

AGENDA
COUNCIL COMMITTEE MEETING
MUNICIPAL DISTRICT OF PINCHER CREEK
March 8, 2022
3:00 pm
Council Chambers

- 1) Approval of Agenda
- 2) Delegations:
 - a. 3:00 pm to 3:30 pm - Citizens Supportive of Crowsnest Coal – Ken Allred
- 3) Round Table
- 4) Road Maintenance – Internal vs. Contracted Services
- 5) Closed Session
 - a. 2022 Property Tax Discussion – Part One – Overview – FOIP Sec. 17
 - b. Pincher Creek Emergency Services – FOIP Sec. 16
 - c. Code of Conduct Complaint – FOIP Sec. 17
- 6) Adjournment

Citizens Supportive of Crowsnest Coal

G. K. (Ken) Allred
Box 273, 13442C – 17 Avenue, Blairmore, Alberta, T0K 0E0
(403) 753-1155 [*gkallred@shaw.ca*](mailto:gkallred@shaw.ca)

2022.02.08

Email: CAO@mdpincercreek.ab.ca.

Re: Responsible Coal Mining

Dear Council:

I am writing on behalf of the *Citizens Supportive of Crowsnest Coal*.

As an organization we have been heavily engaged in promoting the truth about coal mining in Southern Alberta. We have approximately 400 supporters.

Our core group of approximately six members is requesting an opportunity to make a short presentation to your Council on the current situation with regard to coal mining in southern Alberta.

There are three main points of information that we would like to address:

- The denial by the Alberta Court of Appeal of Benga Mining's application to appeal the decision of the Joint Review panel.
- The anticipated decision of the Alberta government with regard to a new Coal Policy for the province and the potential economic and environmental impacts.
- The proposal by Montem Resources for the reopening of the Tent Mountain coal mine.

In conclusion, I would invite you to view the website < <https://responsiblemining.ca> > for further information on the issue of responsible mining.

Respectfully submitted,

Ken Allred

Administration Guidance Request



TITLE: ROAD MAINTENANCE – INTERNAL VS CONTRACTED SERVICES

PREPARED BY: Eric Blanchard

DATE: March 01, 2022

DEPARTMENT: Public Works

Eric Blanchard

March 01,2022

ATTACHMENTS:

1. 2022 lifetime grader costs compare to ARA Rates.xlsx
2. Contract Grader Agreement D1 D5 & D8 CANCELLED.pdf

Department Supervisor

Date

APPROVALS:

_____		_____	
Department Director	Date	CAO	Date

REQUEST: Ask Council what next steps or information Council would like to see coming forward

BACKGROUND: Public Works performed a lifetime operating cost analysis on 4 of their own graders (\$117.55 lifetime average operating cost) and reached out to 2 different county/MD's to inquire about their contracted road maintenance program.

Knee Hill County:

- 3000km of road divided in 10 divisions
- In 2018 the county put a tender out to contract their road maintenance in 3 divisions, all 3 graders were provided by the same company at \$135/hrs. (See attached contact agreement).
- Director of infrastructure stated that this experiment was basically a flop and the contact was terminated early due to several challenges including lack of control, extremely low level of service and extra charges
- Currently, all divisions are serviced by an internal fleet of 12 – 160m graders
- It was also mentioned that the hourly rates would most likely be considerably higher today with the increase of the price of equipment, fuel and maintenance

MD of Bighorn:

- Quite different in size and road network than MD of Pincher Creek, they have approximately 240km of road with some leased for industries
- Do not own any equipment and do not have any infrastructure/shops to support a public work department and a maintenance yard
- It would be quite costly for them to acquire equipment, facilities and personnel to service just a few hundred meters of road

Administration Guidance Request

- Currently contract with Volker Stevin to service the entire MD with road maintenance and snow removal with rates for graders at \$165/hrs. not including extra charge rates

Both of these counties are using the same size of grader we are (160M) and both agree that contracting road maintenance reduce the level of service, response time and the control of quality.

FINANCIAL COMPARISON:

Alberta Road Builders Association (\$256.80) - MDPC (\$117.55) x 10 graders at 1000hrs yearly average = \$1,392,500 in saving internally excluding extra charges

Knee Hill County 2018 Rates (\$135.00) - MDPC (\$117.55) x 10 graders at 1000hrs yearly average = \$174,500 in saving internally excluding extra charges

MD of Big Horn (\$165.00) - MDPC (\$117.55) x 10 graders at 1000hrs yearly average = \$474,500 in saving internally excluding extra charges

Unit #	Year	Model	Capital Cost	Current Value	Net cost	Hours
63	2013	160M	\$419,324.66	\$100,000.00	\$319,324.66	7,714
64	2014	160M	\$465,738.00	\$145,000.00	\$320,738.00	7,790
65	2015	160M	\$505,980.00	\$220,000.00	\$285,980.00	5,641
70	2015	160M	\$517,642.00	\$220,000.00	\$297,642.00	5,612

Notes

Capital is the cost to purchase

Current Value is 2021 sales thru Ritchie Brothers

Net cost is capital cost - current value

Repairs include Tires, Blades, Service costs & labour

Total Op costs is Net Cost + Lifetime Repairs + Lifetime fuel cost + Wages

Operating per hour cost is Total cost divide by Hours on machine

Lifetime Repairs	Fuel average Consumption rate pr hour in Litres	Lifetime Fuel cost	Fuel ave cost pr Litre in 2021	Wages	Lifetime wages	Total Op cost
\$97,368.82	20.70	\$164,645.84	\$1.0311	\$37.40	\$288,503.60	\$869,842.92
\$107,083.47	20.70	\$166,267.97	\$1.0311	\$37.40	\$291,346.00	\$885,435.44
\$70,148.79	20.70	\$120,400.21	\$1.0311	\$37.40	\$210,973.40	\$687,502.40
\$56,816.00	20.70	\$119,781.24	\$1.0311	\$37.40	\$209,888.80	\$684,128.04

Operating cost per hour	ARA Rate
\$112.76	\$256.80
\$113.66	\$256.80
\$121.88	\$256.80
\$121.90	\$256.80

Kneehill County
2018-2021 Grader Contract for Maintenance
Appendix "B" - Quotation Form and Contract Form

RFT-2018-3208-CRG02 - Division 1, 5 Grader Contract

Kneehill County
2018-2021 Grader Contract for Maintenance
Appendix "B" - Quotation Form and Contract Form

APPENDIX "B"

KNEEHILL COUNTY
GRADER DIVISIONS ONE and/or FIVE
CONTRACT FOR ROAD GRADING MAINTENANCE & SNOW PLOWING

All roadways to be maintained by either grading or snow plowing under this quotation are identified on the attached map that shall form part of this agreement.

(Please check off the Division you are submitting the tender bid for)

- In Division **One**, approximately 102 miles of Gravel roadway and 13.5 miles of Dirt Trail roadway have been identified for grading and snow plowing.
- In Division **Five** approximately 126 miles of Gravel roadway and 25 miles of Dirt Trail roadway have been identified for grading and snow plowing.

The Agreement period shall commence tentatively May 1, 2018.

1. Description of Equipment to be used for work:

NOTE: Equipment older than 2012 will not be considered.

HORSE POWER 205 MAKE JOHN DEERE
MODEL 772

Serial Number: 1DW772GXLB0642895 Year: 2012
63E601

Hours on Equipment: 5316

2. Company/Owner Name: NETOOK CONST.

Worker's Compensation Account Number: 143906/3

Address: Box 4010


City/Town: OLDS Province: AB Postal Code: T4H 1P6

3. Contact Person: Kevin McClyment Telephone: 403 994 1043

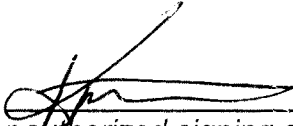
4. Hourly Rate For: 772 graders + blades

TOTAL: \$135 00

5. I understand and agree that the plans and specifications attached hereto shall form part of the Contract.



Signature(s) of individual(s), partner(s) or authorized signing officer(s)



Signature(s) of individual(s), partner(s) or authorized signing officer(s)

April 10/2018
Date

Witness

**CONTRACT FOR ROAD GRADING MAINTENANCE & SNOW PLOWING IN
KNEEHILL COUNTY**

DIVISION 1+5 GRADER AREA

(Please fill in the Division Number agreement is being made for)

Memorandum of Agreement made this 10 day of April 2018

Between

KNEEHILL COUNTY

(hereinafter referred to as the "County")

and

(hereinafter referred to as the "Contractor")

for

Road Grading Maintenance and Snow Plowing in Grader Division 1+5 within Kneehill County.

Whereas Kneehill County wishes to contract for Road Grading Maintenance and Snow Plowing in Division 1+5 Grader Area within Kneehill County

And

Whereas NETCOK Construction LTD wishes to provide Road Grading Maintenance and Snow Plowing in Division 1+5 Grader Area, as outlined in Appendix "A" attached hereto, within Kneehill County at the hourly rate as set forth in Appendix "B".

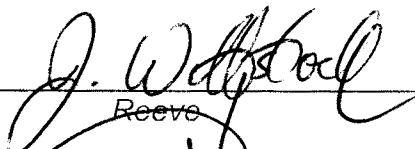
IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED IN THIS AGREEMENT THE PARTIES AGREE AS FOLLOWS:

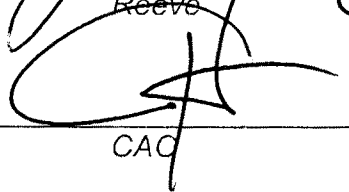
CONDITIONS AND SCOPE OF WORK

Kneehill County agrees to pay the hourly rate plus GST, as set forth in Appendix "B" to NETCOK Construction LTD in consideration for Road Grading Maintenance and Snow Plowing in Division 1+5 Grader Area within Kneehill County as specified in the Scope of Work Appendix "A"

IN WITNESS WHEREOF the parties hereto, through their authorized officers, have executed this Agreement, intending to be bound by it, effective the date first written above.

KNEEHILL COUNTY

Per: 
Reeve

Per: 
CAC

THE CONTRACTOR


Signature

Seal or Witness

Signature

Seal or Witness

APPENDIX "B"

**KNEEHILL COUNTY
GRADER DIVISIONS ONE, FIVE, AND EIGHT
CONTRACT FOR ROAD GRADING MAINTENANCE & SNOW PLOWING**

All roadways to be maintained by either grading or snow plowing under this quotation are identified on the attached map that shall form part of this agreement.

(Please check off the Division you are submitting the tender bid for)

- In Division **One**, approximately 102 miles of Gravel roadway and 13.5 miles of Dirt Trail roadway have been identified for grading and snow plowing.
- In Division **Five** approximately 126 miles of Gravel roadway and 25 miles of Dirt Trail roadway have been identified for grading and snow plowing.
- In Division **Eight**, approximately 125 miles of Gravel roadway and 26 miles of Dirt Trail roadway have been identified for grading and snow plowing.

The Agreement period, shall commence **May 1, 2018.**

1. Description of Equipment to be used for work:

NOTE: Equipment older than 2013 will not be considered.

HORSE POWER 274 MAKE CAT

MODEL 14M

Serial Number: CAT0014M5R9501200 Year: 2014

Hours on Equipment: 4266

2. Company/Owner Name: NETOOK

Worker's Compensation Account Number: 143906/3

Address: Box 4010

City/Town: Olds Province: AB Postal Code: T4H 1P6

3. Contact Person: Kevin McUlyment Telephone: 403 994 1043

4. Hourly Rate For: GRADER + Blades

TOTAL: \$ 135⁰⁰

5. I understand and agree that the plans and specifications attached hereto shall form part of the Contract.

Carol Rauw
Signature(s) of individual(s), partner(s) or authorized signing officer

Carol Rauw
Print name

Kevin McEllyment
Print name

MARCH 22 2018
Date

[Signature]
Witness

**CONTRACT FOR ROAD GRADING MAINTENANCE & SNOW PLOWING IN
KNEEHILL COUNTY**

DIVISION Eight GRADER AREA

(Please fill in the Division Number agreement is being made for)

Memorandum of Agreement made this 22 day of March 2018.

Between

KNEEHILL COUNTY

(hereinafter referred to as the "County")

and

(hereinafter referred to as the "Contractor")

for

Road Grading Maintenance and Snow Plowing in Grader Division Eight within
Kneehill County.

Whereas Kneehill County wishes to contract for Road Grading Maintenance and
Snow Plowing in Division Eight Grader Area within Kneehill County

And

Whereas Netook Construction Ltd wishes to provide Road
Grading Maintenance and Snow Plowing in Division Eight Grader
Area, as outlined in Appendix "A" attached hereto, within Kneehill
County at the hourly rate as set forth in Appendix "B".

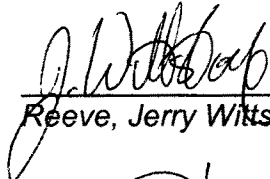
IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED IN THIS
AGREEMENT THE PARTIES AGREE AS FOLLOWS:

CONDITIONS AND SCOPE OF WORK

Kneehill County agrees to pay the hourly rate plus GST, as set forth in Appendix
"B" to Netook Construction Ltd in consideration for Road
Grading Maintenance and Snow Plowing in Division Eight Grader Area within
Kneehill County as specified in the Scope of Work Appendix "A"

IN WITNESS WHEREOF the parties hereto, through their authorized officers, have executed this Agreement, intending to be bound by it, effective the date first written above.


KNEEHILL COUNTY



Reeve, Jerry Wittstock

APRIL 4, 2018

Date



CAO, Al Hoggan

APRIL 4, 2018

Date

THE CONTRACTOR



Signature


Seal or Witness

Carol Rauw

Print name

MARCH 22 2018

Date



Signature

Seal or Witness

Kevin McClyment

Print name

MARCH 22 2018

Date



CONTRACTOR SAFETY FORM

Date of Orientation/Acknowledgement: April 11 2018
Contractor Name: Netook Construction Ltd.
Health and Safety Officer/Manager: Carol Rauw
Prime Contractor: kneehill County

Contractors must receive a safety orientation in order to cover several aspects of Kneehill County's Safety Program. Please initial beside each one as they are covered during the orientation.

- Contractor has reviewed the Kneehill County Health and Safety Manual pertaining to the work
 - Kneehill County expectations of Contractors to ensure health and safety
 - Contractor and their employee's obligation to refuse unsafe work
 - Safety reporting including but not limited to daily toolbox meetings, incidents, hazard identification, near misses, first aid administration
 - Procedures regarding personal protective equipment (PPE). i.e. PPE required, when it is required, and proper use
 - Work site review
 - WCB acknowledgement/confirmation
 - Liability Insurance coverage acknowledgment/confirmation
-

NOTE: Signing this form verifies that the Contractor has received the safety orientation, and understands their role on the work site. This Contractor further understands that *Occupational Health and Safety Legislation* will be adhered to during the performance of work duties for Kneehill County.

Contractor: Carol Rauw Date: April 11 2018
Print Name: Carol Rauw
Per Netook Construction Ltd.

CERTIFICATE OF INSURANCE

CERTIFICATE HOLDER:

Dated: April 11, 2018

Kneehill County
1600, 2nd Street NE
PO Box 400
Three Hills, AB T0M 2A0

NAMED INSURED:

Netook Construction Ltd. & Doyle Equipment Rentals LP
#116, 32580 RR 11 PO Box 4010
Olds, AB T4H 1P6

BROKER:

Lloyd Sadd Insurance Brokers Ltd.
350, 521 - 3rd Avenue SW
Calgary, AB T2P 3T3 P: 403.444.0950

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below. The insurance afforded is subject to the terms, conditions and exclusions of the applicable policy.

COMPANIES AFFORDING COVERAGE:

Company Letter "A" AVIVA Insurance Company of Canada

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE	POLICY EXPIRY DATE	LIMIT	
GENERAL LIABILITY						
A	Commercial General Liability including: - Broad Form Property Damage - Personal & Advertising Injury - Cross Liability/Severability of Interest - Contingent Employers Liability - Owners & Contractors Protective Liability - Contractual Liability	PEN81753729	December 5, 2017	December 5, 2018	\$5,000,000	Per Occurrence
					\$5,000,000	Aggregate Products & Completed Operations
A	Forest Fire Fighting Expense	PEN81753729	December 5, 2017	December 5, 2018	\$2,000,000	Per Occurrence
A	Employee Benefits Liability	PEN81753729	December 5, 2017	December 5, 2018	\$5,000,000	Per Occurrence
A	Tenants Legal Liability	PEN81753729	December 5, 2017	December 5, 2018	\$1,000,000	Per Occurrence
A	Non-Owned Automobile	PEN81753729	December 5, 2017	December 5, 2018	\$5,000,000	Per Occurrence
A	SEF 94 - Legal Liability for Damage to Hired Automobiles	PEN81753729	December 5, 2017	December 5, 2018	\$100,000	Per Occurrence
A	Sudden and Accidental Pollution	PEN81753729	December 5, 2017	December 5, 2018	\$2,000,000	Per Occurrence
AUTOMOBILE LIABILITY						
A	Standard SPF 1 : Blanket Fleet Coverage – All Vehicles Owned, Licensed to and/or Leased to the Named Insured	6141220830	December 5, 2017	December 5, 2018	\$2,000,000	Third Party Liability/ Combined Single Limit/Per Accident
UMBRELLA LIABILITY						
A	Excess Limits of: • General Liability Policy No. PEN81753729 • Automobile Liability Policy No. 6141220830	PEN81753729	December 5, 2017	December 5, 2018	\$5,000,000 \$5,000,000	Per Occurrence Aggregate
CONTRACTORS EQUIPMENT						
A	All Risk, Replacement cost subject to Insurers Standard Exclusions; Deductible 2% or \$5,000	PEN81753729	December 5, 2017	December 5, 2018	As per Schedule on File with Insurer \$500,000 Rented Equipment	
MOTOR TRUCK CARGO						
A	Carriers Broad Form	PEN81753729	December 5, 2017	December 5, 2018	\$300,000	Catastrophe Limit

Re: Commercial General Liability, Policy #PEN81753729 It is hereby understood and agreed that *Kneehill County* is added as an Additional Insured **Effective April 11, 2018** but only with respect to liability arising out of the operations of the Named Insured.

CANCELLATION

Should the Commercial General Liability policy be cancelled before the expiration date thereof, the issuing company will endeavor to mail **30** days written notice to the certificate holder named above, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representative.

LLOYD SADD INSURANCE BROKERS LTD.

per:



**Workers'
Compensation
Board**

Customer Service

Alberta

9912 – 107 Street
PO Box 2415
Edmonton AB T5J 2S5

Email: ebusiness.support@wcb.ab.ca
Tel: (780) 498-3999 (1-866-922-9221)
Fax: (780) 498-7999
WCB website: www.wcb.ab.ca

April 11, 2018

Reference Number: 272715

KNEEHILL COUNTY
ATTN: ELIZABETH HALL
PO BOX 400
THREE HILLS AB T0M 2A0

Dear Sir or Madam:

Re: NETOOK CONSTRUCTION LTD.
PO BOX 4010 STN MAIN
OLDS AB T4H 1P6

The above named subcontractor has an account with WCB-Alberta in the following industry(ies):

account	trade names(s)/industry	effective date	coverage
1439063	OPERATION OF HEAVY EQUIPMENT	Jan 01, 1977	worker coverage personal coverage for: JOHN A DOYLE KATHERINE A DOYLE

Please accept this letter as a clearance for this subcontractor under Section 126 of the Workers' Compensation Act, for work completed between the effective date of the account and the date of this letter, for the industry(ies) listed. If the subcontractor's account is closed, the clearance is effective for work done up to the close date. If work has not yet begun, obtain a clearance prior to releasing final payment. Any holdback on this account may be released for contracts completed, or for work completed up to the date of this letter.

Section 126 states that you have a responsibility to ensure your subcontractors' accounts are in good standing. To ensure this clearance has been issued for the correct subcontractor, please verify the subcontractor's address and industry information listed above.

Personal coverage is in effect for any business owner(s) listed. Please note: some business owners may have opted out of personal coverage and therefore will not appear. Please refer to our website for more information on personal coverage.

If the subcontractor is performing work for you outside Alberta, contact the WCB in that jurisdiction to determine your clearance and other WCB requirements.

Any alteration of this document is strictly prohibited and subject to a penalty up to \$5,000 on the first offense. Each subsequent offense will result in an increase in the penalty amount by \$5,000, up to a maximum \$25,000 per offense.

Yours truly,

eBusiness Support Team (10235223)

SIGN UP FOR ONLINE SERVICES - GO TO MY.WCB.AB.CA