<b>2025 Operating</b>	<b>2026 Operating</b>
Innovation	10,739	800	701
Community Wellness	9,085	859	769
Economic Evolution	1,150	2,975	102
Partnerships & Governance	4,950	401	78
Resilience & Sustainability	4,042	1,255	341
Service Orientation	6,457	656	1,320
<b>Total Funding</b>	<b>36,423</b>	<b>6,946</b>	<b>3,311</b>

*“We all want to live in a vibrant, prosperous, and sustainable community, where we feel a sense of belonging. Our community is facing a critical turning point as our economic, environmental, and social landscape shifts all around us. This Council was elected to ensure that our City is resilient and positioned to thrive into the future.”*

# New Growth Opportunities – By Business Unit

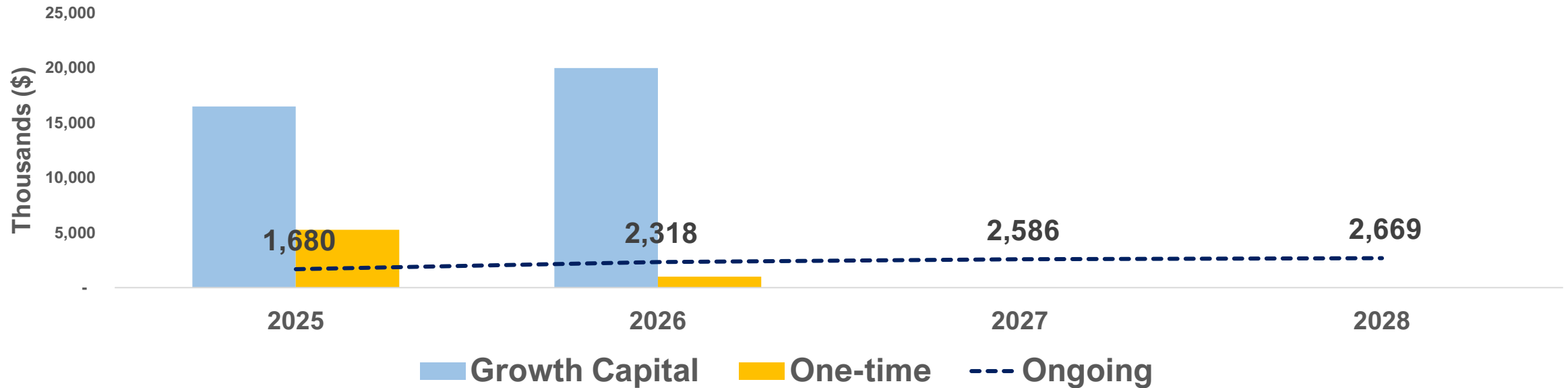
<i>in thousands (\$)</i>		2025/2026 Capital	2025 Operating	2026 Operating
<b>Municipal</b>		7,661	6,160	3,195
<b>Land Development &amp; Real Estate</b>		1,000	-	-
<b>Rate-Based Utilities</b>		27,762	786	116
<i>Water</i>		9,040	605	5
<i>Sewer</i>		5,418	181	111
<i>Solid Waste</i>		11,000	-	-
<i>Electric Distribution</i>		2,304	-	-
<i>Gas Distribution</i>		-	-	-
<b>Energy Production</b>		-	-	-
<b>Total Funding</b>		<b>36,423</b>	<b>6,946</b>	<b>3,311</b>

## Cost of New Opportunities

- **Municipal**
  - 2.03% incremental Property Tax Revenue increase per year.
  - \$4.5M Operating Reserve
- **Rate-Based Utilities**  
*(Overall Rate Impact)*
  - Water – 4.05%
  - Sewer – 2.48%
  - Solid Waste – 4.57%
  - Electric Distribution – 0.10%









*Note: Tax/Rate Impacts may vary in final calculation due to timing of capital and other cost pressures not shown here.*

# New Growth Opportunities – Long-term Implications



**New Growth Opportunities are estimated to result in approximately \$2.7M of ongoing operating cost leading into 2028.**

# New Growth Opportunities – Innovation

Project		Department	25/26 Capital	2025 Operating	2026 Operating
Food Waste Compost Facility		Environmental Utilities - Solid Waste	9,500	-	-
Underutilized Land Analysis		Environment, Land & Gas Production	1,000	-	-
Advanced Collaboration Ecosystem		Information Technology	-	610	536
Airport Socio-Economic Impact Study		Airport	-	40	-
Weather Stations		Municipal Works	150	-	15
Data & Analytics Strategy & Development		Corporate Planning and Performance	-	150	150
Public Safety Camera		Police	69	-	-
Uncrewed Aerial Vehicle (UAV)		Police	20	-	-
<b>Total</b>			<b>10,739</b>	<b>800</b>	<b>701</b>

*“The City’s Organizational culture will encourage and celebrate innovation, creativity, and multidisciplinary collaboration. We will empower individuals in our organization and community to **present solutions to problems.**”*




# New Growth Opportunities – Community Wellness (1 of 2)

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
Community Programming Kit		Community Development	150	-	-
Community Vibrancy Grant Funding		Community Development	-	60	60
Community Wellbeing Plan Implementation		Community Development	-	150	250
Kipling Street SE Transmission Main Twinning		Environment Utilities - Water	6,350	-	-
Pedestrian Connectivity		Municipal Works	400	-	-
Pump Track		Parks & Recreation	300	10	10
Roadway Upgrades 3 <sup>rd</sup> Street NE-NW		Municipal Works	1,450	-	-
Street Light Improvements		Municipal Works	150	-	2
Towne Square Programming		Community Development	-	30	31
Traffic Safety Enhancements		Municipal Works	-	200	-

Continued next slide...








# New Growth Opportunities – Community Wellness (2 of 2)

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
Trail Crack Sealing		Parks & Recreation	-	125	125
Yurts @ Echo Dale & Gas City Campground		Parks & Recreation	285	(12)	(13)
Downtown Patrol Unit / Community Liaison Officers		Police Services	-	296	304
<b>Total</b>			<b>9,085</b>	<b>859</b>	<b>769</b>




*“We will be intentional and proactive. We will understand and be responsive to our community and changing circumstances and people will find it easy to deal with the City.”*

# New Growth Opportunities – Economic Evolution

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
Air Service and Commercial Attraction and Retention		Airport	-	100	102
Downtown Surface Upgrades		Municipal Works	1,150	-	-
Business Retention and Expansion Projects		Economic Development	-	75	-
Investment Attraction Strategy and Action Plan		Economic Development	-	200	-
Development Incentive Project		Economic Development	-	2,600	-
<b>Total</b>			<b>1,150</b>	<b>2,975</b>	<b>102</b>












*“We will have a strong, diversified regional economy and an economic ecosystem that encourages entrepreneurship.”*

# New Growth Opportunities – Partnerships & Governance

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
Brier Park Gravity ByPass		Environmental Utilities - Sewer	4,950	-	-
Water Management Strategy		Environment, Land, & Gas Production	-	325	-
School Resource Officer		Police Services	-	76	78
<b>Total</b>			<b>4,950</b>	<b>401</b>	<b>78</b>










*“We will succeed through collaboration with our community and government partners and be a trusted partner in our community and region.”*

# New Growth Opportunities – Resilience & Sustainability

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
Electrical Services Upgrades		Utility Distribution Systems – Electric	504	-	-
Landfill Airspace Optimization		Environmental Utilities – Solid Waste	1,500	-	-
Cyber Security Upgrades		Environmental Utilities – Sewer	468	181	111
Water Treatment Plant Master Plan		Environmental Utilities – Water	-	600	-
Larger Capacity Tandem Water Truck		Environmental Utilities – Water	50	5	5
Airport Maintenance Specialist		Airport	-	48	49
Business Process Optimization & Enhancements		Finance	-	250	-
Health and Wellness Program		Fire and Emergency Services	-	50	50
Operational Technology Systems Analyst		Information Technology	-	116	119
Energy Efficiency Component Upgrades		Fleet & Facilities	1,000	-	-
Materials Storage Shed		Airport	520	5	7
<b>Total</b>			<b>4,042</b>	<b>1,255</b>	<b>341</b>







*We understand the importance and interdependency of the success of our people, partnerships, environment, economy and organization to accomplishing our goal of being a vibrant, sustainable, enduring community.*

# New Growth Opportunities – Service Orientation (1 of 2)

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
Gas & Electric New Services		Utility Distribution Systems - Electric	1,800		
Purchase of Grader for Airport Operations		Airport	550	4	7
3 Street SE Water Mains Replacement 300 and 400 Blocks		Environmental Utilities – Water	1,390		
Harlow Water Transmission Main Interconnect		Environmental Utilities – Water	1,250		
Airport Safety and Security Coordinator		Airport			97
Cybersecurity Maturity Program		Information Technology		180	348
Traffic Signal Coordination		Municipal Works			150
337 (Hot Box)		Municipal Works	250		2
Special Transit Service Adjustment		Community Development		206	411



Continued next slide...

# New Growth Opportunities – Service Orientation (2 of 2)

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
Regular Transit Service Adjustment		Community Development	750	160	161
Asphalt Recycler		Municipal Works	250		16
Emergency Management Equipment Trailer		Fire and Emergency Services	40		
Training and Competency Assurance Coordinator		Parks and Recreation		91	93
Mass Spectrometer		Fire and Emergency Services	77		
Pick-up truck for Airport		Airport	100	15	15
<b>Total</b>			<b>6,457</b>	<b>656</b>	<b>1,320</b>

*“We will be intentional and proactive. We will understand and be responsive to our community and changing circumstances and people will find it easy to deal with the City.”*

# Other Items – Not included in recommendation

Project	Business Unit	Department	25/26 Capital	2025 Operating	2026 Operating
HALO		Fire and Emergency Services		500	501
Fair Entry Program		Customer Care and Billing		1,500	1,525
25 Other Opportunities (see Compendium)	Multiple	Multiple	12,568	1,620	918
<b>Total</b>			<b>12,568</b>	<b>3,620</b>	<b>2,944</b>

# Conclusion – Next Steps

---

## Before July 9<sup>th</sup>

- Review Business Case package and come prepared to ask your questions about the projects

## July 9<sup>th</sup>

- Answer any questions that were not answered today
- Give the opportunity for Council to ask questions about projects
- Debate changes to the list

## July 15<sup>th</sup> (Regular Council)

- Put forward motions to add and remove items from the list



# Question

---

Does Council have any Questions?

# End



# 2025 – 2026

# **New Growth Opportunities**

## Business Case Compendium

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# New Growth Opportunities

## City of Medicine Hat

### 2025-26 Budget

in thousands (\$)

Council Strategic Priority	2025 -2026 Capital	2025 Operating	2026 Operating
Innovation	10,739	800	701
Community Wellness	9,085	859	769
Economic Evolution	1,150	2,975	102
Partnerships & Governance	4,950	401	78
Resilience & Sustainability	4,042	1,255	341
Service Orientation	6,457	656	1,320
<b>Total Funding</b>	<b>36,423</b>	<b>6,946</b>	<b>3,311</b>

### Capital

	Budget --->		
	2025	2026	
Growth Capital	16,468	19,955	<ul style="list-style-type: none"> <li>3% Municipal</li> <li>76% Rate-Based Utilities</li> <li>21% Land Development &amp; Real Estate</li> </ul>
Third-Party Funding	- 5,663 -	900	
<b>Total Capital Costs</b>	<b>10,805</b>	<b>19,055</b>	

### Operating

	Budget --->		Forecast --->	
	2025	2026	2027	2028
One-time Operating	5,266	993		
Growth Capital Operations	263	323	560	607
Ongoing Operating	1,417	1,995	2,016	2,061
<b>Total Operating Costs</b>	<b>6,946</b>	<b>3,311</b>	<b>2,576</b>	<b>2,668</b>



# INNOVATION

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-029
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**FOOD WASTE ORGANICS COMPOSTING FACILITY**

**OPPORTUNITY:**

This project will be to design and construct an organics processing facility aiming to reduce greenhouse gas emissions, conserve precious landfill airspace, address new regulation compliance and assist with obtaining an extension to the emission offset credit program.

**KEY ISSUES:**

This full composting facility and collection system will include the ability to compost organic food waste. Implementing an organics processing facility will significantly reduce the amount of organic waste sent to the landfill.

1. New regulations introduced in the compost code of practice require significant upgrades to the current compost facility to remain in compliance. Staff submitted an exemption letter to the regulator requesting three exemptions. As such one of the exemptions requested was an exemption to the initial moisture content that states must be between 40 per cent and 60 per cent. The Facility and landfill do not have water services. The city investigated the construction/installation of water pipelines to the Facility and found cost prohibitive. The compost code of practice stipulates that only 20,000 tonnes of feedstock may come into the site annually. Being in contravention could result in disciplinary action being taken by AEP which could impact service delivery and potentially result in the City undertaking a site upgrade. The city is approaching the 20,000-tonne limit for incoming compostable material. Composting the biosolids produced at the City’s Wastewater Treatment Plant was many years ago determined to be the most cost effective and environmentally friendly way to manage that waste material. That material's tonnages account for most of the compostable material coming to the facility, and the volume remains constant yearly. The City’s green cart program expands by an approximate 3% per year which results in more material being brought to the Composting Facility.
2. Insufficient technology or capacity to compost food waste can pose significant challenges for an organics composting facility. Some potential issues include:

**Inadequate Composting Technology**

Lack of advanced composting technology may result in inefficient processing of food waste, leading to longer composting times, suboptimal compost quality, and increased operational costs.

**Capacity Constraints**

Insufficient capacity to handle the volume of food waste generated within the municipality can lead to backlogs, delays, and potential overflow, impacting the overall effectiveness of the composting facility.



3. Inability to process food waste efficiently may result in higher greenhouse gas emissions and potential environmental concerns, defeating the purpose of establishing a composting facility for sustainable waste management.
4. Since 2007 the department has been taking advantage of a federal emission offset credit program resulting in annual revenues of ~\$400k. The department applied for a 5-year extension in 2014 and then for a subsequent extension in 2019 which is set to expire December 31, 2024. To be granted an additional extension to this program, the City must provide financial evidence to prove the ongoing incentive in the form of emissions offset is required for the program's financial viability.

**RECOMMENDATION:**

After evaluating this project's feasibility, managing its risks, and reviewing the potential benefits and essential initiatives for ensuring a successful project. It is recommended that Environmental Utilities growth capital budget of \$9,500,000 be approved to design and construct an organics processing facility. The new facility will help reduce greenhouse gas emissions, extend the useful life of the landfill, address new regulation compliance, and increase the likelihood of obtaining an extension to the emission offset credit program.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2027
<b>Capital Project Cost</b>	\$ 9,500,000

*\*\*Operating costs below include 2 x (FTE) for future operation of facility\*\**

**Incremental Operating Cost / Savings:**

Year	2025	2026	2027	2028	Ongoing
Revenue			430,000	481,000	
Expense			194,000	200,000	200,000
Net Cost (Rev – Exp)	\$ -	\$ -	\$ 236,000	\$ 281,000	\$ (200,000)
FTE Impact			2		2
Budget Impact			Yes	Yes	Yes

*Revenue: Carbon Offset Credits*

*Expenses: Estimated staffing and utility costs*

<b>DEPARTMENT</b>	ENVIRONMENT, LAND & NGPR
<b>REFERENCE NUMBER</b>	<i>E2025-007</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**UNDERUTILIZED LAND ANALYSIS IMPLEMENTATION: LAND ACQUISITIONS AND DE-RISKING**

**OPPORTUNITY:**

- Key principles in Council's Strategic Plan, the vision presented in the Municipal Development Plan, and alignment with Strong Towns is to deliver a portion of expected growth through infill and intensification, as opposed to greenfield development; infill and intensification, using existing lands, servicing, and existing soft services is more financially sustainable long-term.
- Align with the Municipal Development Plan (MDP) guiding principles of:
  - *The City should actively assist and engage in urban redevelopment projects by actively acquiring, consolidating, and preparing land parcels for redevelopment, either internally or through the private sector and;*
  - *Administration will maximize infill and brownfield development and revitalize existing areas, including by implementing a brownfield redevelopment strategy.*
- In 2024, ELGP will complete an overarching Land Strategy. A key component is creating an Underutilized Land Analysis, intended to broaden the scope of the Council requested Brownfield Redevelopment Strategy into a strategic initiative for all underutilized land. This will unlock the potential of underutilized land for intensification and promotion of redevelopment for residential, commercial, and industrial lands.
- A barrier to private investment in projects related to the redevelopment of underutilized land is uncertainty and risk. Implementation of the recommendations from an Underutilized Land Analysis will increase the City's role in reducing barriers to incremental infill and redevelopment, have a positive impact on the tax assessment base in existing areas, and improve the City's ability to strategically respond to market needs.
- The initial investment of growth capital will be used to implement recommendations stemming from the Underutilized Land Analysis and overarching Land Strategy. This includes creating a sustaining fund to promote further private investment in redevelopment in the long term. This will consist of strategically acquiring land, de-risking the land, servicing the land, and then selling the land for private redevelopment. Profits from the land sale return to the program for the process to continue. Other recommendations may stem from the Underutilized Land Analysis and the overarching Land Strategy in which these funds may also be used for items such as modernizing policy, education, incentivization, complementary strategies, marketing, etc.
- An example of this opportunity is currently in progress. The City (reactively) acquired the remaining residence on an otherwise vacated block on second street SE. The purchase enabled the City's removal of the home, pursuit of rezoning to enable lot consolidation, and subject to related Council approvals, a marketing strategy intended to facilitate medium density residential – all aligned with the intent of revitalizing the extended downtown area.

**KEY ISSUES:**

- Consistent feedback received from the development community is that infill and intensification projects in existing areas carry uncertainty and risk, and this makes it increasingly challenging for private investment to undertake these projects. The costs of de-risking underutilized lands and reducing barriers or uncertainties may vary widely from site to site. Developers seek predictable development outcomes.
- Funds would be utilized to cover the implementation of the Underutilized Land Analysis and may include but are not limited to strategically purchasing underutilized land, consolidation/subdivision, zoning changes, site servicing, environmental site assessments, remediation work, geotechnical assessments, servicing studies, transportation analysis, and other background work required to prepare a site for the open market.
- Establishing a strategy and implementation of a program for land acquisition and de-risking of underutilized land was included as one of the 9 initiatives identified in the City’s application for the Federal Housing Accelerator Fund (HAF). The HAF application was not successful.

**RECOMMENDATION:**

It is recommended that the City provide funding, in the absence of the HAF funding, for the implementation of the Underutilized Land Analysis and overarching Land Strategy including future recommendations and initiatives to stem from these new strategies/analyses, and the creation of a sustaining fund for land acquisition and de-risking of underutilized lands.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	\$1,000,000
<b>Estimated Year of Completion</b>	2025
<b>Project Cost</b>	\$1,000,000

<b>DEPARTMENT</b>	INFORMATION TECHNOLOGY
<b>REFERENCE NUMBER</b>	CS2025-001
<b>BUSINESS CASE REQUEST</b>	OPERATING

**ADVANCED COLLABORATION ECOSYSTEM 2025-2026**

**OPPORTUNITY:**

In an era of digital transformation and the freedom of information and the protection of privacy, efficient and secure records management is no longer a luxury—it is strategically imperative. As our municipality grapples with increasing volumes of information, disparate data sources, and evolving compliance and access requirements, the need for a robust Records Management System (RMS) has become paramount. This business case is primarily focused on achieving a modernized and robust RMS (Records Management System). Revising the Records Management strategy coupled with a people focused change plan will lead to an efficient RMS. Leveraging our existing strategic investment in Microsoft365 license level (E3) and upgrading to an advanced license level (E5) will unlock access to significantly advanced features and functions within the integrated Microsoft365 platform. The outcome will be a secure, modernized, and efficient RMS plus three other major benefits including consolidation of cybersecurity tools, enhanced data visualization and analysis tools and advanced automation for business units.

The key benefits of unlocking these features and functions through a program with a focus on four key areas of advancement in the City of Medicine Hat:

1. Modernize the Records Management and Agenda Management system in use at CMH driving efficiency and gaining compliance with our record retention obligations as outlined in our Records Management Policy #0156.
2. Enhance the cybersecurity posture at CMH to further mitigate cybersecurity risk through integration and adoption of advanced cybersecurity processes and tools aligned with the Government of Alberta (GOA).
3. Introduce modern and powerful data visualization and analysis tools for CMH users to make better data informed decisions enabling the CMH Data Strategy. This Data Strategy, led by the Corporate Planning and Performance team, is currently in the development phase.
4. Enhance the ability for business units to build automation into their processes without having to involve IT driving efficiencies and reducing red tape.

**KEY ISSUES:**

1. Adoption and compliance of Records Management Policy #0156 adopted by Council November 17, 2014, has only been achieved in limited areas of CMH. CMH’s current Records Management and Agenda Management system (OnBase) is a stand-alone application, with no/limited integration to other City enterprise systems. It is also not easy or intuitive for staff or the public to search for records or move documents with ease between source systems. For these and other reasons, this system has not been universally adopted, resulting in incomplete/limited records management and lack of compliance with our existing policy. Using the Collaboration Ecosystem foundation (Microsoft365 E5) will facilitate records management modernization and facilitate the compliance of our current policy and increasing ability to respond to FOIP requirements/requests. This will displace the current system OnBase with modernized “records management in place” methodology. This means that all record management and agenda management functions can be

delivered without moving documents to other systems. City Clerk is the business owner of the records management and FOIP process.

2. Cybersecurity risks have advanced at a very rapid pace. Consolidation of the tools in alignment with the Government of Alberta (GOA) will mitigate cyber risk and defer future resourcing requirements and associated operating expenses. This will displace an existing tool creating a more consolidated and effective cybersecurity posture. Information Technology is the business owner of cybersecurity.
3. Leveraging the collaboration ecosystem foundation in place today, we can enable improved access to data, analytical/visualization, and automated business intelligence tools to maximize the use of information in our daily and strategic decision making. Microsoft 365 E5 provides the latest and most advanced innovations in security, compliance, and analytics. It equips organizations with cutting-edge tools to drive their data initiatives and strategies forward. Without the advanced Microsoft365 E5 licensing, access to these tools would need to be sourced through disparate tools. Corporate Planning and Performance is the business owner of the data strategy.
4. Empowering business units to deploy effective and efficient process automation in our workplace can be achieved with the advancement of the Collaboration Ecosystem foundation. This is the modern way and will move our organization forward. Currently automation at the business unit process level is extremely limited and using disparate tools. Information Technology is the business owner for business automation tools.

#### RECOMMENDATION:

Information Technology should lead the implementation of functionality available through advanced tools building on the current Collaboration Ecosystem platform to support the below 4 key advancements. This business case is primarily focused on upgrading our existing Microsoft365 license level (E3) to a more advanced level (E5) to unlock access to significantly more features and functions and the supporting efforts and the program to achieve the benefits in 2025-2026.

1. The creation of a records management plan and implementation strategy whereby the required records management (RM) functions outlined in policy #0156 can be met and or exceeded as lead by the City Clerk. The City Clerk will reallocate a vacancy to set up a Records Management Manager to lead this initiative's execution. This initiative will displace the current system OnBase with modernized "records management in place." This means that all record management functions can be delivered without moving documents to other systems. Agenda Management (AM) would be built using the Microsoft365 platform as well. By displacing OnBase (both RM and AM) there would be a reduction in operating expense of \$150k (near the end of 2026).
2. Aligned with the Government of Alberta (GOA) strategy the advanced consolidation of cybersecurity tools to mitigate risk and future resourcing requirements as lead by Information Technology. The GOA is currently at the Microsoft E5 license level. Further consolidation of the toolset will enhance our cyber posture and eventually drive our NIST cybersecurity external audit scores higher. This initiative would displace a cybersecurity system currently in place called Sentinel One resulting in a reduction in operating expense of \$135k (near the end of 2026).

3. Deployment of advanced data access, visualization, consolidation, and automated business intelligence tools to enable informed strategic and tactical decision making and reporting, as lead by Corporate Planning and Performance.
4. Introduction of business process automation tools to be used by the business units to build efficiencies and streamline business unit processes as lead by Information Technology. The potential for significant impact on red tape reduction increases using automation leveraged by business units (particularly the direct public-facing business units).

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Operating Initiatives:**

<b>Budget Year Request</b>	2025	2026
<b>Estimated Year of Completion</b>	2026	2026
<b>Project Cost</b>	\$610,000	\$536,000

The above model outlines the increase in Microsoft licensing (E5) required to build the program in 2025-2026. The operating initiative funding requested for the Microsoft365 E5 licenses is only needed until the project's end (end of 2026). The operating costs currently paying for the systems that are being displaced and decommissioned (OnBase \$150k/year and Sentinel One \$135k/year) will be allocated to pay for the Microsoft365 E5 license uplift going forward with a net zero effect on operating expenses beginning in 2027.

Year	2025	2026	2027
Sentinel One (in current operating budget)	\$135,000	\$135,000	-\$135,000 (decommission)
OnBase (in current operating budget)	\$150,000	\$150,000	-\$150,000 (decommission)
M365 E5 Licenses (net new operating budget)	\$275,000	\$275,000	\$275,000
Implementation (net new one time)	\$335,000	\$261,000	\$0
<b>Net Operating Funding Requirement</b>	<b>\$610,000</b>	<b>\$536,000</b>	<b>-\$10,000</b>

*Note: This costing table assumes a 2.3% inflationary rate but does not consider exchange risk.*

In addition, the operating initiatives requests (\$335k in 2025 and \$255 in 2026) are for the effort and consulting resources required to implement the described program and realize the benefits within this business case within the time limits required. These major initiatives included in this costing are listed below:

Agenda Management (AM)	City Clerk and IT: Plan, Build and Deploy new AM Tool
OnBase Records Conversion/Decommission	City Clerk and IT: Plan, Convert Records and Decommission OnBase
Records Management	City Clerk: RM Policy, RM Manual, Change Management, Execution of Plan
Records Management Foundation	IT: Plan, Build and Deploy RM functions into Collaboration Platform
Cybersecurity Advancement	IT: Plan, Build and Consolidate Cybersecurity Tools
Data Strategy Support	Corporate Planning and Performance and IT: Plan and Deploy Data Visualization and Analysis Tools

<b>DEPARTMENT</b>	AIRPORT
<b>REFERENCE NUMBER</b>	DI2025-032
<b>BUSINESS CASE REQUEST</b>	OPERATING

### AIRPORT SOCIO-ECONOMIC IMPACT STUDY

#### OPPORTUNITY:

- The Medicine Hat Regional Airport has recently completed an Air Service Restoration and Development Plan and is embarking on a comprehensive Strategic Airport Masterplan in 2024. These initiatives will guide future business development initiatives and infrastructure projects, with capital funding being sought from various levels of government.
- To support these efforts, it is important to conduct an in-depth Socio-economic Impact Study that will accurately measure and quantify the Airport's economic and social contribution to the region and community. This study will strengthen the City's advocacy for funding (internally and externally), and government relations efforts, supporting the Airport's continued growth, and financial viability.

#### KEY ISSUES:

- This socio-economic study will serve as a cornerstone of information that effectively communicates the airport's value to the Community. The study will support the Airport by providing sound, strategic and data driven recommendations. This will allow City administration, business leaders, and governmental leaders the opportunity to make more informed decisions regarding future funding of Airport capital projects and initiatives.
- The airport plays a pivotal role as a key economic driver in the Region serving as a vital connection to business, industry, and tourism. It is important to accurately quantify this impact to provide decision-makers and government leaders with a thorough understanding of the direct (activities at the airport), indirect (supporting activities), and induced (spending resulting from these activities) effects of regional economic output.
- The airport serves as a crucial social asset to the community, enriching wellness by enhancing access to healthcare, tourism, recreation, providing career development opportunities, hosting community events and celebrations, and promoting a general sense of goodwill. The social impact of the airport will also be evaluated to further understand its significance in enhancing the overall well-being of the community.

#### RECOMMENDATION:

It is recommended the City approve an allocation of \$40,000 toward development of an Airport Socio-economic Impact Study to assist with future strategic, funding advocacy and government relations efforts.



**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 40,000

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-026
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### WEATHER STATIONS

#### OPPORTUNITY:

- Municipal Works is reliant on accurate weather information when completing snow and ice control operations. Such information as road temperature, wind speed, precipitation type and rate allow decision matrices to identify the best treatment options for the conditions.
- The installation of weather stations in Medicine Hat will enhance the city's resilience, safety, and efficiency. The data collected from weather stations will enhance multiple department's ability to make informed decisions about operational activities.
- The current weather station in the city limits is operated by Environment Canada and Alberta Transportation, located in proximity to the Airport and Highway 1 river crossings. It is desirable to capture the weather in Crescent Heights, the southern portion of the city and local hills.
- The installation of weather stations within the city limits can help overcome gaps and create a more precise and reliable weather monitoring system.
- This weather information can also be shared with the public for interest and educational value.

#### KEY ISSUES:

- Although small in geographic area, Medicine Hat has differing weather events throughout the city.
- Many of the decisions made in terms of snow and ice and stormwater event responses are reactive or based on institutional memory. Improving the documented decisions will improve consistency and speed in delivering the necessary services.
- The addition of weather stations is necessary for improved snow and ice control decisions. The snow and ice decision matrices will be integrated into the weather analysis system. This will provide guidance related to material types and application rates required to address the forecasted conditions.

#### RECOMMENDATION:

It is recommended that the Municipal Works Department engage a consultant to review siting requirements, develop a procurement package and manage the installation of weather stations.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 150,000

**Incremental Operating Cost / Savings:**

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	-	-	-	-	-
Expense	-	15,000	15,000	15,000	15,000
Net Cost (Rev – Exp)	\$ -	\$ (15,000)	\$ (15,000)	\$ (15,000)	\$ (15,000)
FTE Impact	0	0	0	0	0
Budget Impact	No	Yes	Yes	Yes	Yes

*The operation and maintenance of such weather stations required specific instrumentation experience. In addition, access to the online weather analysis system used by AT and other Alberta municipalities requires a subscription.*

<b>DEPARTMENT</b>	CORPORATE PLANNING & PERFORMANCE
<b>REFERENCE NUMBER</b>	CS2025-007
<b>BUSINESS CASE REQUEST</b>	OPERATING

### DATA AND ANALYTICS STRATEGY AND DEVELOPMENT

#### OPPORTUNITY:

The idea that “data is the new oil” refers to similarities in how the two resources become valuable. Just like oil, raw data isn’t valuable in and of itself; rather, the value is created when it is gathered quickly, completely, and accurately, and connected to other relevant data. When properly refined, data quickly becomes a decision-making tool, providing insightful information that allows companies to react to market forces proactively and intentionally.

Currently, the city is rich with data but has limited access to data, and limited analytics ability because the data is not being captured, accessible, or stored. This project will help us to put in place a proper data management plan, data integration capability to move data from the source systems to the data warehouse, and the creation of a data lake and data warehouse. The key outcome will be that by using data and analytics efficiently we will be able to:

- Optimize the use of our assets
- Increase revenue
- Optimize costs

#### KEY ISSUES:

- The city needs to have more visibility of data, and that data needs to be shared at an enterprise level.
- The organizational data is siloed and is housed in various source systems, due to which the data is not being actively used for decision-making.
- Automatic data pipelines need to be created so that data can move from source systems into data warehouse.
- To collect data in a central place, the organization needs to develop a data warehouse, where all data can be collected, and multiple databases can be blended e.g AMI and financial data so that analysis can be performed.
- To share analysis, the organization needs to use data visualization tools like Power BI, so that dynamic analysis can be shared with the organization, and everyone has access to data and analysis.

#### RECOMMENDATION:

It is recommended that Corporate Planning & Performance lead the development of a data and analytics strategy, which positions the organization to leverage data for decision-making and addresses the critical data infrastructure needed for advanced analytics, including capturing, storing, and sharing data with all consumers.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

**INNOVATION**

**ECONOMIC EVOLUTION**

**SERVICE ORIENTATION**


**PARTNERSHIPS & GOVERNANCE**

**COMMUNITY WELLNESS**

**RESILIENCY & SUSTAINABILITY**

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025	2026
<b>Estimated Year of Completion</b>	2027	2027
<b>Project Cost</b>	\$150,000	\$150,000

<b>DEPARTMENT</b>	POLICE SERVICES
<b>REFERENCE NUMBER</b>	<i>POL2025-003</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

### HIGH VISIBILITY PUBLIC SAFETY CAMERA

#### OPPORTUNITY:

The Medicine Hat Police Service (MHPS) has identified an opportunity for a high visibility public safety camera to be used throughout the city in areas where intelligence and data indicates that violent or high-risk incidents have or could occur. The camera would gather video evidence and may help to reduce the fear of crime in specific locations.

The primary use for the camera would be in the downtown core in areas identified as problem locations or during high-risk police related events or during large public events to ensure public safety.

#### KEY ISSUES:

Public safety cameras have proven to be effective to record and deter crime in identified areas. Similar police trailers have been in use for several years throughout North America.

- In Alberta, the Calgary Police Service and Edmonton Police Services have public safety cameras. These cameras can protect officers during high-risk events and can be used in locations where it is not practicable to have a uniformed Police Officer for twenty-four hours a day.
- The Medicine Hat Police Service does not currently possess public safety camera but does use cameras during high risk events or can access City of Medicine Hat cameras where present during public events.
- This purchase will provide an emergency response surveillance camera trailer for the Medicine Hat Police Service in support of Public Safety and Road Safety and needs within the city.
- The trailer is designed specifically for mobile video surveillance with 360 degree viewing capability and a 30-foot mast system.
- Camera footage generates a record of events that helps emergency responders from multiple agencies manage a crisis.
- Live video is streamed via the internet and available for viewing from any computer or smart phone.

The 2025-2028 MHPS Strategic Business Plan outlines community safety and innovation and excellence in service delivery as priorities. The use of a camera trailer meets both of those priorities. The MHPS is a progressive police service that is always trying to enhance community safety and provide exceptional service to the community.

#### RECOMMENDATION:

The purchase of a Camera Trailer or a “Public Safety Trailer,” would provide an additional level of community safety which also would assist investigators in several different applications. The camera trailer would be decalated with the Medicine Hat Police Service logo and the words “Public Safety Trailer” making it very visible to all those who encounter it. Use of camera trailers by police agencies in Canada is increasing as they have been proven reliable as a piece of equipment that deters crime, promoting safer communities. It is proposed the MHPS continue to set safe community trends with the purchase of the “Public Safety Trailer.”

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2026
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$68,500

<b>DEPARTMENT</b>	POLICE SERVICES
<b>REFERENCE NUMBER</b>	<i>POL2025-002</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**POLICE UNCREWED AERIAL VEHICLE (UAV)**

**OPPORTUNITY:**

The Medicine Hat Police Service (MHPS) has identified a need for an additional uncrewed aerial vehicle (UAV) to support police operations. UAVs (Uncrewed Aerial Vehicle) (also known as drones) have been utilized by the MHPS since 2020 when a pilot program was initiated after four DJI Mavic Pros were donated to the Service. Since that time UAV’s have proven to be an effective tool to aid investigations and enhance the safety of all parties involved during critical incidents. In 2022, a commercial-grade UAV was purchased by the MHPS which provided enhanced operation capabilities, including extended flight time, the ability to fly in adverse weather and environmental conditions, and the addition of a thermal imaging camera. With only one UAV the risk of service disruption when the UAV is not available due to mechanical failure, or updates as required.

**KEY ISSUES:**

The MHPS has been utilizing UAVs to support police operations since 2020. Since that time UAV’s have proven to provide the following benefits:

- **Enhanced Surveillance:** UAVs offer an aerial perspective that can enhance surveillance capabilities. With an additional UAV, officers can improve their ability to monitor large areas, track suspects, and gather evidence more efficiently.
- **Response to Emergencies:** UAV’s can be deployed rapidly to provide real-time situational awareness during emergencies such as search and rescue operations, natural disasters, or accidents. Having an additional UAV ensures that multiple incidents can be addressed simultaneously.
- **Cost-Effective Policing:** Investing in UAV technology can reduce the need for expensive helicopter patrols or crewed aircraft. UAVs are cost-effective to operate and require significantly less investment to maintain than traditional aerial assets.
- **Community Safety:** With an additional UAV, the MHPS can increase presence and responsiveness in the community, thereby deterring crime and promoting public safety. UAVs can be used for crowd monitoring during events or to patrol high-crime areas, helping to prevent and detect criminal activity.
- **Evidence Collection:** UAVs equipped with cameras and sensors can gather valuable evidence from vantage points that may be inaccessible or unsafe for officers on the ground. This evidence can be crucial for investigations and prosecutions.
- **Search and Rescue:** UAVs equipped with thermal imaging cameras and other specialized sensors can aid in search and rescue operations, helping to locate missing persons or individuals in distress more quickly and efficiently.
- **Training and Skill Development:** Having an additional UAV provides more opportunities for training and skill development among police officers. By familiarizing themselves with UAV



technology and operating procedures, officers can enhance their capabilities and adapt to evolving law enforcement practices.

- **Complement to Existing Resources:** UAVs serve as a valuable complement to existing police resources, such as K-9 units, patrol cars, and foot patrols. They provide an additional tool that can be deployed in various situations to enhance overall operational effectiveness.
- **Public Perception and Transparency:** Utilizing UAVs for law enforcement purposes can demonstrate a commitment to innovation and transparency. When used responsibly and ethically, UAVs can enhance accountability and build trust between the police and the community they serve.
- **Regulatory Compliance and Safety:** It is essential to ensure that the use of UAVs complies with relevant regulations and safety standards. Investing in an additional UAV allows the MHPS to maintain compliance with evolving legal requirements and industry best practices.

The 2025-2028 MHPS Strategic Business Plan outlines community safety and innovation and excellence in service delivery as strategic priorities. The use of UAVs meets both of those priorities. The MHPS is a progressive police service that works diligently to enhance community safety and provide exceptional service to the community.

**RECOMMENDATION:**

The purchase of an additional UAV will enhance safety for individuals and officers involved in critical incidents and will ensure continuity of service delivery by the MHPS to the community.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$20,000

# COMMUNITY WELLNESS

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	<i>PS2025-013</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**COMMUNITY PROGRAMMING KIT****OPPORTUNITY:**

The community has shown support for new and vital outdoor experiences over 3 seasons. These experiences are often barrier free to all appeal to a wide array of demographics. With the purchase of a stage, tents and a portable sound system, Community Development can offer Cultural Public programs outdoors while being protected from the weather. This equipment will allow many non-traditional spaces in the community to become vibrant hubs of activity. This equipment can also be rented to community groups so they may deliver relevant programming to the community.

**KEY ISSUES:**

- The community has seen an increase in accessible outdoor events, providing inclusive opportunities to participate and engage. This increase underscores a commitment to diversity and ensures that individuals of varying backgrounds and demographics can contribute to community life through experience.
- The shortage of tents and sound systems for public events has become a significant challenge, hindering Community Development and other community groups in their ability to host successful gatherings.
- This scarcity not only limits the scope of events but also diminishes the overall experience for attendees, affecting their enjoyment and engagement. Addressing this shortage is crucial to revitalizing community events and fostering a vibrant social atmosphere.
- Large stages and sound systems are rented from Calgary, and this is becoming cost prohibitive.

**RECOMMENDATION:**

The recommendation is to invest in portable equipment for Community Development, enabling the deployment of resources where needed without the commitment of permanent infrastructure, thus fulfilling the programming mandate to "meet people where they are at." This investment would involve allocating resources towards purchasing durable tents, a mobile stage, and sound systems for public events, providing the community with consistent access to essential event resources and reducing reliance on short-term rentals. Making this investment aims to enhance the sustainability and reliability of public gatherings, fostering a sense of ownership and pride within the community.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 150,000

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-009
<b>BUSINESS CASE REQUEST</b>	OPERATING

**COMMUNITY VIBRANCY GRANT INCREASE**

**OPPORTUNITY:**

Increase the funding available for Community Vibrancy Grants to promote vibrancy in Medicine Hat.

**KEY ISSUES:**

The Community Vibrancy Grant program has been continually oversubscribed by approximately 800% over three years.

- In 2023 there was \$451,230 requested and \$50,000 granted.
- In 2022 there was \$414,073 requested and \$43,000 granted.
- In 2021 there was \$198,904 requested and \$39,000 granted.

There is a demonstrated need to financially support community groups to increase the vibrancy of the community.

**RECOMMENDATION:**

A \$60,000 increase to the Community Vibrancy Grant, this would represent a 120% increase over 2024. Over 20 city organizations that work across multiple sectors, such as the environment, active transportation, senior services, community wellness, festivals and youth engagement would benefit from funding.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

*Incremental Operating Cost / Savings:*

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	60,000	60,000	60,000	60,000	
Net Cost (Rev – Exp)	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ -
FTE Impact					
Budget Impact					

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	<i>PS2025-028</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING</i>

### COMMUNITY WELLBEING PLAN IMPLEMENTATION

#### OPPORTUNITY:

The Medicine Hat Community Well-Being Plan (CWB Plan) is intended to be a community document that identifies strategies and actions owned by the community. It will be an essential document that provides information about the current state of well-being in the community and establishes key goals to ensure the well-being of residents is maintained and enhanced over time. The vision of the plan is that Medicine Hat is an active, caring, connected, healthy, and vibrant community. Working together, we strive to ensure that everyone feels safe, economically secure, and has a deep sense of belonging. By embracing change and looking out for each other, all Hatters can meet their basic needs and are supported, empowered, and free to participate fully in the community. The plan will be the strategic guiding document that will help us achieve this vision over the next 10 years.

#### KEY ISSUES:

Medicine Hat, like other cities across the country, continues to experience the impacts of the Covid-19 pandemic and has seen an increase in multiple social challenges. The benefits of creating a Community Well-being Plan are wide-ranging and impact individuals, agencies, organizations, and the broader community.

In the fall of 2022, the Community Development Department issued an RFP to hire consultants to help develop a Community Well-Being Plan. Urban Matters CCC Ltd were the successful consultants hired to perform this work. The intent of the plan is to lay the framework for priorities and actions that support well-being and to:

- define community well-being and the community's vision for well-being;
- describe current state of community well-being;
- articulate factors and conditions that impact well-being in Medicine Hat;
- identify priority areas for improvement based on community needs, current and anticipated;
- identify specific actions required to achieve the defined definition and vision of well-being in Medicine Hat;
- define the roles and responsibilities of individuals, organizations, and levels of government as they relate to the established priorities and actions; and
- establish indicators and measures to evaluate the success of the strategy

#### RECOMMENDATION:

Results of the Community Well-Being plan will identify priority areas for improvement of services/supports in our community that require strategic action to achieve well-being in Medicine Hat. These strategic actions are expected to require greater resource allocations beyond, and in addition to, the current scope within the City of Medicine Hat Community Development department and the community, to ensure the targeted measures can be met.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	150,000	250,000	257,000	265,225	273,182
Net Cost (Rev – Exp)	\$ (150,000)	\$ (250,000)	\$ (257,000)	\$ (265,225)	\$ (273,182)
FTE Impact					
Budget Impact					

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-042
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**KIPLING STREET SE TRANSMISSION MAIN TWINNING**

**OPPORTUNITY:**

Loss of water supply to the Kipling Booster Station would result in prolonged reduction of pressure or complete loss of water service to about 32% (7,700) of the City’s water customers. Providing a secondary transmission main to the Kipling Booster Station will reduce the risk of loss of this essential service to a large area of the city.

**KEY ISSUES:**

- Kipling Booster Station supplies water to approximately 32% of the City’s water customers.
- The booster station and transmission mains are near an environmentally sensitive area (creek). A main break could result in significant environmental and regulatory impacts.
- The project includes installation of inspection ports to assess the condition of the existing main.
- Twinning the transmission main will allow the city to isolate the existing main while still maintaining service to the booster station.
- Design of the twin transmission main has been completed.

**RECOMMENDATION:**

It is recommended that EU proceed with tendering the construction of the Kipling Street SE Water Transmission Main Twinning.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2026
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$6,350,000



<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-015
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### PEDESTRIAN CONNECTIVITY

#### OPPORTUNITY:

- Currently there are approximately 7km of sidewalk gaps within the City’s pedestrian network.
- 747 wheelchair accessibility ramps have been identified as missing, representing 24% of the City’s network not being fully accessible.
- Filling the gaps and improving accessibility supports the City’s active transportation strategy envisioned in the MDP (Municipal Development Plan) and promotes a healthy lifestyle.
- Providing safe and accessible sidewalks and pathways for residents encourages growth and inclusion.

#### KEY ISSUES:

- Gaps in the sidewalk network results in residents having to form their own paths along grass boulevards, walk on the roadway or detour many city blocks to arrive at their destination, discouraging walking as a form of travel.
- Resident created paths through boulevards create damage to the boulevard requiring increased maintenance and restoration.
- Due to missing accessibility ramps at road crossings, individuals with mobility limitations are forced to either use vehicular transportation or travel along uneven ground or roadways.
- In recent years, multi-modal forms of transportation have become increasingly popular; and there is increasing need to develop new and maintain existing active transportation infrastructure to support the increasing demand.

#### RECOMMENDATION:

- Provide on-going dedicated funding for the installation of new sidewalks and accessibility ramps to fill the gaps in the pedestrian network.
- Locations will be chosen on a priority basis, with a high focus on the Hospital area, school zones, and commercial districts.
- On-going funding would allow the City to address the current gaps and accessibility issues within the next 10 years.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:*****Growth Capital Project Costs:***

Budget Year Request	2025
Estimated Year of Completion	2026
Capital Project Cost	\$ 400,000

<b>DEPARTMENT</b>	PARKS & RECREATION
<b>REFERENCE NUMBER</b>	PS2025 - 024
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### PUMP TRACK

#### OPPORTUNITY:

The Gas City Campground Pump Track was originally constructed utilizing a minimalist design philosophy based on Municipal Stimulus Program (MSP) grant funding program guidelines. Visual and amenity enhancements at the pump track would increase the end user experience and make the asset more enjoyable. Potable water for irrigation and patron consumption should be brought to site and provide opportunity for perimeter tree canopy establishment.

#### KEY ISSUES:

With funding received via the 2020 Provincial Municipal Stimulus Program (MSP), construction commenced on the Gas City Campground Pump Track in 2021. The pump track was built according to the MSP Program Guidelines, through the lens of not increasing municipal taxes by capital requirements nor operating needs, resulting from the asset. As such, the pump track was designed and constructed with a minimalist approach. Significant utilization of the pump track has brought forward the opportunity to increase the amenities located at this destination. Bringing water to the site for irrigation and public consumption would increase sustainable use. Irrigation would allow trees to be planted, increasing the area aesthetic, wind reduction, available shade, and enhanced tree canopy. Water for consumption through a fountain would allow patrons to play and stay longer.

#### RECOMMENDATION:

It is recommended that the Parks and Recreation department lead the design, construction, and implementation of the water service and tree planting upgrade at the Gas City Campground Pump Track.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 300,000

***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	-	-	-	-	-
Expense	10,000	10,020	10,040	10,060	10,000
Net Cost (Rev – Exp)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)
FTE Impact	0	0	0	0	0
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	<i>DI2025-002</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

### 3 ST NE/NW ACTIVE TRANSPORTATION INFRASTRUCTURE

#### OPPORTUNITY:

- 3 St NE/NW (from 2 Ave NE to 7 Ave NW) is a two-lane arterial roadway connecting the Riverside residential neighborhood to Highway 1, serving various businesses and residences.
- This project will be to construct new active transportation infrastructure (3m wide multi-use pathway) along 3 St NE/NW to close the gap in the current active transportation network and support the Cycling Mater Plan.
- Constructing active transportation infrastructure requires reconfiguring the road based on complete street principles and must be coordinated with the upcoming road rehabilitation.
- This upgrade initiative seeks to promote lower operating speeds, enhance pedestrian safety, and improve active transportation infrastructure, with the potential to stimulate development and ensure financial sustainability through robust planning and oversight.
- Combining cycling infrastructure, such as a multi-use pathway (MUP), with necessary road rehabilitation will not only create project synergies and cost savings but also minimize inconvenience to residents by constructing both simultaneously.
- Additionally, traffic calming measures will be integrated into the road corridor design to address concerns regarding speeding and pedestrian safety raised by residents.
- The project will prioritize collaboration with other City Departments to align with the Municipal Development Plan/Area Redevelopment Plan/Cycling Master Plan, upgrade utilities (water/sewer/gas/electric) and drive economic development through investment attraction.

#### KEY ISSUES:

- 3 St NE/NW spans approximately 1,500 meters and exhibits significant distresses, including severe cracking, surface distortions, and pavement failure, necessitating rehabilitation upgrades.
- Construction of cycling infrastructure along this corridor was postponed due to higher priorities and the potential to combine it with a major road upgrade in the future.
- The 2010 Cycling Master Plan recommended integrating the 3 St NE/NW corridor into the cycling network (Active Transportation infrastructure), with implementation targeted within 0-4 years. It is anticipated that the corridor will be identified as an important part of the City's Active Transportation Plan, currently being developed.
- The corridor will undergo a redesign aimed at incorporating active transportation infrastructure based on complete street principles, catering to all modes of transportation and users of varying ages and abilities.
- The road rehabilitation was put on hold to allow for construction of Environmental Utilities' gravity bypass sewer, the last phase is planned for 2025.

**RECOMMENDATION:**

It is recommended to construct new active transportation infrastructure (3m wide multi-use pathway) along 3 St NE/NW to close the gap in the current active transportation network and support the Cycling Mater Plan.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2027
<b>Capital Project Cost</b>	\$ 1,450,000

*Growth Capital (Active Transportation) \$1.45M, Sustaining Capital (Rehab and Redesign) \$5.525M*

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	<i>DI2025-011</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

### STREETLIGHT INSTALLATION

#### OPPORTUNITY:

- Close the gaps on missing streetlights throughout the City.
- There are currently several roadway locations with missing or no streetlights.
- Roadway illumination (streetlights) can contribute to reducing the risk of vehicular-vehicular or vehicular-pedestrian collisions, especially in urban areas. Illuminated roads provide better visibility for drivers, pedestrians, and cyclists, which can lead to improved reaction times and overall safety.
- As per City’s Municipal Servicing Standards, streetlights shall be provided using LED fixtures on all functional classifications of roadways except lanes.

#### KEY ISSUES:

- Municipal Works has identified gaps in streetlighting at several roadway locations.
- The gaps vary from one or two missing streetlights to as large as an entire road corridor or neighbourhood. For example, a 300-meter section of 11 Avenue NE or 3 Kilometers of South Boundary Road are without streetlights.
- Streetlight in certain areas and corridor are deferred till a full upgrade to the area/road corridor is envisaged but the timelines may not be well defined.
- Streetlights benefit safety by improving visibility and reducing the potential for vehicle/pedestrian conflicts. Additionally, well-lit roads can enhance the visibility of road signs, markings, and other traffic control devices, further reducing the likelihood of collisions.
- Streetlighting may also help to prevent/deter crime.

#### RECOMMENDATION:

It is recommended that Municipal Works start installing additional streetlights to close the existing gaps in streetlighting. Additional funding in future budget cycles will be required to continue addressing all the gaps.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 150,000

***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	-	-	-	-	-
Expense	-	2,200	2,200	2,200	2,200
Net Cost (Rev – Exp)	\$ -	\$ (2,200)	\$ (2,200)	\$ (2,200)	\$ (2,200)
FTE Impact					
Budget Impact	No	Yes	Yes	Yes	Yes

*There is a minor operating increase required to support the new lighting.*



<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-010
<b>BUSINESS CASE REQUEST</b>	OPERATING

### TOWNE SQUARE PROGRAMMING

#### OPPORTUNITY:

There is a community desire to see more activation at Towne Square. Currently there is little interest from the business community, community groups or the not-for-profit community to lead activation efforts. This initiative will see the City add \$30K to the Cultural Public Programming budget to work with community to build capacity and eventually see community lead activation initiatives at Towne Square. These will include weekly seasonal activations, monthly activities, and the establishment of annual events.

#### KEY ISSUES:

Towne Square has been open for three years and has seen little activity. The community expectation for a vibrant space is high, but there is not a clear business case for an organization to activate the space on a regular basis.

The market pods are highly visible, but rarely utilized and this has resulted in negative feedback from the community.

#### RECOMMENDATION:

The addition of \$30K to the Cultural Programming budget to activate Towne Square as part of our community canvas. To be clear this increase in budget is not attributable to Towne Square, but rather it is an opportunity that now exists with the addition of this infrastructure.

Potential examples if activities:

- Weekly public market between June and September
- Weekly pickle ball one evening a week in the parking lot.
- Monthly themed events
- The establishment of yearly events anchored to the site

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	30,000	31,200	32,448	33,745	
Net Cost (Rev – Exp)	\$ (30,000)	\$ (31,200)	\$ (32,448)	\$ (33,745)	\$ -
FTE Impact					
Budget Impact					

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-004
<b>BUSINESS CASE REQUEST</b>	OPERATING

### TRANSPORTATION SAFETY ENHANCEMENTS

#### OPPORTUNITY:

- In recent years, multi-modal forms of transportation (e.g. walking, cycling, e-bikes, e-scooters, skateboards) have become increasingly popular; and there is increasing need to cater for multi-modal forms of transportation and shared use of roadways.
- There is a need to adopt a more comprehensive approach to transportation safety and create design features to promote reduced operating speeds within their residential areas, given that multi-modal users typically originate from their homes.
- The transportation safety enhancements will prioritize the development of livable neighborhoods, encouraging active modes of transportation like walking and biking.
- Transportation Safety Plan currently under development will identify the major safety issues based on historical traffic data and recommend action items for implementation.
- The decision-making process regarding the implementation of transportation safety enhancements will be grounded in comprehensive data analysis.

#### KEY ISSUES:

- Speed management for traffic safety.
- Safety for all modes of transportation including, but not limited to. walking, cycling, e-bikes, e-scooters, skateboards.
- Promote active transportation.
- Implementation of recommendations from Transportation Safety Strategy (TSS), currently under development.

#### RECOMMENDATION:

It is recommended to pilot and evaluate the implementation of traffic calming measures and improvements that will be identified in the Transportation Safety Strategy, currently under development, to support the vision to move towards zero road transportation fatalities and serious injuries and create liveable neighbourhoods focusing on measures to manage vehicle speeds, such as traffic calming devices, and design features that encourage drivers to slow down.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:*****Operating Initiatives:***

Budget Year Request	2025
Estimated Year of Completion	2026
Project Cost	\$ 200,000

<b>DEPARTMENT</b>	PARKS & RECREATION
<b>REFERENCE NUMBER</b>	PS2025 - 025
<b>BUSINESS CASE REQUEST</b>	OPERATING

### TRAIL CRACK SEALING PROGRAM

#### OPPORTUNITY:

- Of the approximately 140 kilometers of asphalt trails under the responsibility of PKRC in the city there is a significant volume of linear meters of cracks present. Asphalt cracking is a separation or break on the surface and can be described in many ways such as alligator, transverse, longitudinal, meandering, diagonal, and block cracking. Cracking can be caused by a failure under the surface, temperature variances, moisture, and higher than rated traffic loading (page 2, item 2.1.2 in attached report)
- Global estimated asset replacement is approximately \$50 million for PKRC asphalt trails infrastructure (page 7, item 3.2 Asset Value in attached report). Requesting \$125,000 annually for routine trail maintenance activities within asphalt crack sealing equates to 0.25% maintenance reinvestment.
- Addressing this issue via an Operationally Funded Asphalt Crack Sealing (ACS) program as the first step is crucial to ensure the longevity and functionality of the infrastructure.
- Asphalt cracking is a common occurrence over the lifetime of a paved surface.
- Crack sealing is a routine maintenance technique used to fill the asphalt cracks, preventing moisture from infiltrating the asphalt and substructure, which over time (if not addressed) can lead to further degradation.
- Crack sealing is achieved by applying a flexible rubberized asphalt into the crack that moves with the asphalt as it expands and contracts (page 11, Item 3.3.5 Crack Sealing, in attached report).
- Lack of planned and resourced program in operations in the past. Ad hoc (small scale) crack sealing has been done via capital programs in the past; crack sealing (along with hot patching and fog sealing) is considered routine asphalt maintenance, and thus belongs to the in Operating budgets.
- Capital grants will not fund routine maintenance tasks. There are currently defects in the range of \$7 million in the asphalt trail inventory. This includes all five rehabilitation methodologies; crack sealing requirements are currently assessed at \$752,900:
- Goal of performing up to 20,000 linear meters per season as an annual operating program.
- The current estimated cost per linear meter for crack sealing provided by City Assets is \$5.00 per linear meter.

#### KEY ISSUES:

- Capital reinvestment of our trails including full reconstruction or asphalt overlay and Growth Capital for new trails is at high expense.
  - Routine operational programming budget that includes crack sealing, hot patching and fog sealing reduces premature degradation of the trail assets and the need to replace these assets ahead of estimated service life completion.
- City owned Asphalt trails are facing deterioration due to untreated cracks, leading to safety hazards and reduced longevity of the infrastructure.

- Neglecting ACS operations can result in further degradation of the trails, leading to increased maintenance costs and potential risks to trail users.
  - ACS plays a pivotal role in preserving the integrity and longevity of asphalt trails, assisting in PKRC trail assets reaching their full estimated service life (ESL).
  - By sealing cracks, moisture penetration and subsequent freeze-thaw cycles are mitigated, preventing further deterioration of the asphalt surface.
  - ACS helps maintain a smooth and safe surface for pedestrians, cyclists, and other users, reducing the risk of accidents and injuries.
- The lack of a planned and resourced program in PKRC operations in the past has allowed the accumulation of unresolved issues, necessitating immediate action to address the backlog and prevent further deterioration.

**RECOMMENDATION:**

It is recommended to engage annual contracted services to perform crack sealing on our city asphalt trails. This project entails partnering with external contractors to systematically address the existing backlog of cracks and establish a routine proactive maintenance program. A potential aim is to employ this program to explore the possibility of internally managing a portion of this work, should it prove financially beneficial to do so, thus acquiring the necessary resources.

- Engaging contracted services offers specialized expertise and resources to efficiently address the volume of cracks on the trails.
- By outsourcing the project, the city can leverage the capabilities of experienced contractors, ensuring high-quality and timely completion of crack sealing activities.
- Implementing a proactive maintenance program demonstrates a commitment to preserving the longevity and safety of asphalt trails, enhancing the overall recreational experience for stakeholders, residents, and visitors.
- Investing in training and equipment for internal staff enables the city to take greater ownership of routine operations and maintenance, resulting in long-term cost savings and increased efficiency.
  - Increasing cracks and uneven surfaces on trails decreases the functionality and accessibility. In addition, the presence of cracks reduces the options of active transportation modes that can use the trails.
    - Ex. Reduces opportunities for street bicycles, long board users, smaller e-scooters, wheelchairs, mobility assisting devices etc.
- Transitioning towards internal management of crack sealing aligns with the city's strategic goals of maximizing resource utilization and promoting self-sufficiency in infrastructure maintenance. It also improves opportunities for Trail capital programs to apply for and successfully access grant funding, by placing routine maintenance activities within the appropriate funding source.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	125,000	125,250	125,500	125,750	50,000
Net Cost (Rev – Exp)	\$ (125,000)	\$ (125,250)	\$ (125,500)	\$ (125,750)	\$ (50,000)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	PARKS & RECREATION
<b>REFERENCE NUMBER</b>	<i>PS2025 - 017</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**GAS CITY & ECHO DALE REGIONAL PARK CAMPGROUNDS – PURCHASE & OPERATION OF YURTS**

**OPPORTUNITY:**

The Parks and Recreation department would like to continue its vision of making Gas City Campground and Echo Dale Regional Park Campground a top choice for visitors and residents when choosing a regional and provincial camping destination. The introduction of three yurts (two at Gas City Campground and one at Echo Dale Regional Park Campground) would increase the profile of these campgrounds and would provide additional camping style options. Furthermore, adding yurts to the Gas City Campground would expand the operating season to include winter and fall camping opportunities. Like the comfort cabins at the Gas City Campground, the yurts would be winterized, which would allow an option for winter camping in future years.

**KEY ISSUES:**

- In 2022 the City of Medicine Hat opened two Comfort Cabins at Gas City Campground. Since then, the cabins have seen utilization over 50%, with most weekends near 100% occupancy.
- Comfort camping (glamping) continues to be an increasing trend across Canada and Alberta with travelers, especially millennials, looking for unique experiences.
- Comfort camping increases accessibility for outdoor recreation and camping experiences by creating opportunities for individuals and families who may not desire, or be able to tent camp, or make the commitment of purchasing a campervan or RV. Comfort camping is the perfect way to be introduced to camping if it's an activity you're less familiar with, perfect cost-friendly weekend getaway, and ideal activity for those who want to be outdoors without getting too dirty.
- Yurts are large, fabric-sided, domed shelters and offer an authentic camping experience for visitors who do not own or want to bring their RV or tent with them. Yurt rental will include furnishings, camp stove and fuel, or a barbecue and fuel. Individuals must supply their own bedding and cooking utensils.
- Camping reservations in Alberta are increasing every year with high demand. Around the province, occupancy rates for yurts range between 50% and 85%. This has potential to be economically beneficial for Medicine Hat and provide more diverse recreational camping opportunities for residents and visitors to the City.

**RECOMMENDATION:**

It is recommended that City Council approve the purchase of three yurts with the operation of two yurts at Gas City Campground and one yurt at Echo Dale Campground. There is a total combined capital cost of ~\$284,922 for 2 yurts at Gas City Campground and 1 at Echo Dale Regional Park and Campground. The projected annual operating expenses are \$12,485 net in year 1, with increasing returns in subsequent years. Operating expenses for the yurts are lower because the infrastructure for the comfort cabins is already operational and established.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**



**INNOVATION**

**ECONOMIC EVOLUTION**

**SERVICE ORIENTATION**

**PARTNERSHIPS & GOVERNANCE**

**COMMUNITY WELLNESS**

**RESILIENCY & SUSTAINABILITY**

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 284,922

The project's cost reflects the total need to build 3 yurts – 2 at Gas City Campground and 1 at Echo Dale Regional Park Campground. Project cost includes the Yurt, assembly, deck, furnishings, and site servicing for utilities as well as 20% contingency. Project cost is based on the purchase of 3 20 ft. yurt at 314 total sq. ft per unit.

**Incremental Operating Cost / Savings:**

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	32,472	36,132	39,926	43,919	43,919
Expense	19,986	22,239	24,575	27,032	27,032
Net Cost (Rev – Exp)	\$ 12,485	\$ 13,892	\$ 15,351	\$ 16,886	\$ 16,886
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

Operating revenue reflects projected gross revenue starting at 55% capacity year 1 (2025) with 5% improvements in capacity subsequent years for all 3 yurts. Operating expenses include cleaning, materials & supplies, cost to operate, utilities, advertising, fixed internal charges, and repairs and maintenance for all 3 yurts.

<b>DEPARTMENT</b>	POLICE SERVICES
<b>REFERENCE NUMBER</b>	POL2025-001
<b>BUSINESS CASE REQUEST</b>	OPERATING

**DOWNTOWN PATROL UNIT / COMMUNITY LIAISON OFFICERS**

**OPPORTUNITY:**

The Medicine Hat Police Service (MHPS) seeks approval for adding two constable positions. Both officers will share the work responsibilities seasonally assigned to the Downtown Patrol Unit (DPU) and as Community Liaison Officers (CLO) role under the Community Support Unit. The officers would potentially work as DPU from June to August, and as CLOs from September to May.

**KEY ISSUES:**

**Downtown Patrol Officers:**

- Like other communities across North America, Medicine Hat has experienced an increase in homelessness, drug addiction (opioid crisis), and mental health concerns which has led to an increase in antisocial behaviors in the downtown area. These antisocial behaviors negatively impact the quality of life for residents and businesses in the downtown area.
- The 2023 Medicine Hat Public Safety Survey results indicated an increase in the number of people feeling “uncomfortable or afraid” of attending the downtown.
- Police presence offers a sense of security, safety, and allows for an efficient response to crime-related issues. Having more officers assigned to the downtown area during the peak summer season will have a positive impact on these concerns.

**Community Liaison Officers:**

- Since the removal of CLOs approximately five years ago, an obvious gap has been noted between the community and police.
- At least half of the requests that the Community Support Unit receives from the community are not met or are met with a modification in service delivery.
- The CLO position historically was used for school engagements not covered by School Resource Officers (SROs), public presentations on trending community concerns (frauds, etc.), annual events such as the Chief Earl Leadership Legacy Scholarships, fraud prevention month, Spectrum, and more.
- If re-established, the CLO positions would assist in providing police investigation to schools not covered by SROs, the completion of Violence Threat Risk Assessments (VTRAs)/Assessment of Risk to Others (ARTO), MHPS youth and community tours, as well as school and community group presentations.
- The CLO positions could further take on a larger role within the Encouraging Positive Informed Decisions (EPIC) program to ensure its continual review and rollout to the community. The program could easily be expanded to cover more topics and have a section that could be focused on delivery to adults.
- The CLO positions could also take on the management of the High-Risk Youth meetings and portfolios and provide time for police to complete tasks related to these youth.

**RECOMMENDATION:**

The MHPS would like to increase its police strength by adding two police officer positions. These two positions would share the role of Downtown Patrol Officers (DPU) and Community Liaison Officers (CLO's). The potential role sharing would be the first of its kind for MHPS and would provide a unique opportunity for the police service to meet several objectives.

From June until the end of August, the two officers would be assigned to the Downtown Patrol Unit. Together with the current Sergeant and two constables, these members would allow for more coverage and extended hours of police presence downtown. During the summer of 2023, MHPS offered overtime opportunities to operate similarly to this objective. The feedback from businesses and patrons in the downtown area was very positive. This venture had a significant financial impact, as the officers were assigned on overtime opportunities. Having members assigned to complete this work as their regular scheduled duties would allow this to be more fiscally responsible and provide a consistent, high level of customer service.

From September to May, the two officers would be assigned to the Community Safety Unit as Community Liaison Officers. If the CLO positions were established, this could allow for increased crime prevention and community engagement opportunities.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**Incremental Operating Cost / Savings:**

Year	2025	2026	2027	2028	Ongoing
Revenue	0	0	0	0	0
Expense	\$296,000	\$304,000	\$311,000	\$319,000	\$319,000
Net Cost (Rev – Exp)	\$296,000	\$304,000	\$311,000	\$319,000	\$319,000
FTE Impact	2				2
Budget Impact	\$296,000	\$304,000	\$311,000	\$319,000	\$319,000

# **ECONOMIC EVOLUTION**

<b>DEPARTMENT</b>	AIRPORT
<b>REFERENCE NUMBER</b>	DI2025-031
<b>BUSINESS CASE REQUEST</b>	OPERATING

**AIR SERVICE AND COMMERCIAL ATTRACTION & RETENTION - AIRPORT**

**OPPORTUNITY:**

- A combination of market analysis, strategic planning, communication, marketing, and incentive support is critical to retain existing and attract new air services, general aviation business, and non-aeronautical concessionaires to the Medicine Hat Regional Airport. Investment in this initiative is a critical and effective way to attract and retain scheduled air service which is a requirement for continued eligibility for Federal Airport Capital Assistance Program (ACAP) grants.
- The budget will be utilized for general marketing initiatives, market and data analysis, development of business cases, incentive support, brand awareness and promotional campaigns aimed at encouraging investment in the Medicine Hat Regional Airport.

**KEY ISSUES:**

- The Airport does not have an annual operating budget for commercial attraction and retention efforts.
- The Air Service Development Strategic Report, written in 2023, and Airport Strategic Development Plan, written in 2018, indicate marketing and incentive support is critical to growing air services, attracting investment and leasing opportunities to Medicine Hat Regional Airport.
- Joint marketing campaigns are a mutually beneficial activity for the City of Medicine Hat organization, and for businesses based at Medicine Hat Regional Airport. As owners and operators of the Airport, the City of Medicine Hat is a critical partner in the success of its users and tenants.
- Raising route awareness within the community is a critical success factor for the Airport. Increased air services enhance the livability of the community, facilitates commerce, attracts investment to the Region and results in additional revenue for the City. The Air Service represents 40% of the Airport’s total revenue.
- Air Service Development is a fundamental element of airport growth and development. Coordination is required with economic development leaders, both governmental and business. The City, through the Airport, should retain its leadership role and invite stakeholders and others to participate as may be required. Having a budget allocated to these efforts ensures events organized, materials produced, and campaigns are adequately resourced.

**RECOMMENDATION:**

It is recommended the City allocate a \$100,000 per year budget line toward air service and commercial attraction and retention efforts to facilitate the overall growth of the Medicine Hat Regional Airport through funding that can reserved for marketing, promotion, market analysis and incentive support.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	100,000	102,300	104,653	107,060	109,522
Net Cost (Rev – Exp)	\$ (100,000)	\$ (102,300)	\$ (104,653)	\$ (107,060)	\$ (109,522)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	<i>DI2025-005</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**DOWNTOWN SURFACE ENHANCEMENTS – 3 STREET SE (5 AVENUE SE TO 3 AVENUE SE)**

**OPPORTUNITY:**

- This project will allow for surface enhancements along 3 St SE in conjunction with the Environmental Utilities Department Deep Utility Replacement Project.
- The surface enhancements will improve the overall safety, identity, and attractiveness of the area by revitalizing the streetscape, and increasing pedestrian orientation of the downtown area. These improvements are meant to create a sense of place downtown, making it an attractive place to visit, shop, live, and work.
- The project will see collaboration between several municipal departments as both deep and shallow utilities require replacement along with a full rehabilitation of the roadway structure. Working collaboratively with other municipal departments allows for cost savings and reduces the impact construction projects have on the surrounding area, adjacent businesses, and property owners.

This project is in support of the City’s Downtown Infrastructure Asset Replacement Plan and Downtown Redevelopment Plan which were endorsed by City Council.

**KEY ISSUES:**

- The Medicine Hat Municipal Development Plan (2020 – 2050) highlights a vibrant downtown as one of its five strategic goals. The City's Downtown Redevelopment Plan (DRP) outlines a list of "street level enhancements" to help improve the downtown. Installation of the improvements have been included in conjunction with deep utility replacement projects to take economic advantage of project synergies. Surface enhancements have already been completed along 2 St SE and are currently moving forward on the 500 and 600 block of 3 St SE in 2024.
- Business/public feedback indicates that surface enhancements have been a welcomed addition to the downtown streetscape. Also new businesses have opened and vacant buildings and lots have been sold with the potential for new developments in the downtown core. This falls directly in line with one of the strategic goals identified in the MDP (Municipal Development Plan), which is a Vibrant Downtown that is active, exciting, walkable, and accessible with many opportunities for local businesses and housing.
- The work includes upgrades/rehabs to mid-block crossings, sidewalks, wheelchair ramps, pedestrian crossings, cycling facilities, signage, boulevard treatments, street furniture (benches, garbage cans), planters, bollards, patterned surfaces. The work does not include costs related to road surface replacement, which will be included in the Environmental Utilities portion of the project.

**RECOMMENDATION:**

It is recommended that approvals for this project move forward to allow for the continuation of the downtown surface enhancements in the downtown core. The enhancements have been completed successfully on 2 St SE and will proceed along the 500 and 600 block of 3 St SE in 2024. Funding for the 300 and 400 blocks will fully complete the project. Positive feedback was received from businesses and the public on what has been completed. Completion of the surface enhancements in the downtown core will create a sense of community that is attractive to all that frequent the area.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 1,150,000



<b>DIVISION / DEPARTMENT</b>	GENERAL GOVERNMENT / ECONOMIC DEVELOPMENT
<b>REFERENCE NUMBER</b>	GG2025-003
<b>BUSINESS CASE REQUEST</b>	OPERATING

### BUSINESS RETENTION AND EXPANSION PROJECTS

#### OPPORTUNITY:

- Business Retention and Expansion supports the current business ecosystem and is often called the heart of an economic development strategy.
- Medicine Hat Economic Development will be running Business Retention and Expansion - Industry Specific (BREIS) programs to support its Business Development pillar.
- Following each Business Retention and Expansion program, we will have a data backed understanding of key issues, challenges, and opportunities in a diverse range of industry sectors.
- Our desire is to engage economic development and business support organizations and industry from across Southeast Alberta.
- This data will inform ecosystem development projects to mitigate the issues and challenges and so our community can capitalize on the opportunities for sector growth. Some such projects might include the creation of an additional industry resource, the establishment of an industry networking group, the development of a focused investment attraction profile, or other projects yet to be considered.
- This business case is to support the funding of these projects.

#### KEY ISSUES:

- In any community, there are business owners and residents who share anecdotes with various stakeholders relating to regulatory challenges and gaps in the business support ecosystem that hinder business growth. There are certainly cases where these concerns are valid, but there are others where alternative solutions could have been offered. There is an opportunity to gather current data and build a collaborative business support ecosystem to help address these issues.
- With structured engagement with our business community, we can get a clear idea of where the legitimate gaps/barriers are and how best to address them. A Business Retention and Expansion program will support business service providers to understand the root issues of challenges within each sector, providing the data for effective decision making, program development and execution.
- An inconsistent economic development vision has fractured relationships between the City and various service providers. This has led to a disjointed ecosystem of business support, contributing to strained relationships between service providers and the City of Medicine Hat.
- In 2019 the City led the Business Retention and Expansion and Workforce Development (BREWD) project. Key stakeholders within this business support ecosystem and a diverse section of businesses supported the project. Outcomes included the Move to Medicine Hat website, shop local campaign, labour attraction support for rural areas, an HR learning series, and access to capital incentive programs.

- Investors indicate that the number one thing businesses look for when choosing a community is a thriving business/industry support ecosystem. A Business Retention and Expansion program connects businesses and investors to this ecosystem.
- Lack of a BRE result in two key challenges:
  1. Business owners and investors lack the awareness of support resources.
  2. Lack of data to properly target suitable investment opportunities.
- Given the breadth of business and industry support organizations that exist, through the execution of BREIS programs, we can decrease barriers and develop better methods of communication so prospective and current business owners can benefit from existing services.

**RECOMMENDATION:**

Medicine Hat Economic Development Strategy includes the delivery of consecutive Business Retention and Expansion - Industry Specific (BREIS) programs to support the business community in our region.

The department is aiming to run between two (2) to four (4) BREIS programs per year (depending on the size of the target industries). Data collection through business visitation and survey analysis will be key components of this work. To strengthen the social capital in our region, these programs will be run in collaboration with regional business support organizations.

Public facing outcomes of each BREIS program include an Industry Profile, State of the Industry report, and a Project List, where members of the economic development community in our region will take on the implementation of high impact projects or programs.

This act of following through on the information gathered will build and strengthen trust between our business community, service providers, Medicine Hat Economic Development, and the City of Medicine Hat, making it an integral outcome of the BREIS programming. Furthermore, it will contribute to the increased and ongoing success of businesses in our community and bolster our Investment Attraction efforts.

Through each program, a list of opportunities within the ecosystem will be detailed and discussed with the regional business support organizations. Key priorities will be reviewed by the stakeholders, and the organization best positioned to take on that project will be identified. Medicine Hat Economic Development is taking great caution when it comes to duplication of services within the region. We have many strong non-profit organizations in our community that have the capacity and desire to engage in projects with the City of Medicine Hat without the resources to do it on their own. Furthermore, the department is working at maximum capacity to achieve the strategic mandates set forward by our Council. The City of Medicine Hat can act as a strong external partner in these projects by providing financial contribution and partnership.

**Therefore, it is recommended to include \$75,000 to allow for Medicine Hat Economic Development's engagement in these projects thereby reinforcing our critical role in the business support ecosystem.**

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$75,000

<b>DEPARTMENT</b>	ECONOMIC DEVELOPMENT
<b>REFERENCE NUMBER</b>	GG2025-001
<b>BUSINESS CASE REQUEST</b>	OPERATING

### INVESTMENT ATTRACTION STRATEGY AND ACTION PLAN

#### OPPORTUNITY:

Significant collaboration is taking place between the Land, Planning and Economic Development departments to create cohesive systems to best support our development community and outside investors. Given the results of this collaboration, the City of Medicine Hat will be primed to be able to identify key sector opportunities for investment growth and attraction. Decisions on what types of industries to attract and key opportunities within those industries will be made from data accumulated from the work.

The creation of an investment attraction strategy will provide the foundation for Medicine Hat Economic Development to foster economic growth by attracting capital and stimulating development. We will enhance competitiveness and create jobs through targeted initiatives.

#### KEY ISSUES:

- A new Director of Medicine Hat Economic Development was hired in July 2023. Between July 2023 and January 2024, Medicine Hat Economic Development department structure and budget were approved, recruitment of three economic development officers, development of 2024 economic development strategy including workforce development, business development, investment attraction and investment and growth readiness.
- Investment Attraction is a key strategy in all economic development strategies. To realize this work, data is required to understand gaps, key assets and opportunities within Medicine Hat and region. This data helps economic developers understand target sectors, opportunities, and enablers such as infrastructure and policy required to realize them.
- Currently, there is a lack of data to support investment attraction strategy – target sectors and opportunities.
- In 2024/2025 foundational work is being completed within many departments. Priority sector Business Retention and Expansion Surveys, Rural Renewal and Workforce Strategies, Real Estate Gap Analysis, Underutilized Land Strategy, Housing Investment Preparedness, Water Strategy and Environmental Framework.
- The work above will support the development of a comprehensive Investment Attraction Strategy and Action Plan.

#### RECOMMENDATION:

It is recommended that Medicine Hat Economic Development lead the creation of an Investment Attraction Strategy and Action Plan. The project will be collaborative and will draw on experience and knowledge within the Land and Planning departments. The project will include the following targeted initiatives - strategy development, purchase of key data used in investment attraction, development of one community profile, five sector profiles, development of marketing collateral and campaigns, one year subscription to the Gazelle Platform, and attendance at four events.

- The strategy will guide decision making, provide market analysis, identify target sectors, recommend infrastructure development, and support the building of partnerships to attract investors effectively. This will be supported by an external consultant.
- Purchase data package to support investors with decision-making, trend identification and market demand assessment.
- One community and five sector profiles will provide content for website and marketing and data for staff to use when responding to investment inquiries and selling sector opportunities. Written content will be supported by external consultant. Creative development of profiles will be supported internally.
- Marketing collateral and campaigns development to target opportunity sectors and leads.
- Attendance at four events to create connections and build relationships with investors in priority sectors. Internal staff will attend these events.
- Subscription to the Gazelle Platform for one year. Gazelle is an artificial intelligence-based platform geared towards identifying and attracting corporate investment for economic development organizations and deal professionals.
- Contract with lead generation firm(s) to generate short term and long term qualified, capable, active leads that fit the Medicine Hat ecosystem.

*Matching grant funding will be available through the federal CanExport funding program.*

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> ☒	<b>ECONOMIC EVOLUTION</b> ☒	<b>SERVICE ORIENTATION</b> ☒
<b>PARTNERSHIPS &amp; GOVERNANCE</b> ☒	<b>COMMUNITY WELLNESS</b> ☒	<b>RESILIENCY &amp; SUSTAINABILITY</b> ☒

**FINANCIAL IMPLICATIONS:**
**Operating Initiatives:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$200,000

<b>DEPARTMENT</b>	ECONOMIC DEVELOPMENT
<b>REFERENCE NUMBER</b>	GG2025-002
<b>BUSINESS CASE REQUEST</b>	OPERATING

### DEVELOPMENT INCENTIVE PROGRAM

#### OPPORTUNITY:

- Housing development does not exist in a vacuum and other macro-economic factors, policies and initiatives can, and do, relate to housing which can play apart in the Medicine Hat Economic Development strategic pillars of Workforce Development, Business Development, Investment Attraction, and Investment Readiness.
- There is a need for the development of a diverse range of housing units.
  - Diverse housing will help address the workforce needs and support the business community and future growth.
  - This could also include affordable housing units to support low to middle income residents.
- Utilization of Funds
  - Create housing incentive programs for 2025 & 2026 that will encourage property development or redevelopment within the City that otherwise would not have occurred, and/or removes economic barriers and hurdles in support of the strategic goals of the Municipal Development Plan.

#### KEY ISSUES:

##### Background

- The City of Medicine Hat encourages development and redevelopment in the City for the general benefit of the municipality. In 2021, the City developed an Incentive Policy that aimed to be fair and transparent - providing a reasonable rate of return on the City’s investment, having built in measurability and accountability and in compliance with applicable law.
- Previous Development Incentive Programs between 2021 and 2023:
  - Total Applicants approved - 183
  - Builder Incentive Program - \$190,000.00
  - Infill Incentive Program (2022) - \$112,912.45
  - Waterfront District Vibrancy Incentive
    - 2021 - \$575,161.36
    - 2022 - \$591,045.36
    - 2023 - \$29,428.60

##### Current State

- The following information was gathered from the 2020 Medicine Hat Housing Strategy Final Report and lead by the Medicine Hat Community Housing Society.
  - Almost a fifth (19.8%) of households in Medicine Hat were facing housing affordability issues and 7.1% were facing severe housing affordability issues.

- For households with Moderate Incomes (households had estimated incomes from \$48,653 to \$94,976 in 2019) - The lack of newly built or renovated high quality purpose-built rental housing may cause these households to prematurely enter homeownership. This may explain why 11.3% were facing housing affordability issues and 0.3% were in core need. This means about 25 households with moderate incomes needed a more affordable alternative.
- The Government of Alberta Regional Dashboard provides the following statistics for Medicine Hat (<https://regionaldashboard.alberta.ca/region/medicine-hat/residential-vacancy/#/?from=2018&to=2022>)
  - 2022 residential vacancy rate in Medicine Hat was 1.60%, the 11th highest in the province. Residential vacancy in Medicine Hat declined -46.7% year-over-year and decreased -68.0% in the last five years.
  - Medicine Hat's growing population combined with the low vacancy rate confirms the need for new and diverse housing to support the potential growth of the community while helping to fill the present workforce needs.
- As the Southeast Alberta Rural Renewal launches, and Medicine Hat and Southeast Alberta assume additional immigration, the need for diverse housing units will help to support the success of this program.

#### Potential Solution

- An incentive is a financial or in-kind contribution provided by the City directly or indirectly that confers a benefit upon a Person to encourage property development or redevelopment within the City that otherwise would not have occurred, and/or removes economic barriers and hurdles in support of the strategic goals of the Municipal Development Plan.
- Development Incentive Programs promote and advance the Medicine Hat Municipal Development Plan (MDP). Implementing these incentives addresses gaps identified through the MDP to incentivize development which would not have otherwise occurred.
- The development incentives will have a positive effect in assisting Medicine Hat Economic Development department to advance all four Strategic Pillars of Workforce Development, Business Development, Investment Attraction, and Investment Readiness.

#### RECOMMENDATION:

- MHED requests funding of \$2.6 million to develop incentive programs for 2025-2026.
  - This amount reflects half of the 2021 allocation of \$5.2 million over four years.
  - This amount also includes \$100K in 2025 and 2026 to fund Downtown Vibrancy/ Safety Enhancement grants to support businesses in the downtown core.
- Using the requested funds to develop initiative programs that correlate with both MHED Strategic Pillars and City Council strategies and plans.
- New development incentive programs align with City Council priorities.
  - Connecting the City's strategies and plans to the priorities and actions for economic growth and sustainability.

- Medicine Hat City Council Strategic Plan 2023-2026
  - Resilience & Sustainability 6.8 – Maximize infill and brownfield development and revitalization of existing areas, including by implementing a brownfield redevelopment strategy.
- myMH - Medicine Hat Master Plan (Municipal Development Plan – MDP)
  - Livable Neighborhoods is one of the strategic goals listed in the How We Grow section - Residential areas which provide varied types and densities of housing, efficient and accessible mobility, a primary focal point for public amenities and integrated green space.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	2,600,000



# **PARTNERSHIP & GOVERNANCE**

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-040
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**BRIER PARK GRAVITY BYPASS PHASE 4B**

**OPPORTUNITY:**

The Brier Park Gravity Bypass supports future growth in the NW Sector and the decommissioning of the Brier Park sewage lift station. Phases 1 through 3 have been constructed; Phase 4A will be constructed in 2024. Phase 4B will be designed in 2024. Upon completion of Phase 4B, future Phase 5 will divert all remaining flow from the Brier Park lift station to the Brier Park Gravity Bypass, allowing for the lift station to be removed from service.

**KEY ISSUES:**

- The NWIP represents an opportunity for the city to attract major industrial customers.
- The existing sanitary system cannot support growth aspirations in the NWIP.
- Completing the Brier Park Gravity Bypass system is more cost-effective than upgrading the Brier Park Lift Station, force main, and North Trunk Sewer, and Parkview Siphon to the Wastewater Treatment Plant.
- Decommissioning the Brier Park Lift Station is expected to save about \$150,000 per year in operating costs.
- Municipal Works plans a major construction project on 3 St. NW in 2026 that abuts Phase 4B. EU would like to complete Phase 4B prior to 2026 to avoid conflict with MW’s project.

**RECOMMENDATION:**

It is recommended that EU proceed with tendering the construction of Phase 4B of the Brier Park Gravity Bypass.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$4,950,000

<b>DEPARTMENT</b>	ENVIRONMENT, LAND & GAS PRODUCTION
<b>REFERENCE NUMBER</b>	<i>E2025-001</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING INITIATIVE</i>

**CITY OF MEDICINE HAT WATER MANAGEMENT STRATEGY**

**OPPORTUNITY:**

Recent provincial drought projections and awareness campaigns; requests for water sharing agreements by local large industry; and targeted reduced corporate water use proposed in priority Actions of the Environmental Framework, have identified the need for a City of Medicine Hat Water Management strategy to understand how the corporation manages water consumption, determines water utility rates, and understands potential industrial economic development.

**KEY ISSUES:**

- Coordinated corporate efforts on water conservation and water source protection.
- Utility rate calculation options for balancing costs recovery, profitability, and resource protection.
- Identification of gaps in efficiencies, conservation efforts and water distribution services.
- Identification of economic development opportunities as they relate to industry and water use.
- Understanding of the hydraulic relationship between the Police Point aquifer and the South Saskatchewan river.

**RECOMMENDATION:**

Develop a City-wide Water Management Strategy which will incorporate water source protection, municipal water utility operation and maintenance, economic growth and development, applicable legislation, and response to climate-related events.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 325,000

<b>DEPARTMENT</b>	POLICE SERVICES
<b>REFERENCE NUMBER</b>	<i>POL2025-005</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING</i>

**SCHOOL RESOURCE OFFICER**

**OPPORTUNITY:**

The MHPS was approached by the Medicine Hat Public School District (MHPSD) and Medicine Hat Catholic Board of Education (MHCBE) who indicated they would like additional School Resource Officers (SRO) to enhance the overall safety and support for youth and are willing to pay 50% for the cost of an additional SRO for the 2025-2026 school year.

**KEY ISSUES:**

- There are currently three SROs that operate in Medicine Hat. Two are assigned to the MHPSD who covers 50% of the cost and one is assigned to the MHCBE who also covers 50% of associated costs.
- The SROS in the MHPSD are assigned to the high schools - Medicine Hat High School (MHHS) and Crescent Heights High School (CHHS).
- The SRO in the MHCBE splits their time between junior and high school working at McCoy, St. Mary’s, and Notre Dame.
- Both the MHPSD and MHCBE have identified that having another SRO would be beneficial to assist them with engaging younger students (junior high for MHPSD and potentially elementary for MHCBE).
- Another SRO would assist at Dr Roy Wilson Learning Center, Alexandra Middle School, and Pathways for the MHPSD and required schools in the MHCBE.
- It has been clear since the loss of the MHPS Community Liaison Officers (CLOs) that there is a gap in services/youth engagement between the police and schools.
- Another SRO position would:
  - Allow police to engage the youth and build rapport and trust with them which in turn could curb negative behaviors and enhance the long-term safety of the city.
  - Increase the authorized strength of the MHPS by one police officer with 50% of cost offset by increased funding recovered from the MHPSD and MHCBE.
  - Assist with the completion of criminal investigations, Child and Family Services referrals, Violence Threat Risk Assessments/Assessment of Risk to Others (VTRA/ARTO) completions, and information reports.
  - Increase safety and decrease the risk of serious violence in our schools through police presence.
  - Alleviates pressure on MHPS Patrol members who currently investigate all calls for service at non-SRO controlled schools.

**RECOMMENDATION:**

It is recommended that the MHPS add one new full time police officer position to allow for a new SRO position be created, and that this position be cost shared as follows: 50% MHPS, 25% MHCBE, and 25% MHPD.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**Incremental Operating Cost / Savings:**

Year	2025	2026	2027	2028	Ongoing
Revenue	\$ 72,500	\$ 74,500	\$ 77,748	\$ 79,536	\$ 79,536
Expense	\$ 148,000	\$ 152,000	\$ 155,496	\$ 159,072	\$ 159,072
Net Cost (Rev – Exp)	\$ 75,500	\$ 77,500	\$ 77,748	\$ 79,536	\$ 79,536
FTE Impact	1				1
Budget Impact	\$ 75,500	\$ 77,500			

# **RESILIENCE & SUSTAINABILITY**

<b>DEPARTMENT</b>	UTILITY DISTRIBUTION SYSTEMS
<b>REFERENCE NUMBER:</b>	<i>E2025-002</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

### ELECTRICAL SERVICE UPGRADE UTILITY FINANCING STRATEGY

#### OPPORTUNITY:

With increasing federal and provincial policy momentum towards net zero greenhouse gas emissions levels, electrification using clean energy sources is anticipated to be a key enabling factor. Electricity Canada, which is the national voice of the Canadian electricity sector, cites that every credible path to Net Zero by 2050 relies on electrification of consumer’s energy needs with a focus on being able to grow Canada’s electricity system to meet demands reliably and affordably. (Further information can be found at <https://www.electricity.ca/net-zero/net-zero/>)

As a result, a variety of grant and other related government programs exist to support advancement of electrification and consumer-based approaches, including, for instance:

- Distributed Energy Resources (DERs): solar photo voltaic (PV) installations, battery storage, electric vehicles (EVs)
- Home heat pumps, electric or hybrid home and/or water heating systems
- LED lighting and other such energy efficiency measures, etc.
- Electrification of industrial processes

#### KEY ISSUES:

- Mitigation strategies are required by the electric utility to address the anticipated electrification and its potential impacts to the electric distribution system and related rates as device penetration increases. In early adoption phases mitigation strategies trend towards reactionary by increasing existing transformer capacities (IE early retirement of existing assets) including potential service cable capacity upsizing based on demand rates gleaned through electrical service upgrade applications. This is a short to medium term mitigation strategy commonly employed by electric utilities during early adoption (which is the current circumstances observed in Medicine Hat) and is consistent with cost causation principles (the triggering consumer pays).  
As electrification rates continue to increase, additional distribution circuits may be required which may result in additional substation expansion requirements through time. The trigger for these infrastructure requirements will be directly attributable to broader observed consumer adoption within the City franchise area concurrent with, and in addition to, load growth attributable to economic development and/or population growth. These sorts of common infrastructure expansions are consistent with the rate base approach (cost is shared across the full customer base).
- Distribution transformers are a piece of electric equipment which directly support the customers service needs. Transformers currently provide electricity for up to ten individual services (load dependent and subdivision dependent). However, under the current replacement procedure if a single customer requests additional service capacity which results in the need to upgrade the transformer, then the customer must fully fund the entire cost to replace the asset to the betterment of all adjoining customers. The adjoining customers are not required to contribute to the transformer replacement nor does the Utility provide any funding towards the service upgrade. This approach is consistent with the cost causation (and benefit attribution) principle that is widely employed by utilities today.

- The customer also pays for all other ancillary costs related to their service request such as service cable replacement, excavation costs, labour and materials, and any costs associated with upgrades to their residence in addition to potential transformer charges discussed above. The transformer upgrade cost is the only expense whereby adjacent customers receive additional benefits without incurring any cost, all other upgrade expenses listed above are for the sole benefit of the individual customer requesting the upgrade.
- Approximately only 12% of 2023 electrical permits issued by the City to customers for residential electrical improvements cited their purpose was installation of DER technology or other energy efficiency improvements. These improvements did not require electrical service upgrades due to the use of load shedding devices installed by the customer as a method to manage their overall utility load within their current available service capacity. This metric is likely to change depending on the final outcomes of this business case. That is, if funding levels for service upgrades were to offset the costs of installing load shedding devices, then customers will likely favor electrical service upgrades because they provide significantly more consumer convenience than a load shedding device. Unfortunately, that likelihood of relying on infrastructure capacity increases rather than using load shedding devices is a perverse outcome, as it would reduce the incentive for customers to manage their consumption AND it would increase the infrastructure cost to the utility.

**RECOMMENDATION:**

It is recommended that the City fund transformer-only upgrades required to accommodate increased residential and commercial service capacity requests. The City recognizes that the transformer is an asset that benefits multiple customers rather than just the individual customer requesting the upgrade. The remaining project costs associated with the electrical service upgrade will be borne by the individual customer requesting the upgrade as those costs are individual in nature and do not align with cost-causation relating to rate making principles. This change in philosophy will require an annual budget of \$168,000 starting in 2025 and 2026 if one assumes current penetration rates. For this business case, the Utility recommends planning for a 50% increase in penetration rates if funding were to be provided (\$252,000 in 2025 and 2026). The Utility further recommends that any funding provided be viewed as an upper upset limit whereby if funds are fully spent within a given fiscal year no further funds will be provided. Future requirements for increases will be based on observed consumer behavior changes and inflation and will be reflected in funding request changes within future budget cycles. Funding will be absorbed by the rate base thereby lowering the individual customer costs when transformer equipment is required to achieve the requested service capacity upgrade.

Similar methodology of funding transformer upgrades is currently employed by the City of Lethbridge, ENMAX, SaskPower, and ATCO. The City of Red Deer currently follows methodology similar to the City.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025,2026
<b>Estimated Year of Completion</b>	yearly ongoing with yearly upset limit
<b>Capital Project Cost</b>	252,000 annually



<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-039
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**SWL-LANDFILL AIRSPACE OPTIMIZATION SE EXPANSION CELL**

**OPPORTUNITY:**

This project will generate 840,000 cubic meters of additional airspace. With this additional space, it is estimated to generate \$68M in additional tipping fees over the useful life of the asset. Included in the \$10M capital cost is the relocation of some current infrastructure which will help maximize available capacity. The project would span 2025-2028 budget years.

**KEY ISSUES:**

This cell expansion was included in our remaining landfill life estimates to get us to 2054. Not doing this project would reduce those estimates back to 2039. If a city-wide food waste organics program (processing facility) is adopted this estimate would extend to 2042 without this cell expansion or 2057 with this project.

Expanding landfill cells in a planned manner helps optimize waste management. It allows for efficient use of resources, minimizes environmental impact, and ensures that expansion occurs when waste generation rates justify the need for additional space. This strategic approach helps municipalities or waste management entities make informed decisions based on factors like population growth, waste composition, and environmental regulations.

**RECOMMENDATION:**

After evaluating this project's feasibility, managing its risks, and reviewing the potential benefits and essential initiatives for a significant ROI. It is recommended that Environmental Utilities growth capital budget be approved to design and construct a landfill expansion cell generating 840,000 cubic meters and expanding the capacity for an additional 15 years. Each year of additional landfill airspace saved equates to approximately \$4.5 million in revenue at 2024 rates.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2026
<b>Estimated Year of Completion</b>	2029
<b>Capital Project Cost</b>	\$ 1,500,000

*First year would be 2026 - engineering and conceptual design \$1.5M and 2027 - \$8.5M for construction*

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-054
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**WATER TREATMENT PLANT SCADA (SUPERVISORY CONTROL AND DATA ACQUISITION) CYBER SECURITY REQUIREMENTS**

**OPPORTUNITY:**

Environmental Utilities utilizes a SCADA system for the WTP, WWTP and field operations booster and lift stations. MPE engineering completed an assessment report and provided recommendations on how to improve the security of our SCADA while maintaining the level of functionality required for operations. These recommendations include PLC and workstation hardware upgrades, software patching and upgrades, network segmentation, shared services integration, and SCADA system maintenance.

**KEY ISSUES:**

- Ongoing maintenance and upgrades of software and hardware are required to maintain the level of security required to protect the SCADA & controls system that oversees the drinking water and wastewater systems.

**RECOMMENDATION:**

It is recommended to proceed with the recommendations listed in MPE’s SCADA Cyber Security Implementation Recommendations report. MPE has intimate knowledge of our SCADA as the system was designed by their firm.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 468,000

PLC Hardware Replacements - \$234,000 per year (2024 to 2031).

**Operating Initiatives:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 140,000

Shared Services Integration 2025- \$70,000, Workstation Patching \$17,500 per year and Network Patching \$17,500 per year

**Incremental Operating Cost / Savings:**

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	75,500	75,500	77,237	79,013	79,013
Net Cost (Rev – Exp)	\$ (75,500)	\$ (75,500)	\$ (77,237)	\$ (79,013)	\$ (79,013)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

Ongoing costs as per the MPE report – PLC Patching \$18,000/year and Annual SCADA Maintenance \$57,500/year

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	<i>DI2025-053</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING INITIATIVE</i>

**WATER TREATMENT PLANT MASTER PLAN UPDATE**

**OPPORTUNITY:**

Update the Master Plan for the Water Treatment Plant. We are required to make an in-depth plan to update and replace our UV disinfection system and look at any requirements initiated from the Environmental Framework. The master plan update would normally review these areas, and this provides us the chance to include these under the master plan update, while doing an in-depth study of any specific areas of the treatment system identified.

The current WTP Master Plan is at the end of its cycle and contains plans for maintenance and future growth of critical treatment equipment and process systems. This refresh or update provides the opportunity to update plans for future expansions to meet the water demand of a growing industry and population as well as consider innovative methods to maintain existing equipment to defer the cost of future replacements, if possible.

**KEY ISSUES:**

The existing Master Plan for the Water Treatment Plant was last updated in 2017. It is recommended to update the Master Plan on a 5-to-7-year basis to keep the Master Plan relevant and up to date.

The UV disinfection system will need an innovative conceptual design and estimated costs to replace reactors while allowing for future expansion for population growth and/or industry attraction.

The manufacturer of our UV disinfection reactors has informed us that our current reactors have been discontinued in 2023. Although parts will be available for several years, one of the main focuses of this update would be to provide a detailed plan and costs for suitable replacement equipment. Maintaining an up-to-date master plan is seen as industry best practice. This also provides an opportunity to seek out innovative ways to extend the life cycle of existing equipment.

To support the Environmental Framework Project, there will be a need to hire a consultant to work on the Water Management Strategy on behalf of Environmental Utilities. A lot of the work fits in with the WTP Master Plan Update and it would be beneficial to have the same firm working on both.

**RECOMMENDATION:**

Submit a Request for Quote to update the Master Plan by a qualified Water Treatment Engineering Consulting Firm. The scope of this plan can be expanded to include an in-depth study to update the UV Disinfection system as well as some of the requirements of the environmental framework action plan.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	600,000

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-063
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**UPGRADE WATER TRUCK TANDEM AXLE (UNIT 684)**

**OPPORTUNITY:**

- Unit 683 is up for replacement in 2025. The unit is a 2007 Loadstar single axle water truck. This unit was postponed for replacing in 2018 due to the extremely low mileage. The unit has a 4m3 (4,000L) tank capacity, which is undersized for operations at landfill.
- An undersized water truck at a landfill poses risks, limited supply of water during a landfill fire, it may struggle to adequately suppress dust generated by waste activities. This can lead to air quality issues, reduced visibility for operators, and potential safety hazards. Additionally, insufficient water capacity may result in frequent refilling, causing operational delays and inefficiencies in dust control measures.

**KEY ISSUES:**

- The lack of redundancy in the current fleet poses a risk to having adequate fire control at the landfill.
- The landfill currently has no water supply leaving operators to refill the smaller 4m3 tank off site. Having a larger tank is essential for maintaining safe operations during a potential landfill fire.
- With continued drought plagued conditions recycling water is a crucial measure. It will assist in minimizing water consumption while reusing water from internal hydrant flushing. Flushing water will be repurposed to assist in maintaining a moisture content of 40% on all composting material with new more stringent regulatory requirements. The facility must remain in compliance. This sustainable practice contributes to water resource management, mitigating the impact of droughts on water supplies and promoting overall environmental sustainability.

**RECOMMENDATION:**

Environmental Utilities, through Fleet Services, should replace unit 684 in the current replacement year, but with a more robust tandem axle unit with a larger capacity (16m3) water tank.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

Budget Year Request	2025
Estimated Year of Completion	2026
Capital Project Cost	\$50,000

**THE ADDITIONAL NET 2025 CAPITAL BUDGET REQUESTED IS \$50,000. \$200,000 WAS THE EXISTING BUDGET.**

***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	5,000	5,200	5,408	5,624	5,200
Net Cost (Rev – Exp)	\$ (5,000)	\$ (5,200)	\$ (5,408)	\$ (5,624)	\$ (5,200)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DATE</b>	2024-02-28		
<b>DEPARTMENT</b>	AIRPORT		
<b>SUBMITTED BY</b>	Logan Boyd		
<b>TITLE/ ROLE</b>	Airport Manager		
<b>REFERENCE NUMBER</b>	<i>DI2025-038</i>	<b>VERSION NUMBER</b>	<i>1</i>

**ADDITIONAL AIRPORT MAINTENANCE SPECIALIST**

**OPPORTUNITY:**

- The Airport requires an additional permanent Airport Maintenance Specialist to create staffing redundancy, lower business continuity risk, mitigate worker fatigue, and to maintain minimum levels of service.
- Maintenance of the Airport requires fully qualified, experienced, and competent personnel to maintain a safe and compliant Airport. Winter operations requires increased presence of qualified personnel, because of the minimum level of service requirements to facilitate airline and medevac flights.
- Winter hours of operations requires staffing of up to 21 hours per day, Monday to Friday. The operation is currently being staffed with only 3 permanent qualified and fully competent maintenance personnel. The lack of redundancy in staffing levels poses a significant business continuity risk in the event of staff absences and contributes to fatigue among workers.

**KEY ISSUES:**

- Winter operations requires a qualified and competent compliment of staff to function, and it is important to have a responsive team on-site to respond to sudden demands for winter maintenance.
- Airfield surfaces must be maintained to a high level of service to accept flights. 10+ minutes of snow can mean runway conditions degrade to a point where a runway is not able to accept any flights.
- Airport maintenance is staffed with five personnel, three permanent and two seasonal employees that respond to Winter maintenance requirements.
- There is a difference between a qualified operator and a qualified operator that is competent. It takes many seasons of experience and training to learn the skills necessary to become comfortable and competent enough to work independently at the Airport. Seasonal/temporary staff lack the experience necessary to work independently, and to satisfy Airport Safety Management System training and competency requirements.
- Creation of an additional permanent role would provide redundancy in the event of staff absence and ensure there is always presence of fully qualified and competent operators during regular hours of operation.



- The Airport operations 24/7 standby on-call list is composed of the three existing permanent operators. In the creation of the schedule, supervisory staff must balance on-call requirements with shift start and end times, and employee work life balance considerations. With so few resources, staff are regularly scheduled two weeks of standby in a row, and sometimes coming into work 20+ days in row to respond to after-hours requirements.
- Workers are at daily risk of incident from fatigue due to the scheduling practices of the Airport, which cannot be avoided given the current staffing model, and minimum hours of operations.

**RECOMMENDATION:**

It is recommended the City approve the creation of an additional permanent union 1.0FTE Airport Maintenance Specialist role for (~\$83,000) benefits of 20% included .

To partially offset this amount, the Airport would reduce the current 1.0 FTE for a Temporary Casual Labourer down to 0.5 FTE to enable savings of (~\$35,000 including benefits of 20%). This would leave an estimated annual shortfall of (~\$48,000 – including benefits of 20%). It is expected there will also be a savings of overtime resulting from the change, however this is difficult to project given the variable nature of overtime requirements year-to-year

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	48,000	49,104	50,233	51,389	52,571
Net Cost (Rev – Exp)	\$ (48,000)	\$ (49,104)	\$ (50,233)	\$ (51,389)	\$ (52,571)
FTE Impact	0.5				0.5
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	FINANCE
<b>REFERENCE NUMBER</b>	CS2025-008
<b>BUSINESS CASE REQUEST</b>	OPERATING

**BUSINESS PROCESS OPTIMIZATION AND ENHANCEMENTS**

**OPPORTUNITY:**

To look at opportunities to adapt our policies, procedures, and technologies to meet the needs of the people using them. Enhancements are required to provide staff with the ability to complete their work in a more effective and efficient manner and eliminate manual processes thereby reducing errors. A health check of Unit4 as well as the management report process overview will be completed in 2024 and funding would be required to implement the recommendations for improvements from both initiatives.

**KEY ISSUES:**

Unit4 was implemented in 2017 with basic functionality and there is need for increased functionality and enhancements to be able to complete our work in a more efficient and effective manner (i.e. commitment accounting, forecasting, etc). A health check of Unit4 will be completed in 2024, allowing for the recommendations.

There is also a need to look at other opportunities to use systems to automate current business processes (i.e., CaseWare to replace manual compilation of working papers) and move away from using spreadsheets to track costs.

**RECOMMENDATION:**

Finance should review the current state of our processes and systems and prepare a plan/program to enhance and improve the capabilities to deliver services more efficiently and effectively. As well as streamline and/or enhance processes to ensure that it meets the needs of the people using them and they can use our systems efficiently and effectively.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2027
<b>Project Cost</b>	\$ 250,000

<b>DEPARTMENT</b>	FIRE & EMERGENCY SERVICES
<b>REFERENCE NUMBER</b>	PS2025-026
<b>BUSINESS CASE REQUEST</b>	OPERATING

### HEALTH AND WELLNESS PROGRAM OPERATING BUDGET INCREASE

#### OPPORTUNITY:

Firefighters face numerous physical and mental health challenges due to the nature of their profession, and investing in their well-being not only enhances the quality of life for these essential workers but also contributes to the overall effectiveness and efficiency of firefighting operations. Fire & Emergency Services requires increased funding to support the current firefighter health and wellness program.

#### KEY ISSUES:

- **Occupational Hazards:** Firefighters are exposed to various occupational hazards, including smoke inhalation, physical exertion, heat stress, and exposure to hazardous materials. Currently, firefighters complete a physical assessment once every two years. Increased funding will allow all members to have annual fitness assessments as prescribed by the National Fire Protection Association (NFPA) 1583 – Standard on Health-Related Fitness Programs for Fire Department Members.
- **Mental Health Challenges:** The demanding and often traumatic nature of firefighting can lead to mental health issues such as post-traumatic stress disorder (PTSD), anxiety, and depression. Currently, no funds are allocated for routine check-ins with a mental health professional.

#### RECOMMENDATION:

It is recommended that Fire and Emergency Services receive an increased annual operating budget of \$50k to support the ongoing health and wellness program for all staff. This increased funding will allow the department to meet the requirements of NFPA standards, bolster mental health resiliency, and provide contingency funds for managers to coordinate counselling with mental health professionals immediately following traumatic incidents on an as-required basis.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	-	-	-	-	-
Expense	50,000	50,100	50,200	50,301	50,000
Net Cost (Rev – Exp)	\$ (50,000)	\$ (50,100)	\$ (50,200)	\$ (50,301)	\$ (50,000)
FTE Impact	0	0	0	0	0
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DIVISION / DEPARTMENT</b>	CORPORATE SERVICES / INFORMATION TECHNOLOGY
<b>REFERENCE NUMBER</b>	CS2025-004
<b>BUSINESS CASE REQUEST</b>	OPERATING

**OT/AMI SYSTEMS ANALYST**

**OPPORTUNITY:**

The Operational Technology (OT) and Automated Metering Infrastructure (AMI) group reports into the Manager Operational Technology and Intelligence within the Information Technology Department. This technical group of specialists provide planning, design, and support for critical infrastructure within CMH. AMI is currently staffed with one full time employee who manages various AMI systems and is also responsible for troubleshooting communication problems within the ~80,000 Water, Electric and Gas meters within the City’s various service territories that supports ~\$330,000,000 annually in revenue. The existing position requires additional resiliency and backup for daily support, succession, vacation, sick and general increases in workload to ensure consistent and reliable service for the AMI infrastructure. Cost recovery for this position is funded directly from the Water, Gas and Electric operating departments and therefore has a rate-based effect rather than tax-based

**KEY ISSUES:**

1. Resiliency of the Group. In prior years some resiliency within the AMI team was available as the team had two Data Analysts dedicated to its function. One of these 2 data analysts was eventually promoted into the position of superintendent and later to Manager – Operational Technology and Intelligence which currently oversees OT Cybersecurity, Utility Shared Services, AMI, GIS and Cityworks. The second data analyst position evolved into a Manager position and the data analyst position was not replaced. It has now been determined that in order to support the sustained operations resiliency is required.
2. Support and Workload. As with most technology, the AMI system requires both integrity work (ensure that all meters are communicating, and that the system is up and running) along with progressive work to support ever evolving technology and business requirements.
3. Succession Planning. Through first-hand experience the Manager – Operational Technology and Intelligence advises it takes a strong technical resource 2-5 years’ experience to operate the system independently. The skillsets required are to manage the technical environment, databases, applications as well as to monitor and troubleshoot specific meter issues.

**RECOMMENDATION:**

We recommend that council approve a Permanently Established Position (PEP) and the Budget required (\$116k) to enable the recruitment and permanent full-time placement of a Systems Analyst. Cost recovery is to be rate-based as this position supports the water, electric and gas utilities exclusively.

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue (from utilities allocations)	\$116,000	\$119,000	\$121,000	\$124,000	\$127,000
Expense	(\$116,000)	(\$119,000)	(\$121,000)	(\$124,000)	(\$127,000)
Net Cost (Rev – Exp)	\$0	\$0	\$0	\$0	\$0
FTE Impact	1	0	0	0	1
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	FLEET & FACILITIES
<b>REFERENCE NUMBER</b>	CS2025-003
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**ENERGY EFFICIENCY COMPONENT UPGRADES**

**OPPORTUNITY:**

- Support of the Environmental Framework: Chapter 5: Energy and Air through lowering emissions from City facilities, supports community emissions reduction, and offsets operating costs for high use electrical equipment.
- Support of the Environmental Framework: Chapter 5: Water through lowering consumption from City facilities, supports community water reduction, and offsets operating costs for higher water consumption.

**KEY ISSUES:**

- The Environmental Framework, Chapter 5: Energy and Air recommends emissions reductions from Facilities.
- The Environmental Framework, Chapter 5: Water recommends water usage reductions from Facilities.
- This plan advances the Environmental framework through direct facility emissions reduction, and facilities water usage reductions through replacement of aged lighting components and plumbing fixtures. Replacement of parking lot/yard lighting, shop lighting, and office lighting with LED fixtures will reduce energy usage and related emissions. Replacement of facility plumbing fixtures with automated and current fixtures will reduce water usage.

**RECOMMENDATION:**

Recommend 2025 budget approval to allow for purchase and installation throughout 2025/2026 of LED lighting components and plumbing components as initial project. Future installations will come as budget cycles progress allowing for balance of use of resources and ongoing monitoring of results. Staging with older facilities as the first goal supports longer term Facility component replacement cycles continue.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 1,000,000

<b>DEPARTMENT</b>	AIRPORT
<b>REFERENCE NUMBER</b>	DI2025-030
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**MATERIALS STORAGE SHED FACILITY AT THE AIRPORT**

**OPPORTUNITY:**

- The Airport has opportunity to receive Airport Capital Assistance Program (ACAP) grant funding for the construction of a Materials Storage Shed Facility to house traction control and deicing chemical materials that are used to enhance safety of airside surfaces.
- If the grant application is successful, all design and construction costs would be funded 100% by the ACAP grant program.
- Constructing a materials storage shed would enable the airport to efficiently store a larger quantity of materials, resulting in cost savings from purchasing in bulk. In addition, it would improve operational readiness by ensuring safe and expedited loading and unloading of materials.
- There is a need for Council to approve the request so that there is no delay in signing the contribution agreement once the grant is awarded. The project could be awarded as early as March of 2025.

**KEY ISSUES:**

- The Airport does not have a dedicated facility for storing essential maintenance materials such as traction control sand and de-icer chemicals.
- Traditional mechanical snow removal methods, such as plowing and sweeping, are not always sufficient in keeping the runway operational during challenging weather conditions, like during ice or heavy snow events. The use of traction control and de-icing materials on runways are necessary to enhance friction and ensure uninterrupted access to the airport.
- The Airport currently relies on the Airport Maintenance Building for material storage, with items stored in 1000L totes. However, the limited space in the current facility poses challenges in keeping an adequate supply of materials on hand, as the space is also used as a workshop and storage for airport equipment and operations.
- The restricted space not only hinders efficient loading and unloading processes but also limits the Airport's ability to make bulk purchases and take advantage of economies of scale.
- By having a purpose-built facility for material storage, the airport would be able to load, unload, and apply materials more efficiently. This would also allow the airport to leverage economies of scale through bulk purchases, resulting in safer operations and yielding long-term fiscal savings for the city.

**RECOMMENDATION:**

It is recommended the City Council approve a project for design and construction of a Materials Storage Shed at the Airport for \$500K, conditional upon receiving ACAP funding to fund the project and \$20K contingency for any potential items that could be considered ineligible for grant funding. Once constructed there will be ongoing utility costs (~\$3,000) per year related to heating and lighting the Materials Storage Shed and (~\$4,500) for the Facilities Management maintenance allocation.



**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 520,000

***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	5,000	7,500	7,673	7,849	7,849
Net Cost (Rev – Exp)	\$ (5,000)	\$ (7,500)	\$ (7,673)	\$ (7,849)	\$ (7,849)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

# **SERVICE ORIENTATION**

<b>DEPARTMENT</b>	UTILITY DISTRIBUTION SYSTEMS
<b>REFERENCE NUMBER</b>	<i>E2025-004</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**GAS AND ELECTRIC NEW SERVICES**

**OPPORTUNITY:**

Funding approval is required for installing new gas and electric distribution services to individual parcels within the Government of Alberta established franchise boundaries. This is a continuation of past practice and pertains primarily to multi-family, industrial, and commercial services. The installation costs are fully recovered from the customer and are recorded as third party contributed capital.

**KEY ISSUES:**

All capital asset projects, regardless of funding source, require City Council approval before starting activities. This business case specifically pertains to an ongoing program whereby gas and electrical services to new residential, commercial, industrial, and/or multi-family developments are third-party funded by the individual parcel developer. System extensions required to bring gas or electric infrastructure to the applicable parcel are funded in accordance with the UDS Capital Investment Procedure. Please refer to Business Case Gas and Electric System Extensions for New Subdivisions for further information.

Similar methodology is employed by all other electric and gas utilities within Alberta and is endorsed by the Alberta Utilities Commission. The City franchise areas include Medicine Hat, the Town of Redcliff, and portions of Cypress County.

On average, UDS receives approximately 70 applications (50 electric, 20 gas) per budget year for commercial, industrial, and/or multi-family residential services.

**RECOMMENDATION:**

City provides an annual allocation of \$900,000 (\$600,000 electric, \$300,000 for gas) for the installation of new gas and electric services to individual parcels. This is in direct support of current City priorities towards economic development, new and affordable housing within Medicine Hat.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025, 2026
<b>Estimated Year of Completion</b>	yearly ongoing
<b>Capital Project Cost</b>	900,000

<b>DEPARTMENT</b>	AIRPORT
<b>REFERENCE NUMBER</b>	DI2025-033
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**PURCHASE OF GRADER FOR AIRPORT OPERATIONS**

**OPPORTUNITY:**

- The Airport can receive Airport Capital Assistance Program (ACAP) grant funding for the purchase of a grader to help complete summer and winter airside maintenance tasks.
- The grader will assist with completing critical airside tasks to keep the airfield safe and in compliance.
- If the grant application is successful, the project would be funded 100% by the ACAP grant program.
- There is a need for Council to approve the request so that there is no delay in signing the contribution agreement once the grant is awarded. The project could be approved as early as March of 2025.

**KEY ISSUES:**

- The Airport does not have a Grader to perform Winter and Summer tasks.
- Tasks include snow clearing of airside pavements, snow clearing of the Safety Area environment adjacent to runways, taxiways and aprons, grading of the airside strip environment and perimeter roadway, and repair of ditches and outfield grassed areas.
- The runway and taxiway Safety Areas, totaling over 227,000 m<sup>2</sup> in area, is the grass surface located directly adjacent to the pavements. As per regulations, the Safety Area environment must adhere to stringent sloping requirements and therefore be free of holes, mounds, piled snow, etc. This is to ensure the Safety Area environment is flat and unimpeded in the event of an incident where an aircraft exits the pavement surface and onto a Safety Area, called a runway excursion.
- The Airport has had 9 runway excursion incidents in the last 5 years. It is essential that the Airport maintains the Safety Area with consistency to meet these regulatory standards.
- Airport personnel are currently ill equipped to complete these tasks without use and regular access to a grader. These tasks are currently performed using a combination of heavy equipment including Loaders, Blowers, and hand tools (i.e., shovel, rake, etc).

**RECOMMENDATION:**

It is recommended the City Council approve the purchase of a Grader for \$550K, conditional upon receiving ACAP funding to fully fund the project.

Once purchased there will be additional costs of (~\$7,000) per year for general maintenance and fuel, until the end of life. There will also be additional costs for training in Year 1 (~\$4,000).

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 550,000

***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	4,000	7,000	7,000	7,000	7,000
Net Cost (Rev – Exp)	\$ (4,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-047
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### 3 STREET SE WATER MAINS REPLACEMENT 300 AND 400 BLOCKS

#### OPPORTUNITY:

EU regularly replaces water and sanitary mains that are in poor condition or have reached the end of service life as part of a program to sustain this critical infrastructure. The water main along 3<sup>rd</sup> St SE from 5 Ave to 3 Ave SE meets these criteria. During this construction project, there is an opportunity to install a larger diameter water main to provide resiliency of the supply to the River Flats neighborhood in future and to install a second water main with Pressure Reducing Valves to improve service to the SE Hill.

#### KEY ISSUES:

- Existing water main on 3 St. SE is over 100 years old and is undersized for current standards. EU will replace this as a Sustainability Capital project.
- Vulnerabilities in water supply to the SE Hill were discovered during work on Division Avenue in 2018.
- The main water supply main to River Flats is along River Road and represents a single point of failure that could result in widespread, long term water outages within the River Flats neighborhood.
- Installing a larger main for future service to River Flats will replace an undersized main in poor condition and build resiliency within the water system.
- Installing a secondary main and PRVs to improve supply to the SE Hill while the road is already closed for construction will be more cost-effective and less disruptive to the public than doing a separate project in future.

#### RECOMMENDATION:

It is recommended that EU install a larger main to provide an opportunity for a resilient secondary feed into the River Flats neighborhood and install a parallel water main that will not only ensure sustainability of critical infrastructure, but also improve service to the SE Hill.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b>	<b>ECONOMIC EVOLUTION</b>	<b>SERVICE ORIENTATION</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b>	<b>COMMUNITY WELLNESS</b>	<b>RESILIENCY &amp; SUSTAINABILITY</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:*****Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025 - \$190,000 2026 - \$1,200,000
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$1,390,000

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-041
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**HARLOW WATER TRANSMISSION MAIN INTERCONNECT**

**OPPORTUNITY:**

The city has two water mains supplying water from the Water Treatment Plant on the south side of the South Saskatchewan River to the north. EU wishes to improve the supply to the newer Harlow River Crossing to ensure a resilient supply to the north side of the city and to allow for condition assessment of the older steel main located upstream of the Trans-Canada Highway Bridge.

**KEY ISSUES:**

- This project is required to complete asset condition inspections without requiring temporary shutdowns of the main; there is also currently the risk of equipment being caught in the main, requiring extended shutdown if the project is not completed.
- The newer Harlow River Crossing, located east of the TCH Bridge, is supplied through smaller diameter mains that do not match the capacity of the Harlow River Crossing.
- Failure of the older steel river crossing will restrict water supply to the north side for an extended period while the main is repaired or supply to the Harlow River Crossing is improved.
- Supply reduction to the north side of the city, including major industrial customers, carries financial and reputational risks for the city and potential legal risks. Depending on the degree to which supply is reduced, there may be health and safety risks to customers.
- Improved water supply to the river’s north side will ensure a resilient supply to existing customers and support the city’s aspirations for large-scale industrial development in the NW Industrial Sector.

**RECOMMENDATION:**

It is recommended that a large-diameter water main be installed through the Harlow neighborhood from First St SW to the Harlow River Crossing to ensure resiliency of supply of water to the north side of the river.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>



**FINANCIAL IMPLICATIONS:*****Growth Capital Project Costs:***

Budget Year Request	2025
Estimated Year of Completion	2025
Capital Project Cost	\$1,250,000

<b>DEPARTMENT</b>	AIRPORT
<b>REFERENCE NUMBER</b>	<i>DI2025-047</i>
<b>BUSINESS CASE REQUEST</b>	

### **AIRPORT SAFETY & SECURITY COORDINATOR**

#### **OPPORTUNITY:**

- As a Certified airport, MHRA must adhere to stringent regulations and standards set by Transport Canada (TC) to maintain its Airport Certification status. This includes actively demonstrating compliance with Canadian Aviation Regulations (CAR) and Canadian Aviation Security Regulations (CASR). Certification is a requirement for Medicine Hat Regional Airport to uphold operations as it is in a built-up area and is served by major charter and scheduled airline flights.
- Through a series of quality assurance audits, formal regulatory findings, internal staffing analysis, trend analysis, and risk assessment, it is evident that the airport faces challenges in meeting daily compliance obligations in delivery of its major operating programs. Furthermore, a cross-jurisdictional scan of similar airports has revealed comparatively low staffing levels. Addressing these human resource challenges is essential to ensure a compliant delivery of airport programs.
- Recruiting an Airport Safety and Security Coordinator would mitigate the current challenges with delivering compliant programs required by the CARs and CASRs and allow the airport to reassign current staff to essential business attraction and retention efforts.

#### **KEY ISSUES:**

- Through a series of quality assurance audits, staffing reviews, and hazard identification and risk assessment, it is known that the Airport is struggling to meet daily regulatory compliance through delivery of regulatory required programs.
- Results of internal audits and Regulator inspections dating back to 2019 have consistently identified human resource deficiencies as the primary root cause of audit findings.
- Internally, the Airport has 2.0FTE assigned to manage regulatory affairs duties and tasks, they include: Manger - Airport and Superintendent - Airport Operations & Maintenance.
- A major area of responsibility for the Airport includes business development related tasks, which include air service attraction and retention, strategic planning, lease administration, stakeholder, and industry relations, etc. Management staff are currently unable to prioritize these key areas of responsibility due to the burden of performing daily, and continuous duties required to uphold regulatory compliance.
- A cross-jurisdictional scan was conducted. Four other airports (Lethbridge, Lloydminster, Red Deer, and North Bay), similar in size and activity, have staff dedicated to regulatory affairs tasks. The Medicine Hat Regional Airport staffing levels are comparatively low in comparison to these Airports. In contrast, competing Airports mentioned can allocate more time and resources towards business development tasks, while ensuring appropriate resourcing is available to maintain safe and compliant daily operations, leaving Medicine Hat Regional Airport at a competitive disadvantage, and operationally riskier by comparison.
- Managing safety and regulatory compliance duties are fundamental elements to operations and are crucial to the Airport's success. Allocating industry-standard human resources to ensure

compliant program delivery is important for the Airport's growth, limits the risk of reputational damage to the City/Airport and is vital to protecting the trust of users and travelling public.

**RECOMMENDATION:**

It is recommended the City approve the incremental operating expense of recruiting a full-time and permanent Airport Safety and Security Coordinator for an estimated (~\$97,000) per year with benefits included.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense		97,000	99,910	102,907	102,907
Net Cost (Rev – Exp)	\$ -	\$ (97,000)	\$ (99,910)	\$ (102,907)	\$ (102,907)
FTE Impact		1			1
Budget Impact		Yes	Yes	Yes	Yes

<b>DIVISION / DEPARTMENT</b>	CORPORATE SERVICES / INFORMATION TECHNOLOGY
<b>REFERENCE NUMBER</b>	CS2025-005
<b>BUSINESS CASE REQUEST</b>	OPERATING

**CYBERSECURITY ADVANCED MATURITY PROGRAM**

**OPPORTUNITY:**

As digital transformation is proliferating throughout the Canadian public sector, cybersecurity and cyber resilience have firmly embedded themselves within all types of municipal business requirements. Today, cyberattacks can have serious consequences for organizations, with data breaches, financial losses, damage to reputation, and legal and regulatory repercussions affecting organizations of any size globally. Also, our Citizens entrust their personal and financial information to the City and expect that it will be kept safe from cybercriminals. In the event of a data breach or other cybersecurity incident, the loss of Citizen data would erode trust and damage the City’s reputation.

Within this context, enterprise cybersecurity has become a critical element within an organization’s daily operations. The City employs an *enterprise cybersecurity strategy* based on the National Institute of Standards and Technology (NIST) standard, which involves a *comprehensive approach* to protecting the City’s digital assets, covering its networks, systems, and data, employing a range of process and technologies. However, as organizations respond to these challenges, cyber threats continue to evolve with increasing sophistication. Compounding this situation is the current geopolitical situation, where state actors are targeting Western nations critical services and infrastructure. This means that effective enterprise cybersecurity is more important than ever before, and ensuring our City’s security posture is robust can mean the difference between success and failure.

This business case focuses on advancing and maturing the City’s cybersecurity posture, by reducing significant cybersecurity risk while improving performance and service integrity of the City’s business-critical information assets, both in-house and provided by external providers. This would be accomplished through the following means:

- Improving visibility and control of our digital environment, and by adopting improved services, processes and technology to improve cyber controls.
- Enhancing service integrity by improving the safety and performance of the processes and technologies that directly support the City’s essential business processes and addressing “weak” areas of IT base services.
- Advancing the City’s cybersecurity posture, by improving cybersecurity protections and controls to address emerging & evolving threats.

**KEY ISSUES:**

When considering the current and evolving cyber threats active today, the City has a number of risk areas and gaps in its cyber posture that could be exploited by Bad Actors:

- Cybersecurity Risks:
  - The City currently has *limited visibility* to what is happening within some of our key IT environments, as events happen; limiting our ability to prevent a malicious action or respond quickly enough to prevent damage, *at any time day or night*.

- Also, our Citizens are being subjected to an Increasingly Dangerous Online Threats - The continued expansion of online services for citizens inadvertently increases the attack surface for hackers. Each additional login point becomes a potential vulnerability that malicious actors can exploit.
- Limited IT Service Integrity for City business critical IT services: as the City evolves it’s enterprise applications, both in-house and in the Cloud, there is a growing dependence on the network telecommunication services that connect external services with City-internal systems. The integrity of these services is currently limited by single points of failure, limited controls and protections.
- “Zero Trust” is a modern cybersecurity philosophy that helps organizations deal with this new world and assumes that cyber threats can be anywhere, including trusted and protected environments. The City has focused on traditional cyber protections: protecting our networks with firewalls, workstations with Antivirus, etc. and while these are critical foundations of cybersecurity protections, the malicious threats are evolving at a rapid pace. A new generation of processes and technologies help protect any potentially exposed system, person (credentials), network etc.

**RECOMMENDATION:**

Specifically, IT Leadership recommends approving this package of products and services which includes the following elements:

- Address gaps in Visibility: improved monitoring of our cybersecurity threat environment through the adoption of **Managed Cybersecurity Environment Monitoring(24x7x365)**
- Improve Visibility of our hybrid (internal and external) systems environments through the adoption of advanced **Application Monitoring & Configuration Management** capability
- Address service level constraints and improve system integrity through **Telecommunications Performance Tuning**
- Improve Visibility of the cybersecurity threat environment through the adoption of **Cybersecurity Security Incident and Event Management** processes and technology to log forensic information to learn and protect our networks.
- **Investigate and assess** the practicality of the following technologies that may provide better (more comprehensive) cybersecurity posture:
  - Zero Trust technologies
  - Unified Citizen Identity

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025	2026
<b>Estimated Year of Completion</b>	2025	2026
<b>Project Cost</b>	\$ 110,000	\$ 120,000

***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	-	-	-	-	-
Expense	\$ 70,000	\$ 225,060	\$ 230,236	\$ 235,532	\$ 240,949
Net Cost (Rev – Exp)	\$ (70,000)	\$ (225,060)	\$ (230,236)	\$ (235,532)	\$ (240,949)
FTE Impact					
Budget Impact					

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-013
<b>BUSINESS CASE REQUEST</b>	OPERATING

### DUNMORE ROAD TRAFFIC SIGNAL COORDINATION REVIEW

#### OPPORTUNITY:

- Dunmore Road is the busiest arterial roadway in Medicine Hat with traffic volumes of up to 22,000 vehicles per day.
- There are 11 signalized intersections along the Dunmore Road corridor. The coordination of the signal operation is poor causing suboptimal traffic flow, increased stops, and delays for vehicles at intersections.

#### KEY ISSUES:

- Over time, MW has received numerous complaints from residents regarding delays and congestion resulting, potentially from suboptimal traffic signal operation along the Dunmore corridor.
- The Transit Department has also expressed concern and seeks improvements in traffic signal optimization to reduce dwell time and maintain transit schedule adherence.
- In addition to improved performance of the corridor by reducing congestion and delay, properly coordinated traffic signal along the corridor can decrease:
  - Risk of collisions
  - Red-light running
  - Pedestrian safety concerns
  - Driver frustration and aggressive behaviour
- Cumulative delays can exert a considerable influence on lost time and contribute to heightened emissions attributable to extended dwell time.

#### RECOMMENDATION:

It is recommended that Municipal Works conduct a review to improve coordination of traffic signals along the Dunmore Road corridor. Improved coordination will optimize traffic flow, reduce delays, reduce congestion, and improve safety.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b>	<b>ECONOMIC EVOLUTION</b>	<b>SERVICE ORIENTATION</b>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b>	<b>COMMUNITY WELLNESS</b>	<b>RESILIENCY &amp; SUSTAINABILITY</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**FINANCIAL IMPLICATIONS:*****Operating Initiatives:***

Budget Year Request	2026
Estimated Year of Completion	2026
Project Cost	\$ 150,000



<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	<i>DI2025-022</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

### UNIT 337 HOT BOX UPGRADE

#### OPPORTUNITY:

- One of Municipal Works core activities is the maintenance of the paved roadways. This activity requires a wide range of equipment to address the different repair methodologies needed.
- Patching operations require the ability to keep hot mix asphalt hot throughout the day while crews address small volume repairs. Without this ability the asphalt would cool to the point where it is unusable.
- Currently the Municipal Works department operates unit 337 which is a 4-yard (5.4 ton) hotbox truck. This equipment was purchased in 2015 and is used on average 650hrs a year. The crews experience with this first hotbox truck have identified needs to make this tool more effective and efficient for patching operations.
- With the mounting expenses to maintain the hotbox component due to age and wear, and lead times to replace fleet, the need to replace the unit is needed sooner rather than later.
- Replace the chassis and hotbox to accommodate the larger capacity needed and allow for the transportation of necessary tools. Therefore, reducing the need for additional vehicles to transport equipment and material to site.

#### KEY ISSUES:

- The current unit size is not adequate for completing a typical day of work and requires additional trips to the asphalt plant. Reducing crew efficiency.
- The current unit is not the ideal self-contained unit that industry is moving towards to improve safety and efficiency. The new unit should:
  - Allow easy placement of asphalt utilizing mechanical augers, shoots, or conveyor belts.
  - Carry the equipment needed without requiring other support vehicles (i.e., Tampers, jack hammers)
  - Have an air-compressor for blowing out pothole or running an onboard jack hammer.
  - Having an onboard tack application would reduce the need for another unit onsite to complete work and allow that unit to coordinate efforts better.
  - Larger spoils bin to reduce the number of trips back to the yard to dispose of waste.
- Improved visibility and lighting through the addition of better work lighting and a camera system that allows the driver to see the crew regardless of where they are around the truck.

#### RECOMMENDATION:

It is recommended that Municipal Works, through Fleet Services, undertakes the upgrade of the current hotbox Unit 337 to support the improved delivery of pavement maintenance.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 250,000

The total unit cost is expected to be \$550,000 - \$250,000 growth

**Incremental Operating Cost / Savings:**

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense		22,500	22,500	22,500	22,500
Net Cost (Rev – Exp)	\$ -	\$ (22,500)	\$ (22,500)	\$ (22,500)	\$ (22,500)
FTE Impact					
Budget Impact		YES	YES	YES	YES

The incremental operating cost is for the lease costs. The costs of operating the equipment are expected to be covered by the existing budget.

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-001
<b>BUSINESS CASE REQUEST</b>	OPERATING

**SPECIAL TRANSIT SERVICE ADJUSTMENT**

**OPPORTUNITY:**

Special Transit ridership plummeted during Covid due to the vulnerable nature of the client population. This provided an opportunity for cost savings under the Financially Fit umbrella. Client use has recovered slowly but has accelerated in late 2023-24. Following successful efforts to improve access within available resources and achieve overall performance improvements, demand pressures remain, resulting in an opportunity to restore hours of service and improve access.

**KEY ISSUES:**

- MHT Special Transit currently maintains a waiting list of approved clients requesting subscription (scheduled recurring) trips on the service.
- MHT Special Transit receives regular concerns from approved clients unable to book trips during high-demand periods; this situation remains following the adjustment of hours to better align with demand.
- This service adjustment intends to provide additional service hours for MHT Special Transit. The goal of the additional hours is intended to address unmet demand for the service by residents who have limited/no access to other supports for transportation given their unique challenges.
- The following efforts have been made in 2023 and early 2024 to improve access and service productivity with available resources:
  - Software changes
  - Real-time booking
  - Trip cancellation review program
  - Shifting of resources to higher-demand periods
  - Policy review and update to clarify existing service level standards
- In 2024, further work will be undertaken to ensure system performance and customer service. However, demand is anticipated to remain.
  - Improved registration process to ensure qualifying access
  - Travel training available to better utilize fixed-route service
- 2023 Special Transit ridership saw a service hour increase of 11.0% (~1,190 hrs.) in 2023, which was accompanied by a ridership increase of approximately 24% over 2022. Before Covid-19, Medicine Hat Special Transit used 22,000 service hours to provide about 44,000 completed Special Transit trips (2019), averaging 2.0 trips per vehicle hour. (See Appendix A, Tables 1.1 and 1.2)
- In 2023, Special Transit utilized 12,000 service hours to provide almost 27,000 trips, for an annual average of 2.25 trips per vehicle hour. In the final quarter of 2023, the average was 2.6 trips per vehicle

hour, a 30% improvement over 2019 levels. Cost per trip has now returned to 2019 levels for Special Transit service, while averaging 10% more trips per hour. (See Appendix, Table 1.3)

- While Special Transit operates as a higher cost and lower productivity service, it does meet a critical need in the community for those users incapable of utilizing fixed-route transit. A review and update of Special Transit policy and procedure was completed in 2023, providing clarity around service level needs, establishing performance targets, and ensuring Special Transit is focused on those clients most in need of the support provided by this service. Even with productivity gains, a continuing increase in ridership will result in the need for additional service.

**RECOMMENDATION:**

Over two years, MHT recommends two additional Special Transit shifts at 40 hrs. per week per shift. This addition of approximately 4,160 total annual hours of Special Transit service is intended to address current demands for service and prepare for anticipated unmet needs. Additional hours would be staged in two phases of one-year each over the 2-year budget cycle. Expansion of service during the second year would be subject to a continuing demand for increased service and continued productivity improvements.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue	-	-	-	-	-
Expense	205,700	411,300	411,300	411,300	411,300
Net Cost (Rev – Exp)	\$ (205,700)	\$ (411,300)	\$ (411,300)	\$ (411,300)	\$ (411,300)
FTE Impact	1	2			2
Budget Impact	Yes	Yes	No	No	No

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-002
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### REGULAR TRANSIT SERVICE ADJUSTMENT

#### OPPORTUNITY:

Prior to Covid-19, Medicine Hat Transit (MHT) provided approximately 53,000 regular fixed-route service hours, carrying an estimated 889,000 riders (2019). As a result of Covid-19 and the Financially Fit program, fixed-route service hours were reduced by 25% to approximately 40,500 and increased only in response to returning ridership pressure. In 2023, MHT provided 42,000 fixed-route service hours and recorded annual ridership of approximately 870,000 trips. This reflects a 20% service hour reduction over 2019 levels with the accompanying cost savings, while the system has returned to 2019 ridership levels. The ridership trend for fixed-route service continues to climb, creating an opportunity to add service where the demand is most pressing.

#### KEY ISSUES:

- The goal of additional service hours is to address demand for service in areas where current transit access is limited and add service hours in previously served periods and areas.
- The following fixed-route service efforts have been made in post-Covid to improve access and service productivity within available resources:
  - Addition of Route 46 daytime service to MH College (Sept 2022)
  - Addition of Route 56 mid-day service between MH Mall and Strachan Road (Sept 2023)
    - Note: This service also improved service reliability for Route 61 service to MH College, 13<sup>th</sup> Ave businesses and MH Mall.
  - Expansion of Route 56 service hours to all-day (Jan 2024)
    - All Route 56 service hours were funded by increased fare revenue from returning ridership and had no budget impact.
  - Conversion of on-demand service to Route 21 regular service
    - This change restored Route 21 Hospital service during the evening and weekend on-demand service periods. On-demand service has been retained in other areas.
- Service pressures remain in the Southwest areas of the City (Saamis Heights). Data indicates support among area residents for additional transit service, as well as support for extending weekend service hours particularly on Saturday as well as limited service on Statutory holidays.
- Transit ridership in 2023 saw an increase of approximately 18% over 2022, with a service hour increase of approximately 6.3% (~2,600 hours). Should this ridership trend continue in 2024, Transit will see an increase in fare revenue and reduced cost per trip, and pressures will be seen in some areas of current service. Returning a portion of the increased revenue in the form of additional service would continue to make service attractive to new riders and address unmet need.
- Transit will be establishing a Service Level Standards framework in 2024 which would allow the assessment of current and proposed service relative to other areas and service needs. Based on this framework and subsequent performance analysis, the additional service hours may be reduced or reallocated, or service levels adjusted to maximize value to transit users.

**RECOMMENDATION:**

Medicine Hat Transit recommends providing an additional 3,120 annual fixed-route service hours to address unmet demand. This funding would provide the equivalent of a single fixed-route service increase for a 12-hour weekday peak travel period (6:45 am – 6:45 pm). The additional service would be planned based on ridership demand and service level standards; allocation options would involve the extension of existing weekend service, Saamis Heights peak period service, and/or the addition of statutory holiday service. Holiday service would be limited (core service only) to maximize value. Related changes could include the evaluation and refinement of other routes and service levels in alignment with proposed service standards and in response to actual demand.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 750,000

**Incremental Operating Cost / Savings:**

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	84,240	84,408	84,577	84,746	84,916
Expense	244,800	245,290	245,780	246,272	246,764
Net Cost (Rev – Exp)	\$ (160,560)	\$ (160,881)	\$ (161,203)	\$ (161,525)	\$ (161,848)
FTE Impact	1.5				1.5
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-020
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### ASPHALT RECYCLER EQUIPMENT

#### OPPORTUNITY:

- The availability of high-quality hot mix asphalt throughout the year is dependent on local asphalt plant production. In the early and late part of the year these facilities are often closed. These closures push our reliance on cold-mix asphalt to perform temporary repairs. These repairs are underperforming due to the temporary nature of cold-mix material and would be improved with high-quality hot mix asphalt.
- The ability to produce small batches of hot mix asphalt at any time of the year and day will result in the improved performance of asphalt repairs and maintenance. Reducing the need to revisit locations.

#### KEY ISSUES:

- Hot mix asphalt is necessary for permanent pavement repairs to be long lasting.
- Hot mix asphalt supply is dependent on availability from local suppliers' hours and days of operation.
- Suppliers often do not start producing asphalt until mid-May, and end in late October. When producing asphalt, availability is after 7:00 am and is dependent on the work that producer often has with other contractors.
- It is desirable to address roadways with significant hazard for crews in off-peak hours and at time of the year when the suppliers are not producing asphalt.
  - For example, patching would start at 5:00 am and in some cases in the evening for arterial roads. There is less traffic on the road which means these hours are safer for workers, but they do not align with asphalt plant operating hours.

#### RECOMMENDATION:

Municipal Works, through Fleet Services, should procure an asphalt recycler to support pavement maintenance throughout the year.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

Budget Year Request	2025
Estimated Year of Completion	2025
Capital Project Cost	\$ 250,000

***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue		-	-	-	-
Expense		15,625	15,625	15,625	15,625
Net Cost (Rev – Exp)	\$ -	\$ (15,625)	\$ (15,625)	\$ (15,625)	\$ (15,625)
FTE Impact		0	0	0	0
Budget Impact		Yes	Yes	Yes	Yes

*An incremental operating budget is needed to cover the Fleet lease payments. It is based on the capital budget minus the expected salvage value set at 25% and a 12-year life.*



<b>DEPARTMENT</b>	FIRE & EMERGENCY SERVICES
<b>REFERENCE NUMBER</b>	PS2025-004
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**EMERGENCY MANAGEMENT SUPPLIES TRAILER**

**OPPORTUNITY:**

During a disaster response, the City establishes a formal Incident Command Post and Emergency Coordination Centre at the lead response department’s main building. This method is widely accepted across all City departments as it allows the lead department to maintain continuity of the disaster response while also ensuring the lead department has access to their required technology (e.g., SCADA (supervisory control and data acquisition)). An emergency management supplies trailer is required to expedite the transport of the equipment required to effectively establish a formal Incident Command Post and Emergency Coordination Centre.

**KEY ISSUES:**

- The City’s disaster supplies are stored at multiple City buildings and require the coordination of multiple pick-up trucks and City personnel to transport the equipment.
- The coordination of equipment transfers extends the time to transition to an elevated City response, reducing public and internal department confidence.

**RECOMMENDATION:**

It is recommended that Fire and Emergency Services receive capital approval of \$40K to purchase an emergency management supplies trailer with the required internal outfitting, including shelving and electrical pass-through.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 40,000

<b>DEPARTMENT</b>	PARKS & RECREATION
<b>REFERENCE NUMBER</b>	<i>PS2025 - 016</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING</i>

**NEW POSITION - PARKS & RECREATION TRAINING AND COMPETENCY ASSURANCE COORDINATOR**

**OPPORTUNITY:**

The Parks and Recreation Department is a very multi-faceted, complex, dynamic, and fast-paced department requiring numerous and varied positions to effectively operate the facilities and maintain park amenities in the city. At peak season, Parks and Recreation have over 300 employees, most of which are seasonal. As a result, there is a significant need to ensure that health, safety, environmental training, and competency of operating equipment remains consistent due to the substantial number of employees and various position types. These positions range from an office worker to a senior facility operator on varied power mobile equipment and higher risk job duties (confined spaces, chemical application, etc.). Achieving a small number of health and safety incidents is dependent on the shared responsibilities of employer and employee to effectively train and enforce health and safety compliance, practices, and competence. Current health and safety corporate support staff are beneficial for providing advice and oversight of departmental health and safety in the organization. Parks and Recreation has identified the need to deliver structured and consistent training and competency testing throughout the department. Currently, there is no dedicated position in Parks and Recreation that coordinates and oversees a consistent approach to competency assurance and training of department employees. The department currently operates the highest number of fleet units in the organization with a high degree of turnover for temporary and seasonal staff.

**KEY ISSUES:**

- The potential for a serious health and safety incident is high due to the varied operational practices, use of and type of equipment, in addition to the breadth of work throughout the department. Other departments in the City like Fire, Police, People Services, Health, Safety and Environment all have similar types of positions.
- Currently, there is inconsistency across the Parks and Recreation Department regarding onboarding, training, and competency assurance for the substantial number and diverse work of department employees.
- Leadership regarding safety in the workplace is progressing, however, more time is required to change the culture, language, comprehension, and compliance of safety within Parks and Recreation.

**RECOMMENDATION:**

It is recommended that City Council approve the creation of one new permanent full-time position for the purposes of a Training & Competency Assurance Coordinator with Parks and Recreation.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	91,130	92,953	94,812	96,708	98,642
Net Cost (Rev – Exp)	\$ (91,130)	\$ (92,953)	\$ (94,812)	\$ (96,708)	\$ (98,642)
FTE Impact	1				1
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	FIRE & EMERGENCY SERVICES
<b>REFERENCE NUMBER</b>	PS2025-006
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**MASS SPECTROMETER**

**OPPORTUNITY:**

Hazardous materials response scenarios can be a significant challenge to responders and having the ability to quickly identify the chemical material(s) in solid, liquid, and gas state on an emergency scene is critical for protecting responders, the public, and the surrounding environment. Purchasing the ProtectIR mass spectrometer significantly increases Fire & Emergency Services' ability to correctly identify and mitigate hazardous material incidents. This device can also be utilized for emergency management, arson investigations, and assisting police with field testing, drug identification and explosive residue analysis.

**KEY ISSUES:**

Fire and Emergency Services does not currently have a chemical analyzer for use during hazardous materials response. During a hazardous materials incident, the quick identification of dangerous substances and compounds can provide information that can lead to increased safety for residents and responders, and improved mitigation of incidents.

**RECOMMENDATION:**

It is recommended that Fire and Emergency Services receive \$77k in funding for the capital purchase of the ProtectIR handheld FT-IR Spectrometer.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 77,000

<b>DEPARTMENT</b>	AIRPORT
<b>REFERENCE NUMBER</b>	DI2025-034
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**PICK-UP TRUCK AND SANDER FOR AIRPORT OPERATIONS**

**OPPORTUNITY:**

- The Airport does not have a redundant Runway Inspection and Friction Testing Vehicle available to carry out regulatory required runway inspection and friction testing duties to meet daily time-sensitive operational requirements.
- The Airport is without a light-duty vehicle outfitted to sand groundside airport areas during irregular peak times that is dependent on the flight schedule.
- Purchase of a one-tonne pick-up truck and sander will enable to the Airport to apply traction control materials to keep groundside areas safe, save on the cost of contracted services currently spent on sanding, and ensure the airport has a redundant Friction Testing Vehicle available year-round.

**KEY ISSUES:**

- The Airport's current fleet includes three light-duty vehicles: Unit 399, a half-tonne pickup truck for runway inspections; Unit 398, a three-quarter-tonne pickup truck for ploughing; and Unit 363, an SUV for airfield driving and responding to management operational requirements.
- The lack of redundancy in the current fleet poses a risk to runway inspection and friction testing activities essential for maintaining safe airport operations during winter snow and ice events.
- Adding a fourth light-duty unit, a one-tonne pickup truck with a sander, would address redundancy concerns, improve emergency response capabilities, reduce spending on contracted services, and enhance groundside pedestrian and vehicle safety.
- Unit 398 is currently the only back-up friction testing unit available to Airport Operations. With a plough mounted on the front, Unit 398 does not meet specific weight and balance requirements, making it a non-compliant friction testing vehicle.
- A single point of failure exists in friction testing and ploughing operations, causing delays and safety risks when the primary unit is unavailable (if Unit 398 must do friction testing, it cannot do the ploughing).
- Expanding the fleet would improve emergency response capabilities and provide redundancy in case of breakdowns and emergencies.
- Internalizing sanding activities currently outsourced to a city-wide contractor (~\$7,000 per year) would allow the Airport to better respond to its unique operational needs, saving costs and improving efficiency.

**RECOMMENDATION:**

It is recommended the City approve purchase of a one-tonne pick-up truck with sander for (~\$100,000) to enable internal sanding abilities, save cost spent on contracted services, and to ensure the airport has a year-round access to a redundant Runway Inspection and Friction Testing vehicle.

Once purchased, there will be an annual lease cost of (~\$10,000) per year, for 10 years, payable to Fleet Services, a seasonal cost for the purchase of sand material of (~\$2,500), and associated fuel and light maintenance costs of (~\$2,500).

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 100,000

**Incremental Operating Cost / Savings:**

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	15,000	15,345	15,698	16,059	16,428
Net Cost (Rev – Exp)	\$ (15,000)	\$ (15,345)	\$ (15,698)	\$ (16,059)	\$ (16,428)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

**New Growth Opportunities Masterlist  
Recommended Opportunities  
2025-26 Budget**

RECOMMENDED								Third Party Funding		Growth Capital Cost		One-Time Operating Cost		Ongoing Operating Expense		Additional FTE	
Reference Number	Project Description	Recommended	Sort	Council Priority	Request Type	Business Unit	Operating Segment	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026
D1025-029	Food Waste Compost Facility	YES	1	Innovation	Capital	Rate-Based Utilities	Solid Waste			1,500,000	8,000,000						
E2025-007	Underutilized Land Analysis - Land Acquisitions and De-Risking	YES	2	Innovation	Capital	Land Development & Real Estate	Land	1,000,000									
CS2025-001	Advanced Collaboration Ecosystem 2025-2026	YES	3	Innovation	Operating	Municipal	Municipal					610,000	536,000				
D1025-032	Airport Socio-Economic Impact Study	YES	4	Innovation	Operating	Municipal	Municipal					40,000					
D1025-026	Weather Stations	YES	5	Innovation	Capital	Municipal	Municipal	150,000						15,000			
CS2025-007	Data & Analytics Strategy & Development	YES	6	Innovation	Operating	Municipal	Municipal					150,000	150,000				
POL2025-003	Public Safety Camera	YES	7	Innovation	Capital	Municipal	Municipal				68,500						
POL2025-002	Uncrewed Aerial Vehicle (UAV)	YES	8	Innovation	Capital	Municipal	Municipal	20,000									
PS2025-013	Community Programming Kit	YES	9	Community Wellness	Capital	Municipal	Municipal	150,000									
PS2025-009	Community Vibrancy Grant Funding	YES	10	Community Wellness	Operating	Municipal	Municipal							60,000	60,000		
PS2025-028	Community Wellbeing Plan Implementation	YES	11	Community Wellness	Operating	Municipal	Municipal							150,000	250,000		
D1025-042	Kipling Street SE Transmission Main Twinning	YES	12	Community Wellness	Capital	Rate-Based Utilities	Water			6,350,000							
D1025-015	Pedestrian Connectivity	YES	13	Community Wellness	Capital	Municipal	Municipal	400,000									
PS2025-024	Pump Track	YES	14	Community Wellness	Capital	Municipal	Municipal	300,000					10,000	10,020			
D1025-002	Roadway Upgrades 3rd Street NE-NW	YES	15	Community Wellness	Capital	Municipal	Municipal										
D1025-011	Street Light Improvements	YES	16	Community Wellness	Capital	Municipal	Municipal	150,000		1,450,000						2,200	
PS2025-010	Towne Square Programming	YES	17	Community Wellness	Operating	Municipal	Municipal								30,000	31,200	
D1025-004	Traffic Safety Enhancements	YES	18	Community Wellness	Operating	Municipal	Municipal					200,000					
PS2025-025	Trail Crack Sealing	YES	19	Community Wellness	Operating	Municipal	Municipal									125,000	125,250
PS2025-017	Yurts @ Echo Dale & Gas City Campground	YES	20	Community Wellness	Capital	Municipal	Municipal			284,922						(12,485)	(13,892)
POL2025-001	Downtown Patrol Unit / Community Liaison Officers	YES	21	Community Wellness	Operating	Municipal	Municipal									296,000	304,000
D1025-031	Air Service and Commercial Attraction & Retention	YES	22	Economic Evolution	Operating	Municipal	Municipal									100,000	102,300
D1025-005	Downtown Surface Upgrades	YES	23	Economic Evolution	Capital	Municipal	Municipal	1,150,000									
GG2025-003	Business Retention and Expansion Projects	YES	24	Economic Evolution	Operating	Municipal	Municipal					75,000					
GG2025-001	Investment Attraction Strategy and Action Plan	YES	25	Economic Evolution	Operating	Municipal	Municipal					200,000					
GG2025-002	Development Incentive Project	YES	26	Economic Evolution	Operating	Municipal	Municipal					2,600,000					
D1025-040	Brier Park Gravity Bypass 4B	YES	27	Partnerships & Governance	Capital	Rate-Based Utilities	Sewer	3,712,500		4,950,000							
E2025-001	Water Management Strategy	YES	28	Partnerships & Governance	Operating	Municipal	Municipal						325,000				
POL2025-005	School Resource Officer	YES	29	Partnerships & Governance	Operating	Municipal	Municipal									75,500	77,500
E2025-002	Electrical Services Upgrade Utility Financing Strategy	YES	30	Resilience & Sustainability	Capital	Rate-Based Utilities	Electric Distribution			252,000	252,000						
D1025-039	Landfill Airspace Optimization SE Expansion Cell Design	YES	31	Resilience & Sustainability	Capital	Rate-Based Utilities	Solid Waste				1,500,000						
D1025-054	NTP SCAOA Cyber Security Requirements	YES	32	Resilience & Sustainability	Capital	Rate-Based Utilities	Sewer			234,000	234,000	105,000	35,000	75,500	75,500		
D1025-053	NTP Master Plan Update	YES	33	Resilience & Sustainability	Operating	Rate-Based Utilities	Water					600,000					
D1025-063	Larger Capacity Tandem Water Truck Unit 684	YES	34	Resilience & Sustainability	Capital	Rate-Based Utilities	Water	50,000						5,000	5,200		
D1025-038	Airport Maintenance Specialist	YES	35	Resilience & Sustainability	Operating	Municipal	Municipal							48,000	49,104	0.5	
CS2025-008	Business Process Optimization & Enhancements	YES	36	Resilience & Sustainability	Operating	Municipal	Municipal					250,000					
PS2025-026	Health and Wellness Program Operating Budget Increase	YES	37	Resilience & Sustainability	Operating	Municipal	Municipal									50,000	50,100
CS2025-004	OT/AMI Systems Analyst	YES	38	Resilience & Sustainability	Operating	Municipal	Municipal									116,000	119,000
CS2025-003	Energy Efficiency Component Upgrades	YES	39	Resilience & Sustainability	Capital	Municipal	Municipal			1,000,000							
D1025-030	Materials Storage Shed Airport	YES	40	Resilience & Sustainability	Capital	Municipal	Municipal	500,000		520,000				5,000	7,500		
E2025-004	Gas & Electric New Services	YES	41	Service Orientation	Capital	Rate-Based Utilities	Electric Distribution	900,000	900,000		900,000						
D1025-033	Purchase of Grader for Airport Operations	YES	42	Service Orientation	Capital	Municipal	Municipal	550,000		550,000				4,000	7,000		
D1025-047	3 St Se Water Mains Replacement 300 and 400 Blocks	YES	43	Service Orientation	Capital	Rate-Based Utilities	Water			190,000	1,200,000						
D1025-041	Harlow Water Transmission Main Interconnect	YES	44	Service Orientation	Capital	Rate-Based Utilities	Water			1,250,000							
D1025-036	Airport Safety and Security Coordinator	YES	45	Service Orientation	Operating	Municipal	Municipal									97,000	
CS2025-005	Cybersecurity Maturity Program	YES	46	Service Orientation	Operating	Municipal	Municipal					110,000	122,760	70,000	225,060		
D1025-013	Traffic Signal Coordination	YES	47	Service Orientation	Operating	Municipal	Municipal						150,000				
D1025-022	S37 Hot Box	YES	48	Service Orientation	Capital	Municipal	Municipal	250,000								22,500	
PS2025-001	Special Transit Service Adjustment	YES	49	Service Orientation	Operating	Municipal	Municipal							205,700	411,300	1.0	1.0
PS2025-002	Regular Transit Service Adjustment	YES	50	Service Orientation	Capital	Municipal	Municipal	750,000						160,560	160,881	1.5	
D1025-020	Asphalt Recycler	YES	51	Service Orientation	Capital	Municipal	Municipal	250,000								15,625	
PS2025-004	Emergency Management Equipment Trailer	YES	52	Service Orientation	Capital	Municipal	Municipal	40,000									
PS2025-016	Training and Competency Assurance Coordinator	YES	53	Service Orientation	Operating	Municipal	Municipal							91,130	92,953	1.0	
PS2025-006	Mass Spectrometer	YES	54	Service Orientation	Capital	Municipal	Municipal	100,000									
D1025-034	Pick-up truck for Airport	YES	55	Service Orientation	Capital	Municipal	Municipal									15,000	15,345
								<b>5,662,500</b>	<b>900,000</b>	<b>16,467,922</b>	<b>19,954,500</b>	<b>5,265,000</b>	<b>993,760</b>	<b>1,679,905</b>	<b>2,317,646</b>	<b>8.0</b>	<b>2.0</b>

New Growth Opportunities Masterlist  
Deferred Opportunities  
2025-26 Budget

DEFERRED								Third Party Funding		Growth Capital Cost		One-Time Operating Expense		Ongoing Operating Expense		Additional FTE				
Reference Number	Project Description	Recommended	Sort	Council Priority	Request Type	Business Unit	Operating Segment	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026			
PS2025-012	Additional Education Resources	NO		Community Wellness	Operating	Municipal	Municipal									24,000	24,720	0.4		
PS2025-030	Creative Community Program	NO		Community Wellness	Operating	Municipal	Municipal									32,000	32,960			
CS2025-009	Fair Entry Relief Credit	NO		Community Wellness	Operating	Municipal	Municipal									1,500,000	1,525,000			
PS2025-031	Gershaw Drive Interchange	NO		Community Wellness	Capital	Municipal	Municipal			2,500,000						30,000	30,600			
DI2025-012	Intersection Improvement	NO		Community Wellness	Capital	Municipal	Municipal			2,000,000										
PS2025-011	Reinvitalization of the Museum	NO		Community Wellness	Capital	Municipal	Municipal			250,000										
PS2025-027	Trialist Master Plan	NO		Community Wellness	Operating	Municipal	Municipal					125,000								
DI2025-064	Service Installations	NO		Economic Evolution	Capital	Rate-Based Utilities	Water			1,500,000	1,500,000									
GG2025-004	Emergency Services Training Opportunity - Feasibility Study	NO		Innovation	Operating	Municipal	Municipal					75,000								
CS2025-002	Facilities Management Solar Generation	NO		Innovation	Capital	Municipal	Municipal			2,000,000										
DI2025-052	WTP Backflush Seasonal Repurposing	NO		Innovation	Capital	Rate-Based Utilities	Water			58,000										
E2025-005	Gas & Electric System Extensions for New Subdivisions	NO		Partnerships & Governance	Capital	Rate-Based Utilities	Gas Distribution	330,000	330,000	1,000,000	1,000,000									
PS2025-029	Halo Funding	NO		Partnerships & Governance	Operating	Municipal	Municipal									500,000	501,000			
PS2025-020	Joint Use School/Pilot Operations - School Gym Programming	NO		Partnerships & Governance	Operating	Municipal	Municipal					56,560								
DI2025-029	MW Construction Specification	NO		Partnerships & Governance	Operating	Municipal	Municipal			150,000										
DI2025-023	Future Engineering Design	NO		Resilience & Sustainability	Operating	Municipal	Municipal			500,000										
DI2025-016	Snow Disposal Site	NO		Resilience & Sustainability	Operating	Municipal	Municipal					250,000								
DI2025-055	WWTP Flow Equalization and Bypass Study	NO		Resilience & Sustainability	Operating	Rate-Based Utilities	Sewer					68,000								
DI2025-062	WWTP Master Plan	NO		Resilience & Sustainability	Operating	Rate-Based Utilities	Sewer						500,000							
DI2025-060	WWTP Tertiary Filter Study	NO		Resilience & Sustainability	Operating	Rate-Based Utilities	Sewer						81,000							
DI2025-061	WWTP Trickling Filter Improvements	NO		Resilience & Sustainability	Capital	Rate-Based Utilities	Sewer			640,000										
E2025-003	Addition of Alternative Energy Technologist	NO		Service Orientation	Operating	Rate-Based Utilities	Electric Distribution									116,000	118,668	1.0		
PS2025-007	Archives Summer Student	NO		Service Orientation	Operating	Municipal	Municipal									9,957	10,455	0.3		
POL2025-004	Communications Coordinator Position	NO		Service Orientation	Operating	Municipal	Municipal					75,000				75,000	77,000	1.0		
DI2025-004	Parking Area Review	NO		Service Orientation	Operating	Municipal	Municipal													
DI2025-035	Skid Steer for Airport	NO		Service Orientation	Capital	Municipal	Municipal			120,000						7,000	16,000			
PS2025-014	Superintendent of Recreation Operations	NO		Service Orientation	Operating	Municipal	Municipal									26,415	26,947	1.0		
								<b>330,000</b>	<b>330,000</b>	<b>10,068,000</b>	<b>2,500,000</b>	<b>1,299,560</b>	<b>581,000</b>	<b>2,320,372</b>	<b>2,363,350</b>	<b>3.7</b>	<b>0.0</b>			



<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-012
<b>BUSINESS CASE REQUEST</b>	OPERATING

**ADDITIONAL EDUCATION RESOURCES**

**OPPORTUNITY:**

Since 2021 we have seen significant growth in educational offerings. Revenues have increased 50% and staff costs have increased by 23%. To accommodate family schedules and community demand we have built flexibility into how we offer programs and when we offer them. Programs are now offered across the lifespan, and we are meeting this new demand, however, to sustainably meet this new demand additional resources are required to ensure strategic planning, compliance, and assessment.

**KEY ISSUES:**

The education area only has one full time staff and relies on casual temporary staff, contractors, and volunteers to facilitate all fee-based experiences to the community. With extended flexibility and a higher volume of offerings the administrative need has grown. This is evident in more online bookings, more registrations. more inventory management, more research, and more staff contract/staff/volunteer management.

**RECOMMENDATION:**

An increase of a .25 FTE Temp Casual resource be added to assist the Education Coordinator to deliver the multiple programs offered. This would also add stability and redundancy to ensure the continuity of business operations and the protection of future revenue.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

*Incremental Operating Cost / Savings:*

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	24,000	24,720	25,461	26,225	
Net Cost (Rev – Exp)	\$ (24,000)	\$ (24,720)	\$ (25,461)	\$ (26,225)	\$ -
FTE Impact	0.4				0.4
Budget Impact	Yes	Yes			

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-030
<b>BUSINESS CASE REQUEST</b>	OPERATING

**CREATIVE COMMUNITY PROGRAM**

**OPPORTUNITY:**

- Existing City assets and infrastructure can be used to display the work of local artists designers.
- The Creative Community Program seamlessly integrates local artists into the fabric of our municipality through the development and display of original artwork on street banners, traffic control boxes and murals on identified City assets.
- With the addition of \$30,000 to the operating budget multiple projects could be completed each year. With funds being spent on contracting artists and procuring materials. Internal charges for installations will be paid through existing operating funds.

**KEY ISSUES:**

- The City has infrastructure (banner hangers, traffic control boxes, assets for murals).
- The community approaches the City to use these assets and there is no formalized program or budget.
- Responses are ad hoc, there is no current budget, and the approach is not pro-active.
- There is no identified maintenance program or lifecycle planning to address dated/damaged art works.

**RECOMMENDATION:**

Addition of 32K to the operating budget to develop a program, administered by existing staff members, which leverages current City assets and the creativity of the community to enhance the aesthetic appeal of public spaces, encourage local artists to display their talent, and foster community engagement and pride.

- **Banners**
- **Traffic Control Boxes**
- **City Assets**
- **Submission and Selection Process**
- **Implementation and Maintenance**

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	32,000	32,960	33,948	34,967	
Net Cost (Rev – Exp)	\$ (32,000)	\$ (32,960)	\$ (33,948)	\$ (34,967)	\$ -
FTE Impact					
Budget Impact					

<b>DEPARTMENT</b>	FINANCE
<b>REFERENCE NUMBER</b>	CS2025-009
<b>BUSINESS CASE REQUEST</b>	OPERATING

**FAIR ENTRY RELIEF CREDIT**

**OPPORTUNITY:**

To enhance community wellness for a vulnerable segment in our community by providing a permanent Fair Entry Relief Credit of \$100 per month to approximately 1,300 low-income residents experiencing external pressures of rising costs in all aspects of the economy.

As a temporary relief measure, this credit was provided in 2023 and 2024 for the same annual amount and proved to be valued and significant to the qualifying City of Medicine Hat residents.

**KEY ISSUES:**

Medicine Hat, like other cities across the country, has seen an increase in multiple social and economic challenges. The City of Medicine Hat Fair Entry Program is designed to help low-income families and individuals access city programs. The program uses the Low-Income Cut-Off (LICO) scale determined from Stats Canada which is one of the factors of eligibility. For instance, a four-person family in Medicine Hat whose combined income is less than \$48,550 would qualify.

The temporary Fair Entry Relief Credit has been applied to eligible customers in 2023 and 2024 with payment via their utility statement and for eligible condo owners, a cheque at the end of the year. The utility system had been chosen as it is the most cost effective and efficient way of disbursing the funds. Low income and potentially eligible residents have been declined the relief credit if they do not have a utility bill in their own name or if the landlord pays the utility bill on their property.

Desire for continued stability from eligible customers is evident and if the program is discontinuing in 2025, advance notice communication will need to occur within this group.

**RECOMMENDATION:**

It is recommended that the Fair Entry Rebate be extended to the budget for 2025 and 2026 (\$1.5M annually) and continue as a rebate for qualifying Fair Entry residents.

The program will be assessed in 2026 to determine the continuation of the program.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b>	<b>ECONOMIC EVOLUTION</b>	<b>SERVICE ORIENTATION</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b>	<b>COMMUNITY WELLNESS</b>	<b>RESILIENCY &amp; SUSTAINABILITY</b>
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	1,500,000	1,525,000	1,550,000	1,575,000	1,600,000
Net Cost (Rev – Exp)	(1,500,000)	(1,525,000)	(1,550,000)	(1,575,000)	(1,600,000)
FTE Impact					
Budget Impact					

<b>DEPARTMENT</b>	PARKS & RECREATION
<b>REFERENCE NUMBER</b>	<i>PS2025-031</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**GERSHAW DRIVE INTERCHANGE (INTESECTION OF HWY 1 & 3)**

**OPPORTUNITY:**

The intersection of Highway 1 and Highway 3 (Gershaw Interchange) in Medicine Hat was rehabilitated in 2022 with an alternative landscape design through the lens of fiscal responsibility, reduced operations/maintenance, and water conservation. As this is a major thoroughfare and conduit for those entering/exiting the city, an increased service level at this location may be desired. Visual enhancements such as supplemental vegetation and potable water for irrigation could be brought to site to provide an increased aesthetic.

**KEY ISSUES:**

- The Gershaw Interchange is one of six major provincially owned/operated intersections within the CMH corporate limits. The other major intersections being Box Springs Road NW, 3 Street NW, South Ridge Drive SE/College Avenue SE, 13 Avenue SE, and South Boundary Road SE/Dunmore Road SE.
- The Gershaw Interchange was historically developed to a higher standard when compared to the other major intersections within the city. As the service level standard varied significantly, a Memorandum of Agreement (MOA) was executed between the city and the province; with the City of Medicine Hat being responsible for summer operations, summer maintenance, and irrigation related services.
- Starting in 2010, infrastructure within this area was reaching the end of its projected life, resulting in ongoing and costly repairs. The failing irrigation system resulted in unwanted vegetation growth within the Interchange and decline of tree health.
- During the 2019-2022 budget cycle, the Parks and Recreation department received budget approval to implement an alternative landscape design to reduce the operating/maintenance costs and decrease water utilization at this site. The rehabilitation program incorporated irrigated portions of manicured turf within the Bullivant Crescent SW residential area and Redcliff Drive SW. All adjacent Interchange quadrants were designed to be non-irrigated areas with a variety of naturalized planted seed mix.
- Construction concluded in the fall of 2022 with anticipated seed germination in the spring of 2023. Seedlings were observed in the spring of 2023, but due to significantly hot temperatures and lower than anticipated precipitation, all signs of intentional vegetation were lost.
- As part of our vegetation establishment initiative, we had Matrix Solutions Inc. conduct field inspections to document and recommend appropriate actions on how to best establish the area. Additional soil samples were taken to ensure that no known contaminants were contributing to the lack of growth (nothing of significance was found).
- Favorable temperatures, precipitation, and adequate time will be required to establish the non-irrigated portions of the Interchange.

**RECOMMENDATION:**

It is recommended that the Parks and Recreation department lead the design, construction, and implementation of supplemental irrigation installation and vegetation enhancement within the Gershaw Interchange. As this Interchange is a gateway to the city, the number of enquiries from the public regarding this area indicate a community desire to see aesthetic and functional improvement. Moreover, it would be beneficial to engage with our provincial elected officials regarding this potential enhancement. Promoting the interchange as a cost-sharing initiative with the Government of Alberta would increase the area’s visibility and provide potential revenue streams through marketing and advertising of the local community due to its location near the Medicine Hat Tourism Centre and downtown core.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$500,000 to \$2,500,000

**Incremental Operating Cost / Savings:**

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	-	-	-	-	-
Expense	30,000	30,600	30,661	30,773	30,000
Net Cost (Rev – Exp)	\$ (30,000)	\$ (30,600)	\$ (30,661)	\$ (30,773)	\$ (30,000)
FTE Impact	0	0	0	0	0
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-012
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### INTERSECTION UPGRADES

#### OPPORTUNITY:

- Upgrade the Gershaw Drive/4 Street SW intersection and Rotary Centennial Drive NW/20 Street NW intersection.
- The upgrades will improve geometry of the intersections and enhance vehicular and pedestrian safety.
- The rehabilitation will align with the MDP’s objective of promoting a walkable community and Herald Area Redevelopment plan.
- The intersection upgrades have the potential to trigger development in the adjoining areas and attract investment.

#### KEY ISSUES:

- The current configuration of Gershaw Drive/4 Street SW intersection is quite complex and has multiple legs creating confusion for drivers and pedestrians. Gershaw Drive is an arterial road with a daily traffic volume of up to 6,750 vehicle per day. Gershaw Drive serves as the main route into the City’s Downtown.
- Rotary Centennial Drive NW is an arterial road posted at 70km/hr with a daily traffic volume of up to 7,000 vehicle per day. The intersection with 20 Street NW will benefit by adding a deceleration lane and installing streetlighting. A full upgrade of Rotary Centennial Drive NW at this location is not anticipated soon and this work is considered an appropriate interim measure.
- Numerous public concerns have been received regarding the vehicular and/or pedestrian safety concerns and near misses at both these intersections.
- The Herald Area Redevelopment plan has identified Gershaw Drive/4 Street SW intersection for upgrades.

#### RECOMMENDATION:

Based on the need to bring deficient areas to current standards and to meet current service levels associated, it is recommended that the proposed intersection upgrades to improve geometry and enhance safety for Gershaw Drive/4 Street SW and Rotary Centennial Drive NW be approved.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>



**FINANCIAL IMPLICATIONS:*****Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 2,000,000

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-011
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### REVITALIZATION OF MUSEUM

#### OPPORTUNITY:

The Esplanade Museum has not been updated in 19 years and it requires a revitalization to ensure it is reflective of our communities’ values, stories, and themes. There is an opportunity to increase stories of newcomers and explore further the historical and lived indigenous experiences in the region. There is the potential to incorporate many more interactive elements, multimedia experiences, and innovative storytelling techniques to better connect with a new generation of Hatters and tourists.

#### KEY ISSUES:

**Relevance:** Over time, societal values, perspectives, and interests change. The museum that was once relevant may no longer resonate with visitors. Updating ensures that the content remains meaningful and engaging.

**Accuracy:** New research, discoveries, and interpretations may challenge the accuracy of information presented in older exhibitions. Updating will allow the latest scholarship's incorporation and ensure the content is as accurate as possible. For instance, the current museum contains almost no indigenous content.

**Visitor Engagement:** Visitor expectations and preferences evolve, and museums must adapt to meet these changing needs. Updating exhibitions with interactive elements, multimedia experiences, and innovative storytelling techniques can enhance visitor engagement and make the museum-going experience more enjoyable.

**Accessibility:** Advances in technology and understanding of accessibility requirements mean that museums must continually strive to make their exhibitions inclusive and accessible to all visitors, including those with disabilities. Updating exhibitions can involve incorporating features such as audio guides, tactile displays, or multi-sensory experiences to improve accessibility.

**Educational Value:** Museums serve as educational institutions, and updating exhibitions will allow us to reflect the latest educational practices and pedagogical approaches. This ensures that exhibitions effectively communicate key concepts and engage visitors in informative and memorable learning experiences.

**Community Engagement:** The Museum is an integral part of our community, and updating exhibitions provides an opportunity to involve community members in the process. Engaging with stakeholders and incorporating diverse perspectives can enrich the content of exhibitions and foster a sense of ownership and pride among community members.

**Lack of strategy for future updates** Develop a comprehensive long-term plan that includes regular updates, maintenance schedules, and strategies for staying current with evolving museum practices.

**RECOMMENDATION:**

It is recommended that we allocate 250K to revitalize the museum over the course of 2025 and 2026, aiming to transform it into a dynamic cultural hub with the following enhancements:

- Incorporate interactive elements to create an engaging and immersive experience.
- Integrate multimedia experiences that leverage technology for a more captivating visit.
- Implement innovative storytelling techniques to enhance the narrative appeal of the exhibits.

By strategically pursuing these improvements, the City will not only increase visitor engagement but also elevate the museum's value to the residents of Medicine Hat, positioning it as a compelling draw for tourists seeking an enriching cultural experience.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2027
<b>Capital Project Cost</b>	\$ 250,000

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-027
<b>BUSINESS CASE REQUEST</b>	OPERATING INITIATIVE

### TRANSIT MASTER PLAN

#### OPPORTUNITY:

Over several years, the City has initiated long-term planning exercises in several areas that impact Transit Services. The most recent comprehensive review of Transit service in Medicine Hat occurred more than fifteen years ago with the Medicine Hat Transit Study (2006) followed by the Long-Range Transit Plan developed by the IBI Group (2008). Changes occurring in the intervening years include increased traffic and shifting travel patterns, business growth, housing developments and density increases. There is a need to assess the transit-related impacts contained in more recent Council-approved plans, complete an overview of current service relative to community changes, and identify community priorities through public outreach. The goals would be to establish key principles and directives to guide the incremental change process Transit utilizes in response to service demands.

#### KEY ISSUES:

- The last study of Transit service occurred in 2006 with the Medicine Hat Transit Study, followed by the Long-Range Transit Plan developed by the IBI Group (2008).
- Several long-range City planning documents impacting transit have been developed in the intervening years.
  - Growth Management Strategy (2019)
  - “MyMH” Municipal Development Plan (2020)
  - Community Development Business Planning
  - Environmental Framework (2023)
  - Transportation Master Plan (2024)
  - Service Levels development (2024-2026)
- Departmental Key Objectives focus on social needs, incremental change, public engagement, and community value.
  - Maintain focus on serving the social needs of the community, ensuring safety and customer service are at the heart of Transit Services.
  - Employ an approach of continuous improvement to achieve incremental and sustainable improvements to the transit system.
  - Increase engagement with transit riders, stakeholders, and the community to provide greater opportunity to help shape future transit services.
  - In the 2024-2026 period, the Department objectives for Transit are focused on developing a safe, accessible, adaptable, and scalable transit system that provides the best value for each tax dollar spent in place to meet community needs.
- Transit responds to service pressures by planning incremental service adjustments in response to community need. A decision-making framework based on Council-approved City planning documents and public engagement regarding core transit priorities, would benefit the service adjustment and change management process.

**RECOMMENDATION:**

Community Development engages the services of a consulting firm to develop a guiding document providing direction for long-range transit service planning. The document would be developed using public outreach and incorporating current Council plans and directives. The purpose of the document would be to ensure the vision(s) captured in City master planning documents are supported when Transit service changes are made, and that those changes are based on a clear community understanding of Transit priorities regarding service levels and service standards.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 125,000

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	<i>DI2025-064</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**WATER AND SANITARY SERVICE INSTALLATIONS**

**OPPORTUNITY:**

- Infill and intensification development within existing neighborhoods helps the city optimize existing infrastructure and avoid long-term costs associated with extending water and sanitary infrastructure to new development areas.
- Costs to replace or upgrade water and sanitary services can be significant barriers to realizing improvements on underutilized properties within existing neighborhoods.
- Providing water and sanitary service installations will align with incentive programs being presented by Economic Development and by Lands to promote development of underutilized properties for small-scale commercial and multi-family developments and increase the city’s tax revenue from these properties.

**KEY ISSUES:**

- Utilizing existing infrastructure capacity is more cost-effective than continuing to extend water and sanitary mains to low-density developments in outlying areas.
- Costs to install new or upgraded services in existing neighborhoods can vary widely depending on location of mains, presence of mature trees, and pipe materials.
- Providing servicing of underutilized sites was included in one of the 9 Initiatives identified in the city’s application for the Housing Accelerator Fund.
- Environmental Utilities has crews with the expertise and experience to install water and sanitary services safely and at a reasonable cost while maintaining the integrity of the existing infrastructure.

**RECOMMENDATION:**

It is recommended that the city provide funding for EU’s costs associated with installing water and sanitary services to underutilized properties within the city’s existing footprint in alignment with the principles of developed by Planning and Economic Development for the incentive program being prepared by Economic Development.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:*****Operating Initiatives:***

<b>Budget Year Request</b>	2025: \$1,500,000 2026: \$1,500,000
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$3,000,000

<b>DEPARTMENT</b>	ECONOMIC DEVELOPMENT
<b>REFERENCE NUMBER</b>	GG2025-004
<b>BUSINESS CASE REQUEST</b>	OPERATING

**EMERGENCY SERVICES TRAINING CENTRE OPPORTUNITY - FEASIBILITY STUDY**

**OPPORTUNITY:**

- Medicine Hat Fire & Emergency Services (MHFES) has identified an opportunity within their service and training needs that may be a regional opportunity with an economic growth opportunity for the City of Medicine Hat. The opportunity to build a tri-service/multi-purpose training facility within the City of Medicine Hat that would support MHFES, Medicine Hat Police Service, other city departments such as utilities, environmental utilities, municipal works, and regional partners such as Medicine Hat College, Cypress County, Town of Redcliff, CP Rail, petrochemical sector facilities, search and rescue organizations, etc.
- We believe there is an opportunity for this project to be regional scope and an enabler to economic growth.
- Medicine Hat College is currently conducting a pre-feasibility study to verify this as an opportunity.
- The training facility would allow emergency responders to conduct realistic training evolutions and meet the legislated requirements. The training facility would allow the City to explore a potential partnership with MHC to deliver tri-service training, as well as allow Medicine Hat to host fire training events, such as the Alberta Fire Training Conference. This business case is to support the development of a feasibility study.

**KEY ISSUES:**

Firefighters must continually train to stay competent in their current skills and to develop new skills. Neither MHFES nor our region have a dedicated training facility and have limited to no avenues to conduct some types of emergency services training, particularly fire training. MHFES has increased the department’s training capabilities by purchasing training systems for the Marshall Ave Compound and the fire station. However, the existing training tower at Station 2 limits the types of training firefighters can complete. Training that cannot be completed or is limited includes:

- Interior live-fire training,
- Limited training options related to horizontal ventilation, hose line advancement, search, and rescue,
- Cannot complete vertical ventilation at height,
- The exterior area surrounding the Station 2 tower is small and limits multiple-unit training,
- The Station 2 tower’s interior layout is small, and the floor layout cannot be modified,
- There is a difficulty in providing specific training (i.e., interior live fire) to ensure the employer meets legislated requirements.
- Many of our regional training partners face the same challenges as they utilize MHFES training tower as it is one of the better options in the region.

There are economic opportunities that a training facility can bring to the City of Medicine Hat.

- Host emergency services training conferences.



- Create a partnership with Medicine Hat College to provide tri-service training with the addition of firefighting programs and investigate opportunities to leverage and grow the two existing degree programs in paramedicine and police and security.
- Create a tri-service training facility to serve the needs of potential stakeholders and customers indicated above.

**RECOMMENDATION:**

It is recommended that City of Medicine Hat partner with the Medicine Hat College to investigate the feasibility of a Medicine Hat Emergency Services Training Centre with the aim of serving MHFES and other emergency services, regional municipalities, industrial sectors, search and rescue organizations and other sectors as identified.

The feasibility study will investigate service gaps in emergency training facilities, the proposed catchment area, economic impact from increased training activity at facility and the Medicine Hat College.

If it is determined the project is feasible, a business case will be developed to outline partnerships, model of delivery, timeline, budget, etc.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Project Cost</b>	75,000

<b>DEPARTMENT</b>	FLEET & FACILITIES
<b>REFERENCE NUMBER</b>	CS2025-002
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### FACILITIES MANAGEMENT SOLAR GENERATION

#### OPPORTUNITY:

- Sites for solar generation were identified at multiple City facilities as a matrix of value including condition of roof membrane, scheduled facility work and cost benefits.
- Proposed sites include Co-op Place Patio (install Canopy), Power Administration Building, Fleet/Transit, 10th Ave Storage/CNG Station.
- Installation supports Environmental Framework: Chapter 5: Energy and Air through solar generation lowering emissions from City facilities, supports community emissions reduction, and offsets operating costs for high use electrical equipment (CNG fueling, ice plant, HVAC equipment), supports potential of EV (Electric Vehicle) Fleet units charging and battery bank at Fleet/Transit facility.

#### KEY ISSUES:

- The Environmental Framework, Chapter 5: Energy and Air recommends emissions reductions from Fleet and Facilities.
- This plan advances the Environmental framework through direct facility emissions reduction and supports Fleet initiatives by supporting EV infrastructure for future Fleet units.

#### RECOMMENDATION:

Recommend 2025 budget approval to allow for design, purchase, and installation in 2026 of photo voltaic solar panels for the 4 recommended sites as an initial project. Future installations will come as budget cycles progress allowing for balance of use of resources and ongoing monitoring of results. Staging with these sites as the start supports longer term Fleet and Facility replacement cycles as future Fleet units are replaced, and future Facility components are replaced.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

#### FINANCIAL IMPLICATIONS:

##### *Growth Capital Project Costs:*

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$ 2,000,000

***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue			85,000	85,000	85,000
Expense					-
Net Cost (Rev – Exp)	\$ -	\$ -	\$ 85,000	\$ 85,000	\$ 85,000
FTE Impact					
Budget Impact			No	No	No

Estimated operating utility savings of combined 4 projects: \$85,000/annually.

Estimated carbon credit value is \$20,000/annually of combined 4 projects. This will increase with carbon pricing.

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-052
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**WATER TREATMENT PLANT BACKFLUSH SEASONAL REPURPOSING**

**OPPORTUNITY:**

The raw water system has the capability to send water back to #7 and #12 pumphouses through a backflush line to keep the screens from freezing over due to frazil ice in the winter months. During the summer, this can be used to overcome piping restrictions from the pumphouses to the WTP.

**KEY ISSUES:**

Previous modelling showed that using this backflush piping to provide raw water to the WTP in times of high demand can increase the system's capacity from 135 MLD by 10-20 MLD.

**RECOMMENDATION:**

The raw water piping that supplies raw water to the WTP has a flow capacity of approx. 135 MLD in the current set up. Future growth would see the need to overcome this bottleneck. Use of the Backflush piping during summer months will see a short-term solution to increase this capacity. This will enable us to defer more costly projects of adding more piping and/or pumps.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Capital Project Cost</b>	\$58,000

<b>DEPARTMENT</b>	UTILITY DISTRIBUTION SYSTEMS
<b>REFERENCE NUMBER</b>	<i>E2025-005</i>
<b>BUSINESS CASE REQUEST</b>	<i>GROWTH CAPITAL</i>

**GAS AND ELECTRIC SYSTEM EXTENSIONS FOR NEW SUBDIVISIONS**

**OPPORTUNITY:**

The electric and gas distribution utilities provide proportional funding towards the installation of electric and gas utility infrastructure within new subdivisions within the Government of Alberta established franchise boundaries. This is a continuation of past practice and aligns with 2016 City Council direction.

**KEY ISSUES:**

All capital asset projects, regardless of funding source, require City Council approval before starting activities. This business case specifically pertains to an ongoing program first established in 2016 whereby the City proportionally funds the installation of gas and electric infrastructure within new subdivisions. An administrative procedure was developed in 2017, periodically updated, addressing City Council direction received in August 2016 with an intent to align with industry best practices throughout Alberta. The administrative procedure establishes the basis for which the City invests in new infrastructure to extend or expand system related facilities to service gas and electric distribution customers within the City of Medicine Hat franchise areas. Similar methodology is employed by all other electric and gas utilities within Alberta and is endorsed by the Alberta Utilities Commission. The City franchise areas include Medicine Hat, the Town of Redcliff, and portions of Cypress County.

**Capital Investment Basis:**

- Principally, the utility assumes the cost of all standard new services required to meet capacity or system integrity needs, forming the basis for a return on equity collected through the rate base.
- Investment in capital and the cost of that capital form part of the utilities distribution tariffs (rates) allocated to customers over the life of the capital asset.
- To manage system related investment risk, the utility limits its liability by establishing a maximum investment threshold. Costs incurred for special service requests beyond the established thresholds are the responsibility of the subdivision developer and are included within the capital investment as third-party funding (contributed equity).
  - The amount of utility investment for a specific subdivision development is contingent on the applicant’s estimated load.
  - The City’s investment is no greater than the net present value of the revenue expected to be collected in the first 10 years of distribution service discounted at a rate equal to the utility’s weighted average cost of capital (WACC).
    - The annually set WACC that is collected through utility rates is a blended rate that considers the borrowing cost of capital and a return on equity throughout the lifespan of the asset.
    - Therefore, the annual impact on utility rates is negligible as the capital costs are incrementally recovered through the increased rate base.
  - The maximum contribution per residential lot is currently \$3,400 for each electric and gas.

- On average, the City funds 67% of the capital investment requirements for any subdivision while the remaining are third-party funded. However, that proportion varies dependent on subdivision-specific design.
- Contributions and obligations of developers are outlined within an installation agreement between the City and the developer.

The Utility receives, on average, 1 to 2 subdivision requests each calendar year. Within the 2023 – 2024 business cycle the methodology of seeking capital budget amendments was used for each new subdivision rather than providing a fixed yearly capital allocation was used. Thus far, one subdivision request has been received by UDS within the 2023 – 2024 business cycle. The current methodology was intended to ensure adequate capital was allocated on a case-by-case basis. However, it does require additional time to respond to a developer’s request for service due to the budget amendment administrative methodologies. This methodology may be deemed inefficient if multiple subdivision requests are received within the 2025 – 2026 business cycle in response to affordable housing initiatives locally like nationwide initiatives.

**RECOMMENDATION:**

City provides an annual allocation of \$1,000,000 for the installation of gas and electric services within new subdivisions to enable rapid response to new subdivision applications. This is in direct support of current City priorities towards new and affordable housing within Medicine Hat.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital Project Costs:**

<b>Budget Year Request</b>	2025, 2026
<b>Estimated Year of Completion</b>	yearly ongoing
<b>Capital Project Cost</b>	1,000,000

<b>DEPARTMENT</b>	FIRE & EMERGENCY SERVICES
<b>REFERENCE NUMBER</b>	PS2025-029
<b>BUSINESS CASE REQUEST</b>	OPERATING

### HALO AIR AMBULANCE 2025 – 2026 FINANCIAL SUPPORT

#### OPPORTUNITY:

HALO Air Ambulance (HALO) is Southern Alberta’s only dedicated helicopter emergency medical services and public safety helicopter program. HALO Air Ambulance has a strategic partnership with Alberta Health Service EMS and works closely with municipal & regional emergency fire services, regional municipality associations, regional hospital authorities, municipal & provincial law enforcement agencies, and provincial & federal regulatory bodies. HALO lacks permanent operational funding and utilizes a not-for-profit fund development model that ensures a significant annual contribution to the program budget. City Council recently supported HALO by contributing \$500k per year for 2023 and 2024 with consideration for continued support in the 2025-2026 budget cycle.

#### KEY ISSUES:

- HALO receives 40% to 50% of their operational funding from the provincial government with the remaining being funded through public-private fundraising. The City initially provided funding to HALO in 2023 since their establishment over 15 years ago.
- The Town of Bow Island, Cypress County, the Counties of Newell and Forty Mile, and several other municipalities and private organizations financially support HALO annually.

#### RECOMMENDATION:

It is recommended that Fire and Emergency Services receive an incremental operating budget increase of \$500K for 2025 and 2026 to continue the City’s financial support for HALO.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

#### FINANCIAL IMPLICATIONS:

##### Incremental Operating Cost / Savings:

Year	2025	2026	2027	2028	Ongoing
Revenue	-	-	-	-	-
Expense	500,000	501,000	502,002	503,006	500,000
Net Cost (Rev – Exp)	\$ (500,000)	\$ (501,000)	\$ (502,002)	\$ (503,006)	\$ (500,000)
FTE Impact	0	0	0	0	0
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	PARKS & RECREATION
<b>REFERENCE NUMBER</b>	<i>PS2025 - 020</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING INITIATIVE</i>

**PILOT - JOINT USE SCHOOL PROGRAMMING & OPERATING**

**OPPORTUNITY:**

The City of Medicine Hat and local school boards currently have a Joint Use Agreement that allows schools to utilize city facilities during school hours and school facility use by the community after school hours. The City would like to expand its low-cost to no-cost programs in the community utilizing and programming at school facilities. As a pilot project, the strategy would be to offer 3 potential sites where programming could occur. Each site could be potentially utilized for city run drop-in programs, third-party offering programs on behalf of the city, or registration-only programming. All three sites would ensure maximization of school facility usage and require minimal time and resources to operate. Partnerships with third-party providers presents the opportunity to further support recreation initiatives in our community including those developed by non-profit organizations. Offering these partnerships in joint use spaces reduces costs to the city and these groups by eliminating the need for them to compete for and secure for-fee spaces.

**KEY ISSUES:**

- Currently school facility utilization is not maximized to its fullest potential to provide community programming. These are tax funded assets in which the community can access recreational opportunities in their neighborhoods.
- Programming spaces at recreation facilities are limited due to high demand and utilization by current programs and rentals.
- School staffing resources are unavailable for ‘general’ recreational programs. Typically, people have to travel to a recreation centre and register to participate in a fee for service recreational opportunities.
- The utilization of school facilities would provide additional capacity to run city programs as well as increase the availability and accessibility of a variety of potential non-traditional or non-competitive based programs to the community that promotes and encourages physical activity and physical literacy.

**RECOMMENDATION:**

It is recommended that City Council approve the one-time funding to develop and operate the pilot program for 2025 and 2026. The determination to expand or extend the program would be based on utilization and attendance by the community. If the programs are successful, then funding would be requested as an additional incremental operating expense for future years.



**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 56,560

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-025
<b>BUSINESS CASE REQUEST</b>	OPERATING

**MW CONSTRUCTION SPECIFICATION UPDATE**

**OPPORTUNITY:**

- The current Municipal Works construction specifications are outdated and need to be regularly and thoroughly reviewed to ensure the best possible delivery of infrastructure for the community.
- These specifications are used by developers, contractors and City departments when constructing infrastructure that the City is taking over ownership of.
- Consistently updated construction specifications demonstrate a commitment to modern standards, safety, and quality. This can enhance the public's perception of municipal projects, instilling confidence in the community that infrastructure is being developed and maintained to the highest standard.

**KEY ISSUES:**

- Most of the current Municipal Works construction specifications have not been thoroughly reviewed in over 15 years. Leaving the specification outdated and not addressing issues resolved with new methodologies.
- Updated specifications can help manage and mitigate risks by incorporating best practices and addressing potential challenges based on industry developments and local experiences.
- The Municipal Servicing Standards Manual: Road and Storm Water sections are currently being reviewed and updated. It is important that the construction specifications relevant to this review reflect updates to servicing requirements.
- Consulting support for the update and engagement will allow for a timely completion and improved industry engagement.

**RECOMMENDATION:**

It is recommended that the Municipal Works Department engage a consultant to review and update the Municipal Works Construction Specifications.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Operating Initiatives:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 150,000

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-023
<b>BUSINESS CASE REQUEST</b>	OPERATING

### FUTURE ENGINEERING DESIGN

#### OPPORTUNITY:

- Planning and design of future major transportation and storm upgrade projects such as road rehab projects including 3 St NW, Kingsway Ave SE, and Industrial Ave SE

#### KEY ISSUES:

- The construction of future upgrade and rehabilitation projects requires prior planning and design work to ensure the appropriate method of rehabilitation is applied to the project.
- The study, planning and design of a project begins well before the construction phase. A properly designed project will result in an efficient and cost-effective construction phase.
- The design is not always eligible for capital grant funding if the project does not proceed to construction within the same year. Therefore, a budget to cover design costs for upcoming rehabilitation projects is required.

#### RECOMMENDATION:

Provide funding so the planning and design phase for major transportation and storm upgrade projects can be completed well in advance of construction.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

#### FINANCIAL IMPLICATIONS:

##### Operating Initiatives:

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 500,000

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-016
<b>BUSINESS CASE REQUEST</b>	OPERATING

### SNOW DISPOSAL FACILITY

#### OPPORTUNITY:

- The City needs to review and select a permanent snow disposal site with the goal of reducing its environmental impact on valuable developable land at the Airport and in Brier Run.
- Municipal Works has four temporary snow disposal sites within the city, two of which are currently used.
- Snow removed from roads and parking lots may be mixed with contaminants such as suspended solids, organic chemicals, phosphates, dissolved salts, heavy metals, trash, and oil.
- The existing snow disposal sites do not have environmental controls and consist of a native soil base with uncontrolled meltwater runoff.

#### KEY ISSUES:

- The current sites do not meet the recommendations in the Snow Disposal Guidelines for the Province of Alberta.
- The current sites used for snow disposal operations do not have engineering controls to minimize environmental impacts and have not been zoned for snow disposal operations.
- As per the Medicine Hat Municipal Development Plan, the sites will be used for future city development. This will require relocation of snow disposal operations and remediation of the sites to the appropriate tier of the Alberta Soil and Groundwater Remediation Guidelines.

#### RECOMMENDATION:

- It is recommended that the City pursue developing a permanent snow disposal facility with engineered controls to reduce the environmental risk associated with its operation.
- A consultant will be engaged to evaluate locations and preliminary designs for a permanent facility. This budget request does not include land acquisition or the facility's construction.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b>	<b>ECONOMIC EVOLUTION</b>	<b>SERVICE ORIENTATION</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b>	<b>COMMUNITY WELLNESS</b>	<b>RESILIENCY &amp; SUSTAINABILITY</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:*****Operating Initiatives:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$ 250,000

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-055
<b>BUSINESS CASE REQUEST</b>	OPERATING INITIATIVE

**WWTP FLOW EQUALIZATION AND BYPASS STUDY**

**OPPORTUNITY:**

Conduct a study to better understand how to evenly distribute and improve the influent flows at the Wastewater Treatment Plant (WWTP). This is required to help alleviate flow surges from lift stations which can cause operational issues in the treatment process.

**KEY ISSUES:**

- The lift stations that feed the WWTP are not operating in synchronization with each other. Multiple lift stations can pump wastewater simultaneously which can cause surging wastewater flows at the WWTP.
- Flow data recorded in monthly operational reports indicate that flows can exceed 60 MLD for brief periods, sometimes occurring 2-3 times per hour. These flow surges can send a wave that propagates through the WWTP. Peak flows can have negative impacts on screening, grit removal, primary clarifiers, tricking filters, solid contact channels, secondary clarifiers and the UV disinfection system.
- Flow variations have been identified at the WWTP to cause downstream issues in process retention times and settling times.

**RECOMMENDATION:**

A study is recommended to determine the optimal use of the influent lines coming into the WWTP. The study can investigate a flow equalization system and by-pass. In addition, anti-freezing measures should be investigated for the emergency line that feeds the overflow pond. Once the study is complete a decision can be made on the best path forward.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

*Operating Initiatives:*

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$68,000

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-062
<b>BUSINESS CASE REQUEST</b>	OPERATING INITIATIVE

**WASTEWATER TREATMENT PLANT MASTER PLAN UPDATE**

**OPPORTUNITY:**

Work with Wastewater Treatment Engineering Consulting Firm to update the Master Plan for the Wastewater Treatment Plant.

**KEY ISSUES:**

The existing Master Plan for the Wastewater Treatment Plant was completed between 2020-2021. It is recommended to update the Master Plan on a 5-year basis to keep the Master Plan relevant and up to date.

**RECOMMENDATION:**

Submit a Request for Quote to update the Master Plan by a qualified Wastewater Treatment Engineering Consulting Firm.

**FINANCIAL IMPLICATIONS:**

*Operating Initiatives:*

<b>Budget Year Request</b>	2026
<b>Estimated Year of Completion</b>	2027
<b>Project Cost</b>	\$500,000

<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-060
<b>BUSINESS CASE REQUEST</b>	OPERATING INITIATIVE

### WWTP TERTIARY FILTRATION STUDY

#### OPPORTUNITY:

Conduct a study to determine the feasibility and costs for tertiary filtration at the Wastewater Treatment Plant (WWTP).

#### KEY ISSUES:

The only source of tertiary treatment that is currently implemented at the WWTP is Ultra-Violet (UV) treatment. Due to the minimal level of tertiary treatment, the WWTP could become non-compliant with Provincial regulations between the years of 2026 to 2028.

#### RECOMMENDATION:

Produce a feasibility study specific to wastewater treatment tertiary filtration that identifies best practices for tertiary filtration. The completed study will include a defined project scope with recommended options and costs for implementing tertiary filtration.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

#### FINANCIAL IMPLICATIONS:

##### *Operating Initiatives:*

<b>Budget Year Request</b>	2026
<b>Estimated Year of Completion</b>	2027
<b>Project Cost</b>	\$81,000



<b>DEPARTMENT</b>	ENVIRONMENTAL UTILITIES
<b>REFERENCE NUMBER</b>	DI2025-061
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

**WASTE WATER TREATMENT PLANT TRICKLING FILTER RECIRCULATION IMPROVEMENTS**

**OPPORTUNITY:**

Distribute wastewater flows evenly between the north and south trickling filters.

**KEY ISSUES:**

Wastewater flows from the primary clarifiers to the trickling filters as part of the wastewater treatment process. Prior to flowing into the trickling filters, the wastewater flows through a splitter box. The splitter box distributes flows between the north and south trickling filters. However, the flows are not evenly distributed. The issues with uneven flows between the two trickling filters are:

- Higher biological activity in the less loaded trickling filter.
- Capacity can be exceeded in one trickling filter while the other trickling filter still has capacity to receive wastewater flows.

**RECOMMENDATION:**

Based on the report produced by MPE, two main recommendations are considered:

- Replace and upgrade two pumps to variable frequency drives (VFD’s) to vary the distribution of flow between the trickling filters.
- Removal of the splitter box and redirecting pipes to flow from the primary clarifiers directly to the trickling filters. This option will ensure an even distribution of flows between the trickling filters.

It would be recommended to complete both to provide long-term reliability of the process.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**

**Growth Capital:**

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2026
<b>Project Cost</b>	\$640,000

<b>DEPARTMENT</b>	UTILITY DISTRIBUTION SYSTEMS
<b>REFERENCE NUMBER</b>	<i>E2025-003</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING</i>

**ADDITION OF ALTERNATIVE ENERGY TECHNOLOGIST STAFF POSITION**

**OPPORTUNITY:**

- The UDS Engineering team supports the Electric and Gas Distribution Utilities and desire an additional technologist position to prudently prepare for energy transition expectations. The federal government’s 2030 Emissions Reduction Plan and the provincial government’s Emission Reduction and Energy Development Plan (April 2023) have set expectations for achieving net zero carbon emissions by 2050 (and the federal plan articulates additional targets including for 2030). Generally, these plans focus on sustainable development and energy innovation initiatives to drive reliable delivery of affordable and clean energy.
- While the noted plans set policy context, draft regulations are emerging, including the federal Clean Electricity Regulation. Regulations of this nature (should they pass without a successful challenge), are likely to have direct consequences for our energy businesses including Electric and Gas Distribution. Distributed energy resources (e.g. solar and storage installations), electrification (e.g. electric vehicles), and even non-wires solutions (e.g. grid impacts from introduction of consumer solutions) all need to be assessed, solutions developed, plans prepared and executed. Additional resourcing is required to supplement existing team capacity and address these needs.

**KEY ISSUES:**

- Current staff capacity is inadequate to manage the opportunities regarding distributed energy resources, electrification, and other energy transition considerations within the distribution utility.
- Canada’s equitable transition to an electrified economy includes government (grant) programs that support smart renewable energy and electrical grid modernization projects. Participating in these programs from evaluation to scope of work development is estimated to take over 600 hours per program, but with the potential upside of achieving at least partial cost recovery of energy transition innovation opportunities.

**RECOMMENDATION:**

It is recommended that an Alternative Energy Technologist position be added to the Utility Distribution Systems Engineering team to appropriately anticipate and prepare for future net zero emissions targets (by incorporating energy innovation technologies and solutions into the electric distribution system). Informed and timely solution creation and implementation will be critical to the success of the communities we serve, with a focus on ensuring ongoing delivery of reliable and affordable energy while achieving compliance with any emerging emissions regulations.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input checked="" type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input checked="" type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input checked="" type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
**Incremental Operating Cost / Savings:**

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	116,000	118,668	121,397	124,190	124,190
Net Cost (Rev – Exp)	\$ (116,000)	\$ (118,668)	\$ (121,397)	\$(124,190)	\$(124,190)
FTE Impact	1				1
Budget Impact	Yes	Yes	Yes	Yes	Yes

Incremental operating costs impact utility distribution rates each year. Based on prior 2025-26 operating budget forecasts the incremental operating cost to electric and gas distribution budgets are 0.4% and 0.1% increases per year respectively (assuming an 80/20 cost allocation amongst electric and gas). For context, the annual incremental impact of this business case to an average residential electric and gas customer is an increase of <\$3/year. Note that this excludes the incremental adjustment required to obtain the overall 2025 and 2026 operating budgets to be determined this year.

<b>DEPARTMENT</b>	COMMUNITY DEVELOPMENT
<b>REFERENCE NUMBER</b>	PS2025-007
<b>BUSINESS CASE REQUEST</b>	OPERATING

**ARCHIVES SUMMER STUDENT**

**OPPORTUNITY:**

There is a lack of capacity in the Archives to digitize physical records so they may be accessed on our public database. Hiring a summer student to work in the Archives would assist in the processing and preserving of 120 linear meters of records (over 1 million documents), digitizing 20,000 photographs, and making 6,000 audio-visual elements accessible. As new archival records are received yearly this work is ongoing. It is important to note that some of these records are City of Medicine Hat records

**KEY ISSUES:**

A significant portion of our collection, representing our layered and diverse community history, is not accessible to the public because the original media is degrading, and the digital files, if left uncropped, are too large to encourage public consumption. A long-term plan to ensure accessibility has been devised to ensure that these important records are available through our publicly accessible online database.

**RECOMMENDATION:**

It is recommended the Archives hire a summer student yearly. This student would assist in processing and preserving over one million paper records, digitizing 20,000 photographs, and making 6,000 audio-visual elements accessible. Records will be available through the Reading Room, descriptions will be in the online catalogue, and digitized items will be downloadable from our online catalogue.

The summer student position would be funded by a grant: Young Canada Works in Heritage Organizations à Canadian Council of Archives

An increase to the Archives expense budget by \$20,000.

And the revenue budget be increased by \$10,000.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue	9,956	10,254	10,664	11,091	
Expense	19,913	20,709	21,537	22,399	
Net Cost (Rev – Exp)	\$ (9,957)	\$ (10,455)	\$ (10,873)	\$ (11,308)	\$ -
FTE Impact	0.25				0.25
Budget Impact	Yes	Yes	Yes	Yes	

<b>DEPARTMENT</b>	POLICE SERVICES
<b>REFERENCE NUMBER</b>	<i>POL2025-004</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING</i>

**MHPS COMMUNICATIONS COORDINATOR POSITION**

**OPPORTUNITY:**

- The Medicine Hat Police Service (MHPS) has identified an opportunity to increase community satisfaction and awareness of matters concerning community safety through the addition of a dedicated Communications Coordinator position.
- Currently, the MHPS has one part-time position responsible for planning, developing, and implementing communication strategies and protocols to ensure continuity of messaging to internal and external audiences. In 2008, the MHPS had created a full time Communications Coordinator position, but in 2013 this position was absorbed into the Administrative Manager role with the incumbent assigned additional duties, decreasing available time to focus on communication activities. In 2022, this position was modified again to the role of Business Services Manager with additional supervisory duties added, further decreasing the available resources to focus on communication efforts.

**KEY ISSUES:**

- The MHPS is committed to providing accurate, timely and consistent information to the community professionally and in accordance with laws regarding public information.
- The MHPS communicates with the community utilizing a variety of platforms including, website, traditional media release, social media (Facebook / Instagram / X), Office of the Chief Report to PC and Council and the MHPS mobile app. Utilizing a variety of media enables a higher degree of transparency and enhances the opportunity for the MHPS to provide timely information to the public. New media platforms are constantly emerging and changing, becoming more interactive, and consumers want to participate directly with organizations which require more resources to effectively manage.
- The 2023 Medicine Hat Policing and Community Safety Survey results indicated a decreased satisfaction with the MHPS communication efforts (55% in 2023 vs 70% in 2021). The survey results also indicated a strong correlation between overall satisfaction with the MHPS and the communication efforts.
- Traditionally, the MHPS has relied on a strong partnership with local media partners to help share information with the community on safety matters. The survey also indicated a significant decrease in use of traditional media platforms to gather information (49% in 2023 vs 66% in 2021) and an increased reliance on social media (33% in 2023 vs 18% in 2021). It is well recognized that the rise of social media has transformed the way people consume content and this shift has led to a decline in ratings and readership, decreasing revenues and resulting in fewer staff at traditional media outlets.
- There is an increased demand for public transparency and accountability. To meet this demand and to share content on the platforms preferred by the community requires dedicated resources to publish quality content that is consistent with the values and organizational brand of the MHPS.

**RECOMMENDATION:**

The addition of a dedicated Communications Coordination position will allow the MHPS to meet the demand for public transparency and accountability and ensure that community members are informed on matters concerning community safety. Every interaction defines the organizational values and brand of the MHPS, and for it to consistently provide information consistent with the Service's goals, a dedicated resource must be assigned.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	\$75,000	\$77,000	\$79,000	\$81,000	\$81,000
Net Cost (Rev – Exp)	\$75,000	\$77,000	\$79,000	\$81,000	\$81,000
FTE Impact	1				1
Budget Impact	\$75,000	\$77,000	\$79,000	\$81,000	\$81,000

<b>DEPARTMENT</b>	MUNICIPAL WORKS
<b>REFERENCE NUMBER</b>	DI2025-024
<b>BUSINESS CASE REQUEST</b>	OPERATING

### ON-STREET PARKING REVIEW

#### OPPORTUNITY:

- There are various techniques available to ensure on-street parking turnover and availability to residents, including time-restricted zones, pay-for-use, and loading zones.
- On-street parking demands vary significantly based on proximity to institutions, amenities, etc.
- Work with a consultant to develop a procedure to guide future on-street parking assessments

#### KEY ISSUES:

- Numerous service requests are received annually regarding on-street parking conflicts between expectations and parking generators which exceed their supply.
- The City does not have a policy or documented procedure for assessing, implementing, and reviewing on-street parking in these areas.
- Municipal Works utilizes various strategies to manage on-street parking near institutions, such as the hospital, recreational centres, and schools. However, without a policy on parking the one-off solutions can lead to inconsistent approaches and limited parking area effectiveness.
- As these institutions change and grow, the surrounding on-street parking restrictions require review to ensure they meet the community’s current and changing needs.

#### RECOMMENDATION:

- It is recommended to procure a consultant to review parking strategies utilized by similar municipalities and develop a procedure to guide future on-street parking assessments to ensure consistency and repeatability.

#### ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input checked="" type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input type="checkbox"/>

#### FINANCIAL IMPLICATIONS:

##### Operating Initiatives:

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Project Cost</b>	\$ 75,000



<b>DEPARTMENT</b>	AIRPORT
<b>REFERENCE NUMBER</b>	DI2025-035
<b>BUSINESS CASE REQUEST</b>	GROWTH CAPITAL

### SKID STEER FOR AIRPORT OPERATIONS

#### OPPORTUNITY:

- The Airport does not have its own compact piece of equipment that is versatile to complete basic winter, summer, and workshop tasks.
- Acquiring a skid steer with bucket, forks, blower, and broom attachments would better snow removal operations in tight spaces, mitigate the presence of foreign object debris on the airfield, support maintaining airfield cleanliness, and increase the efficiency of current workshop processes.

#### KEY ISSUES:

- The Airport is currently borrowing a skid steer from another department to address some of the maintenance tasks referred to above, however, the borrowed equipment lacks desired attachments for Airport work (sweepers/brooms). Availability of the equipment is also of issue in the Summer when the Airport has no equipment dedicated to Airport Operations and is only able to utilize equipment from other departments via loan for short intervals.
- With 19 airside tenants with lease agreements, the Airport is obliged to do upkeep of tenant areas, in addition to required maintenance on runways, taxiways and aprons. The Airport does not have compact equipment to maintain confined tenant and airside areas. Benefits of utilizing compact equipment include time-savings, and safety by improvement of sight lines and turning radius.
- The Airport is responsible for snow removal tasks on sidewalks and in the long-term parking lot, where vehicles are always parked. A compact piece of equipment with attachment is ideal for performing these tasks.
- The Airport must prevent foreign object debris (FOD) from accumulating on the airfield, including airside leased areas. Regular sweeping efforts are essential to removing the presence of FOD, which can include loose asphalt, brush, garbage, traction control material, and other potential hazards which could be ingested or blown away by an aircraft engine. The Airport does not have a suitable attachment to articulate with the borrowed equipment to control this hazard.
- The Airport has over 120 edge lights illuminating airfield pavements. Snow must be removed beside and between the lights to maintain the visibility of fixtures. A skid steer and blower attachment would allow the airport to better maintain snow in these confined spaces, as opposed to using a combination of bulky equipment and manual labour to do the tasks.
- Staff perform general clean up, maintenance, and preparation tasks daily, which involve moving supplies, loading/unloading materials, and receiving bulk shipments within the workshop environment. However, the Airport currently lacks any suitable compact equipment for year-round support. Acquiring a skid steer would improve worker safety and streamline current labor-intensive processes.

**RECOMMENDATION:**

It recommended the City approve purchase of a skid steer loader with bucket, sweeper, blower, and pick-up broom attachments for (\$120,000) to support various summer, winter, and workshop tasks. Once purchased, there will be an annual lease cost of (~\$12,000) per year for 10 years, payable to Fleet Services, in addition to costs of general maintenance and fuel of (~\$4,000) per year until end of life.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Growth Capital Project Costs:***

<b>Budget Year Request</b>	2025
<b>Estimated Year of Completion</b>	2025
<b>Capital Project Cost</b>	\$ 120,000

***Incremental Operating Cost / Savings:***

<b>Year</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Ongoing</b>
Revenue					
Expense	7,000	16,000	16,368	16,744	16,744
Net Cost (Rev – Exp)	\$ (7,000)	\$ (16,000)	\$ (16,368)	\$ (16,744)	\$ (16,744)
FTE Impact					
Budget Impact	Yes	Yes	Yes	Yes	Yes

<b>DEPARTMENT</b>	PARKS & RECREATION
<b>REFERENCE NUMBER</b>	<i>PS2025 - 014</i>
<b>BUSINESS CASE REQUEST</b>	<i>OPERATING</i>

**SUPERINTENDENT OF RECREATION FACILITY OPERATIONS**

**OPPORTUNITY:**

- The organization continues to prioritize the provision of high-quality recreational services to the community.
- It is evident that additional managerial support is necessary to ensure efficient operations, maintain compliance, improve safety, and foster continued growth.
- Currently, these responsibilities are shouldered by the Manager of Recreation leaving limited capacity for strategic planning and higher-level organizational goals.

**KEY ISSUES:**

The Manager of Recreation currently oversees the operation of multiple recreation facilities each with their own technical and operational needs, in addition to the management of Recreational Programming, Customer Service, Aquatics and Fitness. To address the complexity of managing a large operational area, the department seconded the Superintendent of Parks into this position for 2024. As a result, Parks Operations is impacted by the temporary loss of the Parks Superintendent position. If this position does not receive approval, it will impede the Manager of Recreation’s ability to dedicate time to the following:

- Safety, Compliance and Quality Assurance
- Strategic Planning
- Leadership and Staff Development
- Financial Management
- Customer Service

**RECOMMENDATION:**

The establishment of a non-unionized Superintendent of Recreation Facility Operations position for recreation facilities management is crucial to address the current operational challenges, optimize resource utilization, and enhance the overall effectiveness of our organization. By investing in this position, it will not only alleviate the Manager's workload but also position our recreation facilities for long-term success and community impact.

This position will be hired to have the following Roles and Responsibilities:

- Hiring, scheduling, coaching, evaluating, and disciplining recreation facilities operations and maintenance staff.
- Ensuring compliance with public health, environmental, and workplace safety regulations.
- Providing leadership to the working team and fostering staff development.
- Researching and recommending policy, procedural, and quality assurance standards.
- Assisting in budget preparation and financial reporting.
- Maintaining effective communication protocols and customer service focus.

The department plans to repurpose existing funding allocated for the Parks Facilities Foreman to cover most expenses for this new position.

**ALIGNMENT TO COUNCIL STRATEGIC PRIORITIES:**

<b>INNOVATION</b> <input type="checkbox"/>	<b>ECONOMIC EVOLUTION</b> <input type="checkbox"/>	<b>SERVICE ORIENTATION</b> <input checked="" type="checkbox"/>
<b>PARTNERSHIPS &amp; GOVERNANCE</b> <input type="checkbox"/>	<b>COMMUNITY WELLNESS</b> <input type="checkbox"/>	<b>RESILIENCY &amp; SUSTAINABILITY</b> <input checked="" type="checkbox"/>

**FINANCIAL IMPLICATIONS:**
***Incremental Operating Cost / Savings:***

Year	2025	2026	2027	2028	Ongoing
Revenue					
Expense	26,415	26,947	27,486	28,035	28,596
Net Cost (Rev – Exp)	\$ (26,415)	\$ (26,947)	\$ (27,486)	\$ (28,035)	\$ (28,596)
FTE Impact	1				1
Budget Impact	Yes	Yes	Yes	Yes	Yes