

ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: January 18, 2024

RE: 2024 Early Budget Approval for Specific Items

Administrative Recommendation:

THAT the following early approval requests as contained in the January 18, 2024 Administrative Report be approved by the Regional District of Okanagan-Similkameen Board

Business Plan Objective:

To increase organizational efficiencies and anticipating that going out early for bids will result in lower prices and earlier delivery of vehicles.

Background:

It is not uncommon for Local Governments to grant early approvals for hiring of staff, purchasing items or to start construction of a project before the budget is adopted. Early approvals should only be requested if the purchase of the item is required before adoption, or the early approval will result in efficiencies and/or the anticipation of the bid for the project would be lower with an early bid process.

Submitted for Early Approval:

1. Capital Budget- Area “E” Naramata Raw Water Pump Rebuilds

The raw water pumps convey the water to the treatment plant for the Naramata Water System. The pumps require critical maintenance at this time. One pump was rebuilt in 2023 and the other 2 are due in 2024. The pumps will be both rebuilt in early 2024 if possible, otherwise one pump will be rebuilt in early 2024 and the other in late 2024 when the water demand is lowest in the water system. The budget for this project is \$110,000 and is funded from capital reserves.

This item is on schedule “E” page 27 and is on capital request form #01,

2. Capital Budget – Area “E” Naramata Water Pump Efficiency Study

It is essential that an efficiency study be commenced as soon as possible. Naramata water system comprises of three pump stations with 12 pumps and a cumulative capacity of around 1200 hp. Also these pump stations are among the highest electricity consuming accounts. The total electricity consumption for these three accounts was around 1.8 million kWh and annual bill was \$220,000 in 2022.

The proposed custom efficiency study will measure real time interval data of electrical parameter such as voltage, current, real power, power factor, harmonics etc., create pump curve from existing flow data for all 12 pumps, and analyze data to identify efficiency improvement measure for motor and pumps that includes need for VFD, power factor corrections, and improve operation and maintenance schedule. In the capital plan for 2024, several pumps and motors are planned for replacement (CCF 08). It is imperative that the study be completed prior to the upgrades to look for efficiency options that will result in lower operational costs. The budget for this project is \$25,000 and is funded from operational reserves.

This item is on schedule “E” page 27 and is on capital request form # 03

3. Capital Budget – Area “F” West Bench Water air cooling system for pump station

In early 2023 the West Bench pump station had variable frequency drives (VFDs) installed. The temperature of the operating drives increase the ambient room temperature to levels over what is recommended for such equipment with the existing vents and fan. In order to ensure safe operating temperatures are maintained during the heat of the summer months, an air cooling system is required and early approval will allow for this cooling system to be installed before summer. The budget for this project is \$30,000 and is funded from capital reserves.

This item is on schedule “E” page 29 and is on capital request form #34.

4. Capital Budget – Area “D” Ok Falls Wastewater Treatment Plant UV System

The existing Ultraviolet (UV) disinfection system is 10 years old and currently operating at 100% continuously. There are several times throughout the year where the UV system is at its flow and performance limit. Early approval will allow staff to order a new system and get it installed as soon as possible to meet the growing needs of the community. The budget for this project is \$210,000 and is funded from Development Cost Charges.

This item is on schedule “E” page 22, and is on capital request form #08.

5. Capital Budget – Area “D” Ok Falls Sewer Priority Upgrades

Replacement of high priority components to meet development requirements in the Okanagan Falls sewer system is essential. The project involves several sewer mains and infrastructure upgrades as they are undersized and not able to handle growth. Early approval will allow for designs to commence immediately for increasing capacity for servicing the existing community and planned development. The budget for this project is \$498,111 and is funded from the Community Growth Fund.

This item is on schedule “E” page 22 and is on capital request form #11

6. Capital Budget – Area “D” Ok Falls Water Priority Upgrades

Replacement of high priority components to meet development requirements in the Okanagan Falls water system is essential. The project involves several water main and associated

infrastructure upgrades as they are undersized and no able to handle growth. Early approval will allow for designs to begin immediately for increasing the distribution system capacity for servicing the existing users and planned development. The budget for this project is \$498,111 and is funded \$398,111 from capital reserves and \$100,000 from CEC fund.

This item is on schedule “E” page 24 and is on capital request form #26.

7. Capital Budget – Area “D” Okanagan Falls Water Office Relocation

This project is to provide facilities for the water operations at the Okanagan Falls works yard. The Okanagan Falls Community Service office is expanding to meet the needs of the community. To prepare the site and bring in suitable buildings to meet the operation’s needs in 2024, the project needs to begin as early as possible. The first task will be the ordering of a suitable building which may take 4 to 6 months to receive. The budget for this project is \$150,000 and is funded from the Community Works Fund (Gas Tax).

This item is on schedule “E” page 24 and is on capital request form #33.

8. Capital Budget – Purchase of two service vehicle for the Utility Department

The Utility Department requires a scheduled replacement of two utility pickup trucks. With early approval the trucks may ordered three month early and put in service. The early request is to ensure that the vehicles can be received in time for summer use. The budget for this purchase is \$130,000 and is funded from capital reserves.

This item is on schedule “E” page 1 and is on capital request form #21.

9. Capital Budget – Capital upgrades and Site Analysis for the Protective Service Department

Emergency Services, a Department of Community Service is requesting early approval for the following capital projects.

These projects are essential to upgrade our protective services infrastructure. The projects will have to be fully funded from borrowing. **Thus, the early approval request is two fold, one to commence the borrowing process, which will require either voter assent or alternate approval process, and then formal Board approval through a bylaw.**

Project	2024 Budget	Form No.
BLACKBURN COMMUNICATIONS SHELL UPGRADES	60,000	35
EAST GATE VHF STUDY	10,000	36
ERRIS & HAYES CREEK VHF REPEATER SYSTEM COVERAGE TEST AND ANALYSIS	57,000	37
IRIDIUM SATELITE PHONE TESTING	15,000	38
KEREMEOS DROP SITE TESTING	25,000	39
KEREMEOS PINCUSHION SITE-RELOCATION	120,000	40
OK FALLS VHF REPEATER RELOCATION	300,000	41
OLIVER DROP SITE TESTING	15,000	42
OSOYOOS VHF REPEATER STUDY	20,000	43
RADIO SITE SECURITY UPGRADES	25,000	44
STARLINK TEST	15,000	45
Total Capital Expenses	\$ 662,000	

These items are on schedule “E” page 7 and is on capital request forms #35 to #45.

10. Capital Budget – Purchase of small transit bus (20 passenger)

The Desert Sun Counselling and Resource Centre is located at 762 Fairview Rd, Oliver, BC. It is a non-profit organization that provides supportive programs to empower people of all ages to experience an enhanced quality of life in their homes, schools, and communities. They offer a wide variety of programs and resources for all ages, including counselling services, parenting supports, anti-violence programs, crisis response, aging-in-place programming, computer tutoring, and more.

While they have a small bus to transport their clients, they require a large bus to meet their needs. The Electoral Area Directors of “A” and “C” have committed to funding the bus.

Electoral Areas “A” and “C” both have committed \$35,000 each and Electoral Area “D” committed \$27,500 to be funded from their respective Community Works Fund (gas tax).

Early approval will allow the centre to purchase the bus so they may have it for the summer season.

This item is on schedule “E” pages 122, 123 and 127 no capital request form was filled out.

11. Capital Budget – Keremeos & Area “B” and “G” Fire Hall Relocation Study

The study’s objective is to locate a location which will enhance the emergency response times, and the overall community safety. Early approval will allow us to expedite this process.

This item is on schedule “E” page 10, no capital request form filled was out.

12. Capital Budget – Keremeos and Area “B” and “G” Similkameen Recreation Centre Exterior landscaping.

With early approval the planned exterior landscaping can be completed in the spring. The budget for this project is \$75,000, and funded from the capital reserve.

This item is on schedule “E” page 35, capital request form number 28.

13. Capital Budget – Area “I” Pioneer Park Tennis sport Courts

The Director requested that Community Services construct tennis sport courts in Pioneer Park. The project is to be funded from Growing Community Fund which has a maximum budget of \$298,111.

This item is on schedule “E” page 41, no capital request form filled was out.

14. Capital Budget – Regional Trails to replace 2 pickups trucks

Staff is requesting early approval for the lifecycle replacement of 2 existing Community Service pickups with hybrid pickups. The objective of early approval is to ensure that the vehicle will be available for the spring. The budget for this purchase is \$144,000 and funded from capital reserve.

This item is on schedule “E” page 46, capital request form #47.

15. Capital Budget – Regional Trails to purchase a zero turn mower.

Staff is requesting early approval to purchase a zero turn mowers. The objective of early approval is to ensure that the vehicle will be available for the spring. The budget for this purchase is \$28,000 and funded from capital reserve.

This item is on schedule “E” page 46, capital request form #46

16. Capital Budget – Keremeos and Area “B” and “G” Fire Hall relocation study.

A relocation study will take time and an early approval will allow for an RFP to go out in late January. With the study completed early a recommendation can be made to the Board regarding possible land purchase and ultimately borrowing. This project has a budget of \$35,000 carried over from 2023 and an additional \$45,000 in the 2024 budget and is funded from capital reserve.

This item is on schedule “E” page 10, no capital request form.

17. Capital Budget – Mariposa Park Upgrade

An early approval for this project will allow staff to complete an RFP and award the project early in the year. The project has a budget of \$56,072 carried over from 2023 and an additional \$202,650 in the 2024 budget and is funded from the growing community fund.

This item is on schedule “E” page 43 no capital request form.

Staff have also requested that early approvals be given to some of the 15 Full Time Equivalent (FTEs) requested. The recommendation is that no early approval be given until after first reading. This will give the Board time to have a final review of the requests and early approval can be given after the review.

At the December 21, 2023 meeting, the Board directed staff to create a protective service department. A senior manager will have to be hired and by deleting FTE02 (emergency program technician) and hiring a senior manager the Board's directive can be met.

Requested FTEs

FTE08 – Utility Coordinator

FTE 09 - Engineering Technologist I

FTE05 - Pest Control/labourer

FTE17 - Communication Manger

FTE15 Accountant II

Alternatives:

THAT the early approval requests be denied.

Or

THAT the early approval requests be approved as amended

Respectfully submitted:

Jim Zaffino

J. Zaffino, Chief Administrative Officer