Three Hills

2027 DRAFT
Capital Budget and Five-Year Project Plan



2027 Proposed Capital Budget

The 2027 Proposed Capital Budget outlines a series of strategic investments focused on enhancing municipal infrastructure, supporting community services, and ensuring long-term asset sustainability. This budget includes a total of twenty-two (22) new capital projects, collectively amounting to $4,011,000. These projects address needs across various departments, including transportation, water infrastructure, and facility upgrades aiming to maintain service delivery and community well-being.

The investment of $4,011,000 represents a balanced approach to advancing municipal priorities, focusing on projects that deliver maximum value for residents and support long-term growth and stability. Rising inflationary pressures continue to affect the municipality's overall ability to fund capital expenditures. Increased costs for materials, labour, and equipment could impact the scope and timing of some projects, requiring close financial monitoring and potential adjustments to maintain fiscal responsibility. This capital plan is designed to align with our strategic objectives, ensuring that resources are allocated efficiently while addressing both the current and future needs of the community.



2026 Photo Contest Winner

Unrestricted and Restricted Reserves

A reserve is an appropriation from net revenue at the discretion of Council. The Town does not apply interest earned to specific reserves; interest is reported as general revenue.

Reserves are an allocation of accumulated net surplus. There are two types of reserves: restricted and unrestricted. Restricted reserve funds are created whenever statute requires. Unrestricted reserves are established by Council to finance a future expenditure. Reserve balances are established at the discretion of Council.

Reserves may receive annual contributions from the operating budget and external sources to assist with the creation of a solid financial position to support the Town's future cash requirements. Maintaining sufficient balances in reserves is a critical component of a municipality's long term financial plan as it strengthens its long-term financial sustainability, helping to minimize fluctuations in the tax rate and provides funding to sustain infrastructure.

Operating Reserves - Unrestricted

Operating Reserves are used to offset extraordinary and unforeseen expenditure requirements, one-time expenditures, revenue shortalls, to minimize fluctuations on the general tax rate, and to manage cash flows.

General Operating

The General Operating Reserve shall be used:

- To provide funding for unanticipated operating general expenses or emergency expenses.
- To balance a deficit; or
- For non-budgeted items that required funding and are approved by Council during the year.

Tax Rate Stabilization

The Tax Rate Stabilization Reserve shall be used to establish dedicated funds that can be used to stabilize the level of municipal property tax increases over future years.

Cemetery Perpetual Care

The Cemetery Perpetual Care Reserve shall be used to provide funds for the improvement, maintenance, management, control, and operation of Town cemeteries once closed for future internments.

Water/Wastewater Operating

The Water/Wastewater Operating Reserve shall be used to provide funding for water or wastewater expenses of an operating nature.

Name	December 31, 2026 Projected Balance	Contributions From Operating Fund	Transfer for Capital Projects	December 31, 2027 Projected Balance
Tax Rate Stabilization	929,994	35,000		964,994
General Operating	1,410,878	41,000		1,451,878
Water/Wastewater Operating	434,997	75,000		509,997
Cemetery Perpetual Care	36,999	2,000		38,999
Total	**2,812,869**	**153,000**	**-**	**2,965,869**

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Capital Reserves – Unrestricted Reserves

Capital reserves are used to fund specific replacements or renewals of capital assets. As the assets of the Town increase, so should the contribution from the operating budget to these reserves for the replacement and refurbishment needs of the underlying capital asset, based on lifecycle costing.

Administration Building Capital

The Administration Building Capital Reserve shall be used to provide funds for the capital improvement or replacement of the Town Administration building (i.e. structural improvements, roof replacement, floor coverings, etc.) and major equipment (i.e. electronic data processing hardware, software, printers/scanners, etc.).

Aquatic Centre Reserve

The Aquatic Centre Reserve shall be used to fund capital projects for repair, renovation, renewal, and replacement of the Three Hills Aquatic Centre. This reserve does not include repairs, renovations, renewal or replacement of the Three Hills Splash Park.

Arena Reserve

The Centennial Arena Reserve shall be used to fund capital projects for repair, renovation, renewal, and replacement of the Three Hills Centennial Arena.

Campground Reserve

The Campground Reserve shall be used to fund capital projects for repair, renovation, renewal, replacement, and/or expansion of the Three Hills Campground.

Cemetery Reserve

The Cemetery Reserve shall be used to fund capital projects relating to Town-operated cemeteries. Such projects may include expansion of a cemetery and repairs, replacements or upgrades to the columbaria.

Community Centre Reserve

The Community Centre Reserve shall be used to fund capital projects for repair, renovation, renewal, and replacement of the Three Hills Community Memorial Centre.

Emergency Services Capital

The Emergency Services Reserve shall be used to provide funds for the replacement of the Town Fire Hall and other fire infrastructure and equipment within the Town of Three Hills. This reserve fund may also be used for the purchase of fire apparatus. Such infrastructure and equipment may include Engine 51, Engine 52, Command 50, Rescue 54, Tanker 55, and Squad 56. This reserve does not include funds for purchasing turn-out gear.

General Capital

The General Capital Reserve shall be used to provide funding to accommodate current year capital funding requirements that have not been previously established from existing reserves.

This reserve is intended for use to, at least partially, fund one-time emergent capital projects that require additional funds that exceed the approved annual budget. This may be due to scope changes in work, natural disasters, unique requirements based on ratepayers' requests, reduced funding from other sources (i.e. Government grants) or a dramatic increase in costs due to a one-time special circumstance.

Land Development Reserve

The Land Development Reserve shall be used to purchase and develop lands for the economic development of the Town. Proceeds from the sale of Town-owned lands shall go back into this reserve.

Library Capital Reserve

The Library Capital Reserve shall only be used to provide funds for the capital improvement or replacement of the Three Hills Library building (i.e. structural improvements, roof replacement, floor coverings, etc.). This reserve shall not be used for cosmetic capital improvements or replacements.

Municipal Reserve (cash in lieu)

The Municipal Reserve shall be used to fund capital projects for repair, renovation, renewal, replacement, of lands designated as Municipal Reserves (MR).

Parks & Playgrounds Reserve

The Parks & Playgrounds Reserve shall be used to fund the development and/or upgrades of Town parks and playgrounds, including the Three Hills Splash Park.

Solid Waste Capital Reserve

The Solid Waste Capital Reserve shall be used to:

- Fund the lifecycle replacement of capital infrastructure or future capital acquisitions relating to solid waste collection services;
- Fund the lifecycle replacement of capital infrastructure or future capital acquisitions relating to solid waste recycling services; and/or
- Fund the replacement of capital infrastructure or future capital acquisitions relating to the landfill.

Transportation Capital

The Transportation Reserve shall be used to provide funds for capital transportation infrastructure needs within the Town. Such needs may include construction, repair, or replacement of arterial roadways including all related appurtenances (i.e. including, but not limited to, sidewalks, asphalt pathways, street lighting, storm sewers, traffic control devices, etc.).

Wastewater Capital Reserve

The Wastewater Capital Reserve shall be used to provide funds for replacement or construction of wastewater collection systems and networks and storm drainage systems.

Water Capital Reserve

The Water Capital Reserve shall be used to provide funds for replacement of construction of water supply and distribution systems and networks. This reserve may include:

- Replacement of equipment for the Water Treatment Plant;
- Replacement of equipment for the Water Distribution network (i.e. pumphouse, lift stations, etc.);
- Repairs or replacement of water lines; and/or
- Repairs, replacement, or construction of other water infrastructure.

Name	December 31, 2026 Projected Balance	Contributions From Operating Fund	Transfer for Capital Projects	December 31, 2027 Projected Balance
General Capital	1,431,932	100,000	(620,000)	911,932
Emergency Services	148,840	20,000		168,840
Land Development	965,003	150,000	(900,000)	215,003
Administration Building	97,938	35,000	(15,000)	117,938
Transportation	990,000	395,000	(813,000)	572,000
Water	-	455,000	(8,000)	447,000
Wastewater	389,499	145,000		534,499
Solid Waste	242,636	25,000		267,636
Cemetery	37,500	2,500		40,000
Municipal Reserves (cash in lieu)	122,974			122,974
Aquatic Centre	426,148	50,000	(44,000)	432,148
Arena	331,749	100,000	(93,000)	338,749
Parks & Playgrounds	485,904	35,000	(380,000)	140,904
Campground	102,501	2,500		105,001
Community Centre	158,000	15,000	(33,000)	140,000
Library	54,250	7,250	(50,000)	11,500
Total	**5,984,873**	**1,537,250**	**(2,956,000)**	**4,566,123**

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Government Funded Reserves - Restricted Reserves

These reserves are established to track the revenues received (or receivable) from Provincial or Federal governments for eligible infrastructure programs. Funding received from other levels of government will be used in the current budget as per the guidelines of each program.

Local Government Fiscal Framework Grant (LGFF)

Formally known as the Municipal Sustainability Initiative (MSI) fund, Alberta municipalities are receiving a total of $955 million in capital funding in 2027. Communities have been able to build and rehabilitate:

- Roadways and bridges
- Water and wastewater systems
- Public transit facilities
- Recreation and sport facilities
- Other key local priorities

The Town's allocation has increased from $697.569 in 2026 to $778,731 in 2027.

Build Communities Strong Fund – Community Stream (BCSF)

Formerly known as the Canada Community Building Fund (CCBF), and previously the Federal Gas Tax Fund (GTF), provides all municipalities across the country with a permanent, stable, and indexed source of infrastructure funding. It was made permanent in 2011 at $2.5 billion per year, and is indexed at 2 percent per year, starting in 2014-2015. Under Build Communities Strong Fund, the town received $240,777 in 2026 and is expected to stay the same in 2027.

Municipalities determine projects and activities based on local priorities within the general qualification criteria set out in the program guidelines.

Communities select how best to direct the funds with the flexibility to make strategic investments across the following project categories:

- Public transit, highways, local roads and bridges
- Drinking water and wastewater infrastructure
- Solid waste management
- Community energy systems
- Capacity building
- Local and regional airports, short-line rail short-sea shipping
- Disaster mitigation
- Broadband and connectivity
- Brownfield redevelopment
- Culture and tourism, sport and recreation
- Fire halls

The funding provided under this program is in addition to other provincial grant funding, such as the Local Government Fiscal Framework, and non-grant funding of municipal infrastructure.

It is intended to cover capital costs only and may not be used for maintenance or operating costs, debt reduction, or replacement of existing municipal infrastructure expenditures.

Name	December 31, 2026 Projected Balance	Other Revenue	Transfer for Capital Projects	December 31, 2027 Projected Balance
Local Government Fiscal Framework	458,136	778,731	(800,000)	436,867
Build Communities Strong Fund	-	240,777	(240,000)	777
Total	**458,136**	**1,019,508**	**(1,040,000)**	**437,644**

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Dedicated Reserves

The Town also maintains dedicated reserves for landfill closure and post-closure costs and for developer contributions received in the past.

Name	December 31, 2026 Projected Balance	Contributions From Operating Fund	Transfer for Capital Projects	December 31, 2027 Projected Balance
Landfill Environmental/Closure	559,467	50,000		609,467
Developer Cont – Water	31,437			31,437
Developer Cont - Wastewater	14,787			14,787
Total	**605,691**	**50,000**	**-**	**655,691**

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Summary of Restricted and Unrestricted Reserves

Type	Name	December 31, 2026 Projected Balance	Contributions From Operating Fund	Other Revenue	Transfer for Capital Projects	December 31, 2027 Projected Balance
Capital Reserve	General Capital	1,431,932	100,000		(620,000)	911,932
Capital Reserve	Emergency Services	148,840	20,000			168,840
Capital Reserve	Land Development	965,003	150,000		(900,000)	215,003
Capital Reserve	Administration Building	97,938	35,000		(15,000)	117,938
Capital Reserve	Transportation	990,000	395,000		(813,000)	572,000
Capital Reserve	Water	-	455,000		(8,000)	447,000
Capital Reserve	Wastewater	389,499	145,000			534,499
Capital Reserve	Solid Waste	242,636	25,000			267,636
Capital Reserve	Cemetery	37,500	2,500			40,000
Capital Reserve	Municipal Reserves (cash in lieu)	122,974				122,974
Capital Reserve	Aquatic Centre	426,148	50,000		(44,000)	432,148
Capital Reserve	Arena	331,749	100,000		(93,000)	338,749
Capital Reserve	Parks & Playgrounds	485,904	35,000		(380,000)	140,904
Capital Reserve	Campground	102,501	2,500			105,001
Capital Reserve	Community Centre	158,000	15,000		(33,000)	140,000
Capital Reserve	Library	54,250	7,250		(50,000)	11,500
Dedicated	Landfill Environmental/Closure	559,467	50,000			609,467
Dedicated	Developer Cont – Water	31,437				31,437
Dedicated	Developer Cont - Wastewater	14,787				14,787
Government Grant	Local Government Fiscal Framework	458,136		778,731	(800,000)	436,867
Government Grant	Build Communities Strong Fund	-		240,777	(240,000)	777
Operating Reserve	Tax Rate Stabilization	929,994	35,000			964,994
Operating Reserve	General Operating	1,410,878	41,000			1,451,878
Operating Reserve	Water/Wastewater Operating	434,997	75,000			509,997
Operating Reserve	Cemetery Perpetual Care	36,999	2,000			38,999
Totals		**9,861,569**	**1,740,250**	**1,019,508**	**(3,996,000)**	**8,625,327**

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Capital Improvement Plan

The purpose of the capital improvement plan is to forecast and match projected revenues and major capital needs over a five-year period. Capital planning is an important management tool that strengthens the linkages between community infrastructure needs and the financial capacity of the town.

The Town of Three Hills faces the challenge of meeting the needs of its residents for public services and facilities with increasing costs and relatively fixed revenues. To be able to effectively set project priorities, the town prepares a Capital Improvement Plan (CIP)

Capital Improvement Planning

A Capital Improvement Plan (CIP) is the preparation and updating of a schedule of public works projects and related equipment to be built or purchased by the Town within a period of five years. It covers the entire range of public facility and service requirements. The CIP lists all future projects along with cost estimates and the anticipated means of financing each project.

Capital improvements are public improvements involving the expenditure of public funds, over and above normal annual operating expenses, for the purchase, construction or replacement of specific physical facilities or assets of the community. Examples include, but are not limited to:

- The construction of bicycle and pedestrian pathways and parks improvements
- The renovation of community owned buildings
- The purchase of land
- Vehicle or equipment purchases
- Construction of water and sewage treatment facilities
- Extension of water and sanitary sewer lines
- And other items to support the municipality

The town defines capital expenditures as any expenditure of major value that recurs irregularly, results in the acquisition of a fixed asset, and has a useful life greater than one (1) year.

The first year in the plan is referred to as the “Capital Budget” and includes those projects scheduled to be funded in the upcoming fiscal year. The succeeding years’ schedule of projects makes up the Capital Improvements Plan and serves as a mechanism for tracking and planning for future needs.

Plan Objectives

The Three Hills CIP achieves major objectives as a component of the Town’s budget and financial planning process:

- Helps the town rationally and intelligently plan for the repair, replacement, and acquisition of capital items that are necessary in providing high-quality services to the citizens of Three Hills.
- Assists in fiscal planning by forecasting capital demands together with future revenues and expenditures (as part of the financial plan)
- Ensures better coordination, evaluation, and planning of projects to serve the community and its needs.
- The CIP, together with the Financial Plan, serves as a guide to decision-making for Council, the CAO, and employees.

The systematic and comprehensive analysis of capital needs increases the probability of making rational (and correct) budgetary judgements since improvements are identified, prioritized, and matched to the projected fiscal resources of the Town.

	2027	2028	2029	2030	2031	2032 +	Total
Administration							
Hardware Replenishment	15,000	20,000	15,000	15,000			65,000
Town Hall Lift Replacement		50,000					50,000
Server Replacements		40,000					40,000
ERP Accounting System	200,000						200,000
Total	**215,000**	**110,000**	**15,000**	**15,000**	**-**	**-**	**355,000**
Transportation & Infrastructure							
Asphalt Maint. & Resurfacing Program	350,000	375,000	375,000	375,000	400,000		1,875,000
Fleet Vehicles	75,000		75,000		75,000		225,000
Infrastructure Master Plan	150,000						150,000
Loader	320,000						320,000
Grader		450,000					450,000
Skid Steer Box Blade	8,000						8,000
Smooth Drum Compactor Replacement	25,000						25,000
Hook Truck Roll-On Box	35,000						35,000
Portable Hot Water Pressure Washer		5,500					5,500
Iron Shield Drainage				1,000,000			1,000,000
Total	**963,000**	**830,500**	**450,000**	**1,375,000**	**475,000**	**-**	**4,093,500**
Community Services							
Arena - Olympia Replacement		210,000					210,000
Arena-Ice Edger		6,200					6,200
Arena - Olympia Driveway Repair	65,000						65,000
Arena - Parking Lot Repair	325,000						325,000
Arena - Floor Machine	12,000						12,000
Arena - Brine Headers		36,500					36,500
Arena - Puckboard Replacement		35,000					35,000
Arena - Life Breath Unit (air exchange)		30,000					30,000
Arena New Sound system				75,000			75,000
Arena - Shower Retiling			40,000				40,000
Arena - Fire Panel	16,000						16,000
Pool - Changeroom Floors		40,000					40,000
Pool - Major Building Overhaul						20,000,000	20,000,000
Pool - Gym Equipment (treadmill, weights, bike)	11,000		10,000		10,000		31,000
Pool - Main Pool Regrout (portion of it)	20,000	20,000	20,000				60,000
Pool - Ladders	13,000						13,000
Pool - Slide Replacement				150,000			150,000
Pool - Climbing Wall Replacement		45,000					45,000
Splash - Water Feature Upgrades				90,000			90,000
Comm Centre - Hot Water Tank Replacement		15,000					15,000
Comm Centre - LED Lighting	48,000						48,000
Comm Centre - Main Auditorium Walls		160,000					160,000
Comm Centre - Furnace and AC			100,000				100,000
Library Roof Replacement	290,000						290,000
Fire - Rescue Tools					80,000		80,000
Fire - SCBA Bottles (2041)						75,000	75,000
Ball Diamond Fence #2 Replacement		53,000					53,000
Campground Bathrooms/Concession Reno				100,000			100,000
Ball Diamond #1 Dugout Replacement	27,000						27,000
Ball Diamond #1 Field Lighting	330,000						330,000
Parks Fleet Vehicles		75,000					75,000
Mower Replacement Program	23,000		25,000		25,000		73,000
Campground Electrical Upgrade to 50amp					300,000		300,000
Cemetery Ribbon Installation			27,000		30,000		57,000
Tennis Court Resurfacing			63,000				63,000
Grantville Park Rehabilitation			75,000				75,000
Multi Use Community Recreation Facility						30,000,000	30,000,000
Total	**1,180,000**	**725,700**	**360,000**	**415,000**	**445,000**	**50,075,000**	**53,200,700**

	2027	2028	2029	2030	2031	2032 +	Total
Planning & Development							
Residential Development (7 Street NE)	1,195,000		1,000,000				2,195,000
Commercial Development		1,000,000	1,000,000				2,000,000
Total	**1,195,000**	**1,000,000**	**2,000,000**	**-**	**-**	**-**	**4,195,000**
Total General Fund	**3,553,000**	**2,666,200**	**2,825,000**	**1,805,000**	**920,000**	**50,075,000**	**61,844,200**
Water & Sewer							
WTP - SCADA Upgrades				75,000			75,000
WTP - Raw Water Pond Bypass Valves	8,000						8,000
1st Avenue & 3rd Street Water Line	800,000						800,000
Equity Pump Station Facility		250,000					250,000
Fleet Vehicles		70,000		70,000			140,000
Utility Replacement Program		55,000	1,200,000	55,000	1,200,000		2,510,000
Total	**808,000**	**375,000**	**1,200,000**	**200,000**	**1,200,000**	**-**	**3,783,000**
Plan Total	**4,361,000**	**3,041,200**	**4,025,000**	**2,005,000**	**2,120,000**	**50,075,000**	**65,627,200**

Capital Improvement Plan Funding

The capital improvement plan has been prioritized and projected based on need and the expected levels of funding available to fund the plan. The town's contributions to the CIP can be defined within two categories:

- *Funded from reserves* - projects are partially or fully funded through capital reserves. Capital reserve balances can be funded through contributions from the operating budget, contributions from developer's or by the sale of capital assets.
- *Debt* – projects are partially or fully funded using long-term debt.

Contributions from other governments or organizations can also fund the capital program and include the following categories:

- *Build Communities Strong Fund* (formerly Canada Community Building Fund, and previously the Federal Gas Tax fund) – which currently provides $240,777 annually in federal funding to invest in eligible municipal infrastructure, such as water, wastewater and transportation projects.
- *Local Government Fiscal Framework* (formerly Municipal Sustainability Initiative) – which supports local infrastructure priorities and building strong, safe and resilient communities. Three Hills will receive $778,731 in 2027 ($697,569 in 2026).
- *Other Provincial Funding* - includes conditional funding from programs offered through provincial departments; examples would be the Watershed Resiliency and Restoration Program (WRRP) or the Alberta Municipal Water/Wastewater Partnership (AMWWP)/ Water for Life program.
- *Other Revenue* – includes funding from other municipalities, third parties or development charges.

Other funding indicates future year projects where the funding has not yet been identified, either internally or externally. Funding for these projects will be identified as they become current, or they will be dropped from the Capital Improvement Plan.

Department	Water/Sewer Reserves	General Capital Reserves	Build Communities Strong Fund	Local Government Fiscal Framework	Long Term Debt	Operating Budget
Administration	-	155,000	-	-	-	200,000
Transportation & Infrastructure	-	2,493,500	-	1,450,000	-	150,000
Community Services	-	2,472,700	503,000	225,000	50,000,000	-
Planning & Development	-	4,195,000	-	-	-	-
Water & Sewer	1,023,000	-	-	2,760,000	-	-
Total program	1,023,000	9,316,200	503,000	4,435,000	50,000,000	350,000

2027 Proposed Capital Projects and Funding Sources

Capital Projects

	Department	Project Name	Proposed Budget	Funding Amount	Funding Source
1	Administration	IT Equipment Replacements	15,000	15,000	Capital Reserve - Administration
2	Aquatic Centre	Aquatic Centre Ladders	13,000	13,000	Capital Reserve - Aquatic Centre
3	Aquatic Centre	Aquatic Centre Regrouting	20,000	20,000	Capital Reserve - Aquatic Centre
4	Aquatic Centre	Aquatic Centre Gym Equipment	11,000	11,000	Capital Reserve - Aquatic Centre
5	Arena	Centennial Place Arena/Aquatic Centre Parking Lot Rehabilitation	325,000	325,000	Capital Reserve - General
6	Arena	Centennial Place Arena – Fire Alarm Panel Replacement	16,000	16,000	Capital Reserve - Arena
7	Arena	Centennial Place Arena – Olympia Driveway Concrete Resurfacing	65,000	65,000	Capital Reserve - Arena
8	Arena	Centennial Place Arena – Floor Scrubber Replacement	12,000	12,000	Capital Reserve - Arena
9	Other Town Facilities	Community Centre – LED Lighting Upgrade	48,000	33,000	Capital Reserve - Community Centre
				15,000	ATCO Community Energy Fund
10	Other Town Facilities	Three Hills Library – Roof Replacement	290,000	240,000	Build Communities Strong Fund
				50,000	Capital Reserve - Library
11	Parks & Playgrounds	Ball Diamond #1 – Field Lighting	330,000	330,000	Capital Reserve - Parks & Playgrounds
12	Parks & Playgrounds	Ball Diamond #1 – Dugout Replacement	27,000	27,000	Capital Reserve - Parks & Playgrounds
13	Parks & Playgrounds	Mower Replacement	23,000	23,000	Capital Reserve - Parks & Playgrounds
14	Planning	Residential Development 7 Street NE	1,195,000	900,000	Capital Reserve - Land
				295,000	Capital Reserve - General
15	Transportation & Equipment	Asphalt & Sidewalk Replacement Program	350,000	350,000	Capital Reserve - Transportation
16	Transportation & Equipment	Fleet Vehicle Replacement	75,000	75,000	Capital Reserve - Transportation
17	Transportation & Equipment	Hook Truck Roll-On Box	35,000	35,000	Capital Reserve - Transportation
18	Transportation & Equipment	Wheel Loader Replacement	320,000	320,000	Capital Reserve - Transportation
19	Transportation & Equipment	Skid Steer Box Blade	8,000	8,000	Capital Reserve - Transportation
20	Transportation & Equipment	Smooth Drum Compactor Replacement	25,000	25,000	Capital Reserve - Transportation
21	Water Distribution	1st Avenue & 3rd Street Water Line	800,000	800,000	Local Government Fiscal Framework
22	Water Supply	Raw Water Bypass Valve Replacement	8,000	8,000	Capital Reserve - Water Supply
			4,011,000	4,011,000	





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **IT Equipment Replacements**

Department Administration
Location Various

Projected Timeline 2027
Effect on Operating Budget None
Expected Lifespan Various



Description, Justification and Need for Project

Annual replacement of IT equipment to maintain efficient operations.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	15,000	-	-	-	-	15,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**15,000**	**-**	**-**	**-**	**-**	**15,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Administration	15,000	-	-	-	-	15,000
	-	-	-	-	-	-
Total proposed funding	**15,000**	**-**	**-**	**-**	**-**	**15,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Aquatic Centre Ladders**

Department Aquatic Centre
Location Aquatic Centre

Projected Timeline Winter 2027
Effect on Operating Budget N/A
Expected Lifespan 10 Years



Infrastructure Renewal

Description, Justification and Need for Project

The two ladders located in the deep end of the Aquatic Centre main pool require replacement. Originally purchased used from another aquatic facility, the ladders have been in service for several years and have deteriorated over time. Several repairs, including welding, have been completed to extend their service life. Staff recently investigated the possibility of further repairs; however, due to the condition of the ladders, additional welding is no longer possible, and replacement is recommended.

The ladders are a non-standard size and must be custom fabricated to fit the existing anchor locations in the pool deck. Standard ladders would not align with the existing anchors and would require modifications to the pool deck. The replacement ladders must be ordered from a supplier in the United States, with an estimated cost of approximately $10,000 for both ladders. Final pricing may vary due to exchange rates, tariffs, shipping, and other import-related costs.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	10,000	-	-	-	-	10,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	3,000	-	-	-	-	3,000
Total proposed budget	**13,000**	**-**	**-**	**-**	**-**	**13,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Aquatic Centre	13,000	-	-	-	-	13,000
	-	-	-	-	-	-
Total proposed funding	**13,000**	**-**	**-**	**-**	**-**	**13,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name Aquatic Centre Ladders

Supporting Documentation / Pictures









Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Aquatic Centre Regrouting**

Department Aquatic Centre
Location Aquatic Centre

Projected Timeline Completed During Shut Down
Effect on Operating Budget N/A
Expected Lifespan 10 Years



Infrastructure Renewal

Description, Justification and Need for Project

The grout within the main pool at the Aquatic Centre has deteriorated over time due to age, regular use, and continuous exposure to water and pool chemicals. During the annual January shutdown, small sections of the pool have been regrouted as part of regular facility maintenance. While this approach has addressed isolated areas, the overall condition of the grout has deteriorated to the point where larger sections now require attention.

This project would establish a planned regrouting program, with larger sections of the main pool being completed every second year. The work would progress systematically through the pool, with each phase focusing on a designated section until the entire pool has been regrouted. This approach would allow the Town to address the deterioration in an organized manner while spreading the cost over multiple budget years.

Regrouting will help maintain the integrity of the tiled pool surface by replacing deteriorated, cracked, or missing grout and reducing the potential for water to penetrate behind the tiles. The work will also improve the appearance and cleanliness of the pool while providing a smoother surface that is easier to maintain. Each phase would be completed during the Aquatic Centre's annual January shutdown to minimize disruption to programming and facility users.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	20,000	20,000	20,000	-	-	60,000
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**20,000**	**20,000**	**20,000**	**-**	**-**	**60,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Aquatic Centre	20,000	-	-	-	-	20,000
	-	-	-	-	-	-
Total proposed funding	**20,000**	**-**	**-**	**-**	**-**	**20,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Aquatic Centre Gym Equipment**

Department Aquatic Centre
Location Aquatic Centre

Projected Timeline Spring 2027
Effect on Operating Budget N/A
Expected Lifespan 5 Years

Recreation & Wellbeing

Description, Justification and Need for Project

The Aquatic Centre fitness area contains a variety of cardio and strength-training equipment that is regularly used by facility patrons. Due to its location within the Aquatic Centre, the equipment is exposed to higher humidity levels than would typically be experienced in a standalone fitness facility. This environment can accelerate the corrosion and deterioration of metal components, electronics, and other equipment parts, reducing the overall service life of the equipment. Several pieces of equipment are showing signs of age and deterioration and require replacement.

This project would include replacing one existing treadmill and weight bench, as well as purchasing a seated exercise bike. The addition of a seated exercise bike would provide patrons with another low-impact exercise option and address requests received from facility users. Completing these purchases as part of a planned capital replacement program will allow the Town to gradually replace aging equipment, maintain a safe and functional fitness area, and ensure patrons continue to have access to a variety of exercise equipment.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	11,000	-	-	-	-	11,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**11,000**	**-**	**-**	**-**	**-**	**11,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Aquatic Centre	11,000	-	-	-	-	11,000
	-	-	-	-	-	-
Total proposed funding	**11,000**	**-**	**-**	**-**	**-**	**11,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Centennial Place Arena/Aquatic Centre Parking Lot Rehabilitation**

Department Arena
Location Three Hills Arena / Aquatic Centre Parking Lot

Projected Timeline Summer 2027
Effect on Operating Budget N/A
Expected Lifespan 15 years

Infrastructure Renewal

Description, Justification and Need for Project

The parking lot located between Centennial Place Arena and the Aquatic Centre serves as the primary parking area for both facilities and experiences significant vehicle and pedestrian traffic throughout the year. The existing asphalt has deteriorated considerably, with widespread alligator cracking and other signs of pavement failure. Over the past ten years, a few localized areas of pavement settlement have also developed, requiring repairs and raising additional concerns about the condition of the asphalt and underlying base.

Drainage is another significant concern, as the existing catch basin is raised above the surrounding asphalt, preventing water from draining properly. As a result, water collects around the catch basin and freezes during the winter months, creating a slipping hazard for pedestrians accessing both facilities. The proposed project would include rehabilitating the deteriorated asphalt, addressing any underlying base deficiencies identified during construction, and correcting the grading to ensure water drains properly toward the catch basin. These improvements would help restore the condition of the parking lot, improve drainage, and provide a safer surface for vehicles and pedestrians.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	50,000	-	-	-	-	50,000
Construction	-	-	-	-	-	-
Materials & equipment	250,000	-	-	-	-	250,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	25,000	-	-	-	-	25,000
Total proposed budget	**325,000**	**-**	**-**	**-**	**-**	**325,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - General	325,000	-	-	-	-	325,000
	-	-	-	-	-	-
Total proposed funding	**325,000**	**-**	**-**	**-**	**-**	**325,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name Centennial Place Arena/Aquatic Centre Parking Lot Rehabilitation

Supporting Documentation / Pictures





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Centennial Place Arena – Fire Alarm Panel Replacement**

Department Arena
Location Centennial Place Arena

Projected Timeline Winter 2027
Effect on Operating Budget N/A
Expected Lifespan 15 years



Infrastructure Renewal

Description, Justification and Need for Project

During the 2026 annual fire alarm inspection at Centennial Place Arena, it was identified that the existing fire alarm control panel was not operating normally and was displaying a system fault. The panel was installed in 2009 and had operated without any significant issues prior to the 2026 inspection. The existing panel is now obsolete, as the manufacturer no longer produces this model and replacement parts are no longer available. As a result, the ability to repair the panel is limited should the current fault worsen or additional components fail.

The fire alarm control panel is a critical component of the building's life-safety system, serving as the central control point for monitoring connected devices throughout the facility and identifying alarm and trouble conditions. Maintaining a reliable and fully operational fire alarm system is essential to ensuring the safety of facility users and staff. Given the current system fault, the age of the equipment, and the unavailability of replacement parts, replacing the fire alarm control panel is recommended to ensure the continued reliability and functionality of the building's fire alarm system.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	15,000	-	-	-	-	15,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	1,000	-	-	-	-	1,000
Total proposed budget	**16,000**	**-**	**-**	**-**	**-**	**16,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Arena	16,000	-	-	-	-	16,000
	-	-	-	-	-	-
Total proposed funding	**16,000**	**-**	**-**	**-**	**-**	**16,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Centennial Place Arena – Olympia Driveway Concrete Resurfacing**

Department Arena
Location Centennial Place Arena

Projected Timeline Summer 2027
Effect on Operating Budget N/A
Expected Lifespan 10 years



Infrastructure Renewal

Description, Justification and Need for Project

The concrete driveway used by the Olympia ice resurfacer at Centennial Place Arena has deteriorated significantly and requires resurfacing. The studded tires on the Olympia cause considerably more wear on the concrete than normal vehicle or pedestrian traffic, resulting in a heavily pitted and uneven surface. As part of the 2022 Capital Budget, Council approved the application of a protective coating to extend the life of the concrete. However, the coating deteriorated over the following years and began to break apart, resulting in its complete removal in 2026.

As the concrete continues to deteriorate, the rough and pitted surface becomes increasingly difficult for staff to clean and maintain. Dirt, gravel, and other debris can become trapped in the damaged concrete and picked up by the Olympia tires, resulting in debris being tracked onto the ice surface. This affects the cleanliness of the ice and creates additional maintenance requirements for arena staff. The proposed project would resurface the driveway to provide a smooth, durable surface that is easier to clean and maintain, while reducing the amount of debris being tracked onto the ice.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	60,000	-	-	-	-	60,000
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	5,000	-	-	-	-	5,000
Total proposed budget	**65,000**	**-**	**-**	**-**	**-**	**65,000**

Proposed Funding

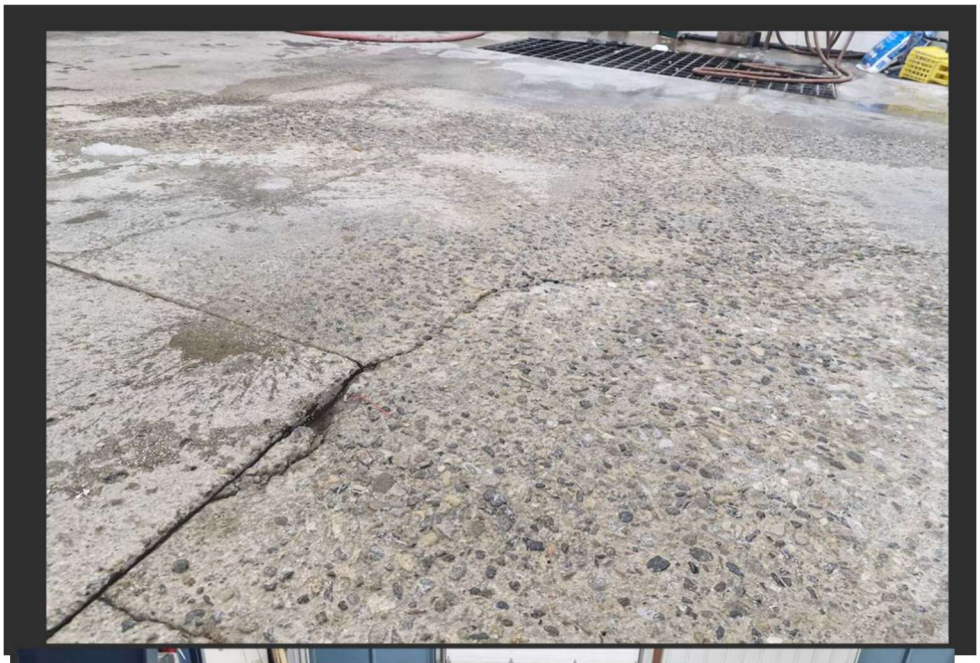
	2027	2028	2029	2030	2031	Total
Capital Reserve - Arena	65,000	-	-	-	-	65,000
	-	-	-	-	-	-
Total proposed funding	**65,000**	**-**	**-**	**-**	**-**	**65,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Centennial Place Arena – Olympia Driveway Concrete Resurfacing**

Supporting Documentation / Pictures





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Centennial Place Arena – Olympia Driveway Concrete Resurfacing**

Supporting Documentation / Pictures





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Centennial Place Arena – Floor Scrubber Replacement**

Department Arena
Location Centennial Place Arena

Projected Timeline Spring 2027
Effect on Operating Budget N/A
Expected Lifespan 10 years



Infrastructure Renewal

Description, Justification and Need for Project

Centennial Place Arena has over 20,000 square feet of floor area that requires regular cleaning to maintain a safe and sanitary environment for facility users. Regular cleaning is also important to prevent dirt and debris from being transferred onto the ice surface. The facility currently has two operational floor scrubbers of varying sizes, with the smaller unit having been manufactured in 2009. This machine has exceeded its expected service life and is experiencing ongoing suction issues, along with deterioration of the internal holding tank due to rust.

The reduced suction prevents the machine from properly recovering water during cleaning, leaving excess moisture and streaks on the floor. This creates additional work for staff and increases the potential for slipping hazards in areas accessed by facility users. The proposed project would replace the existing 2009 floor scrubber with a new commercial floor-cleaning machine suitable for the Arena's operational needs. Replacing the aging equipment would improve cleaning efficiency, reduce maintenance concerns, and help ensure that floors are properly cleaned and dried.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	11,000	-	-	-	-	11,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	1,000	-	-	-	-	1,000
Total proposed budget	**12,000**	**-**	**-**	**-**	**-**	**12,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Arena	12,000	-	-	-	-	12,000
	-	-	-	-	-	-
Total proposed funding	**12,000**	**-**	**-**	**-**	**-**	**12,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Centennial Place Arena – Floor Scrubber Replacement**

Supporting Documentation / Pictures



Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Community Centre – LED Lighting Upgrade**

Department Other Town Facilities
Location Community Centre

Projected Timeline 2027 Coordinated around bookings
Effect on Operating Budget Reduce power expenses
Expected Lifespan 15 years

Long Term Sustainability

Description, Justification and Need for Project

The lighting in the main auditorium of the Community Centre consists of older, less energy-efficient fixtures. This project would replace the existing lighting with LED fixtures to improve lighting quality and energy efficiency. LED lighting consumes less electricity and has a longer service life than traditional lighting, which would help reduce energy consumption and ongoing maintenance costs.

Upgrading the auditorium lighting would provide more consistent illumination for the various community functions, rentals, meetings, programs, and events held in the facility. The improvements would modernize the lighting system, enhance the overall functionality of the auditorium, and reduce the need for frequent bulb and fixture replacements. However, proceeding with this project would be contingent upon the Town successfully obtaining grant funding to support the proposed upgrade

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	45,000	-	-	-	-	45,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	3,000	-	-	-	-	3,000
Total proposed budget	**48,000**	**-**	**-**	**-**	**-**	**48,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Community Centre	33,000	-	-	-	-	33,000
ATCO Community Energy Fund	15,000	-	-	-	-	15,000
Total proposed funding	**48,000**	**-**	**-**	**-**	**-**	**48,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Three Hills Library – Roof Replacement**

Department Other Town Facilities
Location Three Hills Library

Projected Timeline Summer 2027
Effect on Operating Budget N/A
Expected Lifespan 25 Years



Infrastructure Renewal

Description, Justification and Need for Project

A roof condition assessment was completed on the Three Hills Library in September 2026. The assessment determined that the existing roof is in poor condition, has reached the end of its expected service life, and should be replaced within the next one to two years. Several areas of deterioration were identified, including blistering and ridging of the roof membrane, granular loss, damaged flashing, and drainage concerns. Based on the overall condition of the roof, replacement is recommended rather than continuing with localized repairs.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	275,000	-	-	-	-	275,000
Miscellaneous	-	-	-	-	-	-
Contingency	15,000	-	-	-	-	15,000
Total proposed budget	**290,000**	**-**	**-**	**-**	**-**	**290,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Build Communities Strong Fund	240,000	-	-	-	-	240,000
Capital Reserve - Library	50,000	-	-	-	-	50,000
Total proposed funding	**290,000**	**-**	**-**	**-**	**-**	**290,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Ball Diamond #1 – Field Lighting**

Department Parks & Playgrounds
Location Recreation Park

Projected Timeline Summer 2027
Effect on Operating Budget Installation of field lighting will result in additional electricity costs and future maintenance requirements.
Expected Lifespan 20 Years

Recreation & Wellbeing

Description, Justification and Need for Project

Council identified the installation of field lighting at Ball Diamond #1 as a priority through Council's strategic planning process. Installing field lighting would extend the usable hours of the diamond and provide greater flexibility for scheduling evening games, practices, tournaments, and other events. The additional availability would improve the functionality of Ball Diamond #1 and provide greater opportunities for community and tournament use.

Prior to proceeding with the project, Administration recommends that consideration be given to engaging local user groups to determine their interest in utilizing the diamond during extended evening hours. This engagement could help identify anticipated usage, scheduling needs, and whether there is sufficient demand to support the investment in field lighting. The information gathered could assist Administration and Council in evaluating the project and determining whether to proceed with installation.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	325,000	-	-	-	-	325,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	5,000	-	-	-	-	5,000
Total proposed budget	**330,000**	**-**	**-**	**-**	**-**	**330,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Parks & Playgroun	330,000	-	-	-	-	330,000
	-	-	-	-	-	-
Total proposed funding	**330,000**	**-**	**-**	**-**	**-**	**330,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Ball Diamond #1 – Dugout Replacement**

Department Parks & Playgrounds
Location Recreation Park

Projected Timeline Summer 2027
Effect on Operating Budget N/A
Expected Lifespan 20 Years

Recreation & Wellbeing

Description, Justification and Need for Project

The existing dugouts at the campground's Ball Diamond #1 are showing significant wear and deterioration due to age and prolonged exposure to the elements. The south dugout, in particular, has visible structural concerns, as the structure is leaning and the roof is placing outward pressure on the south wall, causing the cinder blocks to shift out of alignment. The metal roof has been repaired and welded numerous times but continues to deteriorate, with significant rust and multiple holes. Portions of the cinder-block walls are also beginning to crack and crumble, raising further concerns about the overall condition of the structure.

Several temporary repairs have been completed over the years to extend the service life of the dugouts; however, continued repairs are no longer considered a practical long-term solution. The proposed project would involve replacing the existing dugouts with new wooden structures designed to resemble the dugouts at the other two ball diamonds. The goal would be to maintain a consistent appearance and design across all three diamonds while providing durable, functional dugouts that meet the needs of facility users.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	25,000	-	-	-	-	25,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	2,000	-	-	-	-	2,000
Total proposed budget	**27,000**	**-**	**-**	**-**	**-**	**27,000**

Proposed Funding

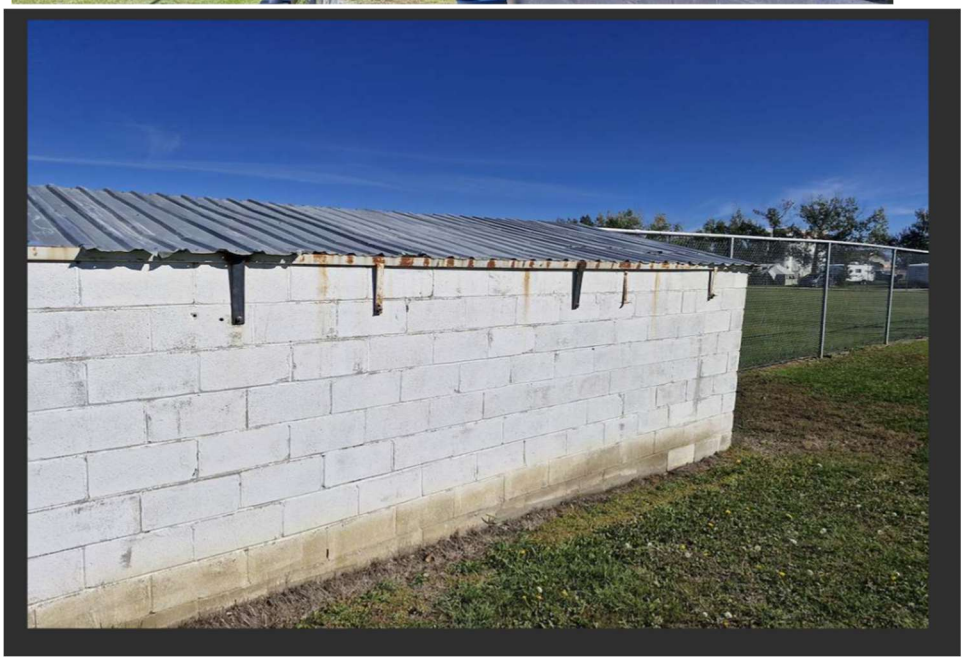
	2027	2028	2029	2030	2031	Total
Capital Reserve - Parks & Playgrounds	27,000	-	-	-	-	27,000
	-	-	-	-	-	-
Total proposed funding	**27,000**	**-**	**-**	**-**	**-**	**27,000**

Town of Three Hills
2027 Proposed Project Information Sheet

Project Name **Ball Diamond #1 – Dugout Replacement**

Supporting Documentation / Pictures

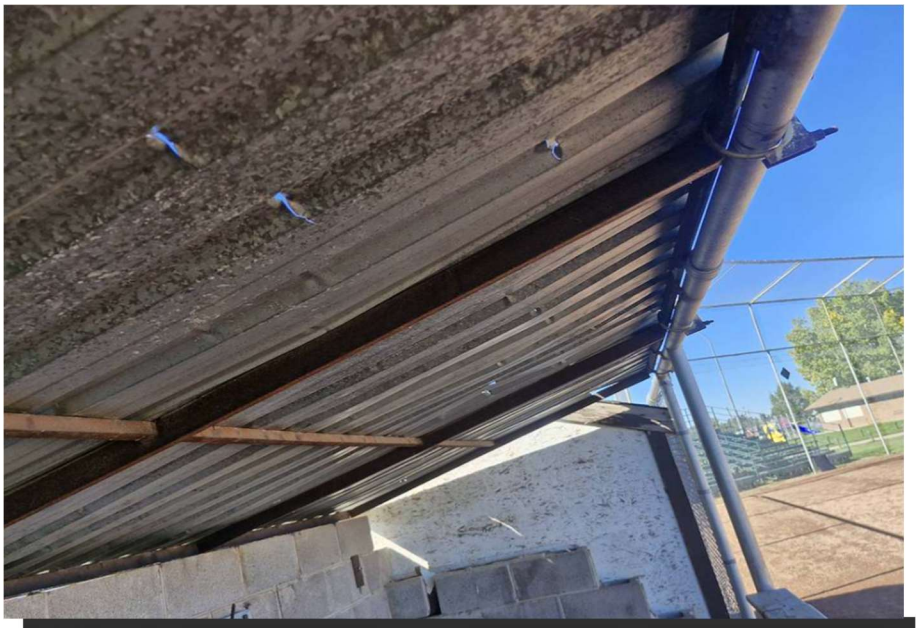


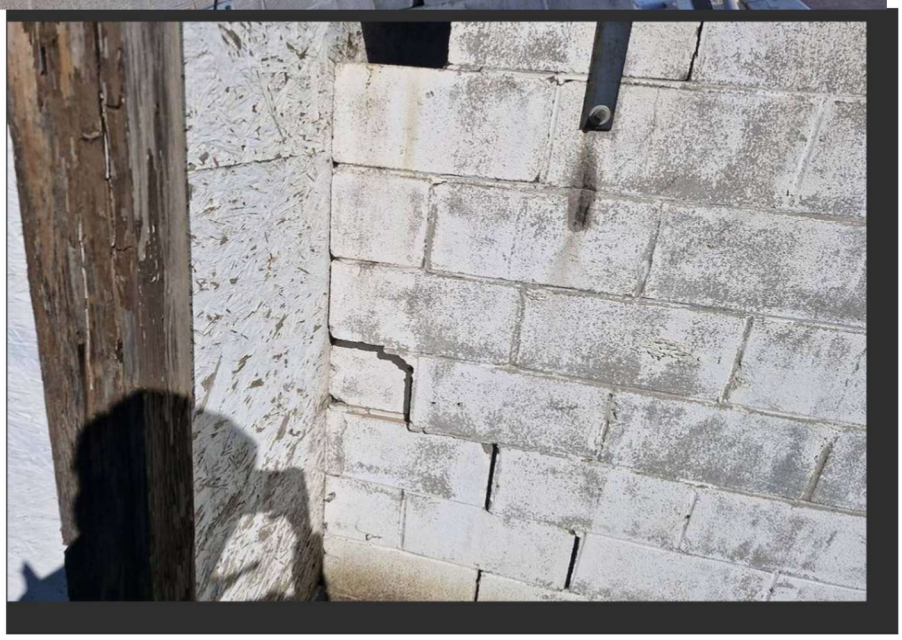


Town of Three Hills
2027 Proposed Project Information Sheet

Project Name **Ball Diamond #1 – Dugout Replacement**

Supporting Documentation / Pictures





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Mower Replacement**

Department Parks & Playgrounds
Location Parks

Projected Timeline Spring 2027
Effect on Operating Budget N/A
Expected Lifespan 8 years



Description, Justification and Need for Project

This project involves replacing the existing 2018 John Deere Z915E mower within the Parks equipment fleet as part of the Town's ongoing fleet replacement program. The proposed replacement would be a commercial-grade zero-turn mower with an approximately 62-inch cutting deck. Mowers are heavily utilized throughout the spring, summer, and fall to maintain parks, green spaces, boulevards, cemetery grounds, and other Town-owned properties. Maintaining reliable equipment is essential to ensuring staff can complete mowing operations efficiently and maintain expected service levels throughout the community.

Replacing aging equipment through the established fleet replacement program allows the Town to plan for major equipment purchases before existing units become unreliable or require increasingly costly repairs. This proactive approach helps minimize equipment downtime, reduce disruptions to regular maintenance schedules, and ensure staff have access to dependable equipment throughout the mowing season. The existing mower would be evaluated for potential trade-in or disposal as part of the procurement process.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	21,000	-	-	-	-	21,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	2,000	-	-	-	-	2,000
Total proposed budget	**23,000**	**-**	**-**	**-**	**-**	**23,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Parks & Playgrounds	23,000	-	-	-	-	23,000
	-	-	-	-	-	-
Total proposed funding	**23,000**	**-**	**-**	**-**	**-**	**23,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Residential Development 7 Street NE**

Department Planning
Location 7 Street NE



Projected Timeline If approved in the 2027 Capital Budget, Administration would proceed with detailed engineering, subdivision and required approvals, followed by tendering and construction. Timing of construction would be dependent on engineering, approvals, contractor availability and the construction season.

Effect on Operating Budget N/A
Expected Lifespan 0

Description, Justification and Need for Project

The Town owns approximately 1.7 acres of undeveloped land along 7 Street NE, directly south of Sunrise Estates. Developing this property supports Council's strategic direction to encourage residential growth and increase housing availability within the community while making productive use of Town-owned land. The proposed project would involve subdividing and servicing the property to create eight new residential lots that are generally consistent with the size and character of the surrounding neighbourhood. While an existing municipal water line is located along the frontage of the property, additional infrastructure would be required, including sanitary sewer, road construction, curb and gutter, sidewalks, and individual services to each lot. The project estimate also includes extending 12 Avenue NE to connect with 8 Street NE, improving the road network and providing the infrastructure necessary to support the development.

Once the property has been subdivided and serviced, the lots could be offered for sale for residential development. Revenue generated from the sale of the lots would allow the Town to recover a portion of its initial investment, while future residential construction would contribute to the Town's assessment base. The development would also support continued residential growth by increasing the availability of serviced lots within the community. The current project cost is a preliminary estimate based on the proposed scope of work, with final costs subject to detailed design and further refinement through the tendering process.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	90,000	-	-	-	-	90,000
Construction	-	-	-	-	-	-
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	950,000	-	-	-	-	950,000
Miscellaneous	5,000	-	-	-	-	5,000
Contingency	150,000	-	-	-	-	150,000
Total proposed budget	**1,195,000**	**-**	**-**	**-**	**-**	**1,195,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Land	900,000	-	-	-	-	900,000
Capital Reserve - General	295,000	-	-	-	-	295,000
Total proposed funding	**1,195,000**	**-**	**-**	**-**	**-**	**1,195,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Residential Development 7 Street NE**

Supporting Documentation / Pictures



Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Asphalt & Sidewalk Replacement Program**

Department Transportation & Equipment
Location Various locations throughout Town.

Projected Timeline Summer 2027
Effect on Operating Budget If not replaced, maintenance costs will increase
Expected Lifespan 20-30 Years

Community Pride

Description, Justification and Need for Project

The Asphalt and Sidewalk Replacement Program provides ongoing funding for the replacement and rehabilitation of deteriorating asphalt roads and sidewalks throughout the Town's transportation network. Regular investment is necessary to address infrastructure as it reaches the end of its useful life, maintain safe and functional transportation routes, and prevent the accumulation of a significant infrastructure backlog.

Maintaining consistent annual funding allows the Town to proactively manage its transportation infrastructure rather than relying on larger, more costly projects once deterioration becomes severe. Continued investment will help maintain the current level of service, extend the useful life of existing infrastructure, and ensure that road and sidewalk conditions do not fall behind.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	350,000	375,000	375,000	375,000	400,000	1,875,000
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**350,000**	**375,000**	**375,000**	**375,000**	**-**	**1,875,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Transportation	350,000	-	-	-	-	350,000
	-	-	-	-	-	-
Total proposed funding	**350,000**	**-**	**-**	**-**	**-**	**350,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Fleet Vehicle Replacement**

Department Transportation & Equipment
Location Equipment

Projected Timeline 2027
Effect on Operating Budget None - unit replacement
Expected Lifespan 10 Years



Infrastructure Renewal

Description, Justification and Need for Project

The replacement of a 1/2-ton truck is part of the Town's ongoing fleet renewal program. Regularly replacing vehicles as they reach the end of their optimal service life helps maintain a reliable and consistent fleet, while reducing the likelihood of unexpected repairs, downtime, and increased maintenance costs associated with aging vehicles.

A planned vehicle replacement cycle allows the Town to spread capital expenditures over time and avoid having multiple vehicles reach the end of their service life at the same time. Maintaining a dependable fleet ensures staff have the appropriate vehicles available to safely and efficiently deliver municipal services and helps maintain the current level of service.

The Truck due for replacement is a 2008 Ford F-150. The vehicle has ~147,000 km. Over the past 3 years, the Town has spent $2,855 on repairs. The blue book value for the vehicle is $8,000.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	75,000	-	75,000	-	-	150,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**75,000**	**-**	**75,000**	**-**	**-**	**150,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Transportation	75,000	-	-	-	-	75,000
	-	-	-	-	-	-
Total proposed funding	**75,000**	**-**	**-**	**-**	**-**	**75,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Fleet Vehicle Replacement**

Supporting Documentation / Pictures





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Fleet Vehicle Replacement**

Supporting Documentation / Pictures





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Hook Truck Roll-On Box**

Department Transportation & Equipment
Location Equipment

Projected Timeline 2027
Effect on Operating Budget N/A
Expected Lifespan 15 years



Infrastructure Renewal

Description, Justification and Need for Project

The Town's existing roll-off box, used with the hook truck,was purchased in 2010 and showing significant deterioration. The bottom of the box has rusted and is thinning, with the potential for holes to develop in the near future. Addressing this deterioration is necessary to maintain the box's functionality, prevent further damage, and ensure it remains suitable for ongoing municipal operations, includeing hauling gravel, and for snow removal.

Administration is currently obtaining pricing to compare the cost of purchasing a new box against repairing the existing unit. Once pricing has been received, the preferred option will be selected based on cost-effectiveness, expected remaining service life, and long-term value to the Town.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	35,000	-	-	-	-	35,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**35,000**	**-**	**-**	**-**	**-**	**35,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Transportation	35,000	-	-	-	-	35,000
	-	-	-	-	-	-
Total proposed funding	**35,000**	**-**	**-**	**-**	**-**	**35,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Wheel Loader Replacement**

Department Transportation & Equipment
Location Equipment

Projected Timeline 2027
Effect on Operating Budget Lower repair costs
Expected Lifespan 15 Years



Description, Justification and Need for Project

The Town's existing wheel loader, purchased in 2014, is approaching the end of its expected service life and is due for replacement. The wheel loader is a key piece of municipal equipment used for a variety of operational activities, including snow removal, material handling, road maintenance, and landfill operations.

The current loader has over 9,500 hours. Maintenace costs have increased substantially over the last few year, with the Town spending $4,100 so far in 2026, and $46,000 over the previous 3 years. If not replaced it is expected that maintence costs and down time will continue to remain high.

Replacing the unit on a planned lifecycle basis will help maintain reliable equipment availability, reduce the risk of unexpected downtime and increasing maintenance costs, and ensure staff have dependable equipment to complete required services. Regular replacement of major fleet equipment also allows the Town to manage capital expenditures more predictably and maintain the current level of service.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	320,000	-	-	-	-	320,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**320,000**	**-**	**-**	**-**	**-**	**320,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Transportation	320,000	-	-	-	-	320,000
	-	-	-	-	-	-
Total proposed funding	**320,000**	**-**	**-**	**-**	**-**	**320,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Wheel Loader Replacement**

Supporting Documentation / Pictures





Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Skid Steer Box Blade**

Department Transportation & Equipment
Location Equipment

Projected Timeline 2027
Effect on Operating Budget N/A
Expected Lifespan 15 years



Description, Justification and Need for Project

The purchase of a box plow attachment for the Town's skid steer would provide additional capacity and flexibility for snow removal operations. The box plow would be particularly useful for efficiently clearing snow from larger paved areas, including municipal facility parking lots, pathways, and other areas where conventional snowplows may be less effective.

Adding this attachment would allow the Town to use existing skid steer equipment for a wider range of winter maintenance activities and improve the efficiency of snow clearing around municipal facilities. It would also provide an additional snow removal resource during significant snow events, helping staff maintain safe and accessible public areas while supporting the Town's current level of service.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	8,000	-	-	-	-	8,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**8,000**	**-**	**-**	**-**	**-**	**8,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Transportation	8,000	-	-	-	-	8,000
	-	-	-	-	-	-
Total proposed funding	**8,000**	**-**	**-**	**-**	**-**	**8,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Smooth Drum Compactor Replacement**

Department Transportation & Equipment
Location Equipment

Projected Timeline 2027
Effect on Operating Budget N/A
Expected Lifespan 15 years



Infrastructure Renewal

Description, Justification and Need for Project

The Town has a 5-ton smooth drum compactor, manufactured in 2001 and purchased used in 2008, that has an XXXXX number of operating hours. At the end of the most recent operating season, the unit experienced a mechanical failure and was sent for assessment and repair pricing. The quote received for repairs was approximately $52,000, prompting Administration to review the cost-effectiveness of repairing the existing unit versus purchasing a replacement.

Following a review of the Town's operational requirements and typical use cases, Administration determined that a 3-ton smooth drum roller would be sufficient to meet the Town's needs. A new 3-ton unit is estimated to cost approximately $25,000, representing a significantly more economical option than repairing the existing compactor. Replacing the unit would provide reliable equipment for future road maintenance and compaction work while avoiding a substantial repair investment in aging equipment.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	25,000	-	-	-	-	25,000
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**25,000**	**-**	**-**	**-**	**-**	**25,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Transportation	25,000	-	-	-	-	25,000
	-	-	-	-	-	-
Total proposed funding	**25,000**	**-**	**-**	**-**	**-**	**25,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **1st Avenue & 3rd Street Water Line**

Department Water Distribution
Location 1st Avenue and 3rd Street SE.

Projected Timeline 2027
Effect on Operating Budget To be determined
Expected Lifespan 50



Residential Growth

Description, Justification and Need for Project

A Water System Assessment was completed in 2024 and identified a high-priority project on 3rd St SE & 1st Ave SE. The report identified that the watermain in this area needs to be increased to 300mm in size and linked with other lines to improve hydrant pressures in the industrial area and areas to the north. The project starts on the east side of the 4th Ave intersection on 3rd St and heads west for approximately 190 meters to the 1st Ave SE intersection, continuing north on 1st Ave for approximately 150 meters, completing a new connection to the existing 100mm waterline. During the design phase, the sewer lines would be inspected to determine if the sewer lines need replacing.

With the 2025 Capital Budget, Council approved $55,000 for the Design work with the intention of designing the project in 2025 and construction in 2026. The design work on this project was deferred for completion in 2026. Thus, the construction is planned for 2027.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	800,000	-	-	-	-	800,000
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**800,000**	**-**	**-**	**-**	**-**	**800,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Local Government Fiscal Framework	800,000	-	-	-	-	800,000
	-	-	-	-	-	-
Total proposed funding	**800,000**	**-**	**-**	**-**	**-**	**800,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Raw Water Bypass Valve Replacement**

Department Water Supply
Location Water Treatment Plant

Projected Timeline 2027
Effect on Operating Budget N/A
Expected Lifespan 15



Infrastructure Renewal

Description, Justification and Need for Project

The Town's water treatment plant has a total of 10 raw water bypass valves that allow water to be redirected through the settling ponds, providing operational flexibility and supporting the water treatment process. These valves were not replaced as part of the plant upgrade, and several have now reached the end of their service life and are no longer operational. Maintaining functional bypass valves is important to ensure the continued effectiveness and reliability of the plant's treatment processes.

Administration is proposing to replace two valves this year, with the remaining valves scheduled for replacement in future budget years. A phased replacement approach will allow the Town to address deteriorating infrastructure over time, manage capital costs, and progressively restore the full functionality of the bypass system while supporting the ongoing reliability of the water treatment plant.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	3,500	3,500	3,500	3,500	3,500	17,500
Materials & equipment	4,500	4,500	4,500	4,500	4,500	22,500
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**8,000**	**8,000**	**8,000**	**8,000**	**-**	**40,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Capital Reserve - Water Supply	8,000	-	-	-	-	8,000
	-	-	-	-	-	-
Total proposed funding	**8,000**	**-**	**-**	**-**	**-**	**8,000**

2027 Significant Operating Projects (for information)

Two major projects have been identified while preparing the 2027 Operating Budget for Council's consideration. They are included within this report for information purposes and will be considered by Council during Operating Budget deliberations.

Operating Projects					
	Department	Project Name	Proposed Budget	Funding Amount	Funding Source
23	Administration	Enterprise Resource Planning (ERP) System Transition	200,000	200,000	Operating Budget
24	Administration	Infrastructure Master Plan	150,000	150,000	Operating Budget
			350,000	350,000	



Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Enterprise Resource Planning (ERP) System Transition**

Department Administration
Location Primarily the Administration office.

Projected Timeline The intention is to have a "go" date of January 1, 2028.
Effect on Operating Budget To be determined; depends on which software is selected.
Expected Lifespan 10+ years



Description, Justification and Need for Project

The Town's current ERP - Microsoft Dynamics GP is reaching the end of its life, with municipal support ceasing December 31, 2029. The ERP system is utilized to process day to day financial transactions.

Implementation of a new ERP will require contract support from the selected vendor to ensure a smooth transition of existing data to the new system. The new system will continue to support core financial functions including utility billing, taxation, budgeting, reporting, purchasing and procurement and other operational requirements.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	200,000	-	-	-	-	200,000
Contingency	-	-	-	-	-	-
Total proposed budget	**200,000**	**-**	**-**	**-**	**-**	**200,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Operating Budget	200,000	-	-	-	-	200,000
	-	-	-	-	-	-
Total proposed funding	**200,000**	**-**	**-**	**-**	**-**	**200,000**

Town of Three Hills

2027 Proposed Project Information Sheet

Project Name **Infrastructure Master Plan**

Department Administration
Location Study

Projected Timeline 2027
Effect on Operating Budget To be determined
Expected Lifespan N/A



Description, Justification and Need for Project

The development of an Infrastructure Master Plan will bring together the Town's existing infrastructure studies, assessments, and master plans into a single, coordinated long-term planning document. The project will identify and address gaps where additional information or assessments are required, providing a more complete understanding of the condition, needs, and future requirements of the Town's infrastructure systems.

The outcome will be a long-range, prioritized infrastructure renewal plan that can be used to guide capital budgeting decisions. Establishing a coordinated renewal strategy will help the Town prioritize projects based on infrastructure condition, risk, service levels, and available funding, while providing Council with a clear understanding of upcoming infrastructure needs and allowing the Town to plan proactively rather than reactively.

Estimated Capital Costs

	2027	2028	2029	2030	2031	Total
Design	-	-	-	-	-	-
Engineering	150,000	-	-	-	-	150,000
Construction	-	-	-	-	-	-
Materials & equipment	-	-	-	-	-	-
Demolition	-	-	-	-	-	-
Land purchase	-	-	-	-	-	-
Site work	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total proposed budget	**150,000**	**-**	**-**	**-**	**-**	**150,000**

Proposed Funding

	2027	2028	2029	2030	2031	Total
Operating Budget	150,000	-	-	-	-	150,000
	-	-	-	-	-	-
Total proposed funding	**150,000**	**-**	**-**	**-**	**-**	**150,000**