

Subject: **2025 Dust Control Rates**

Meeting Date: Tuesday, April 22, 2025

Prepared By: Mike Ziehr, Director of Infrastructure

Presented By: Mike Ziehr, Director of Infrastructure

STRATEGIC PLAN ALIGNMENT: (Check all that apply)

	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input type="checkbox"/>		<input checked="" type="checkbox"/>
High Quality Infrastructure		Economic Resilience		Quality of Life		Effective Leadership		Level of Service	

RELEVANT LEGISLATION:

Provincial (cite)- N/A

Council Bylaw/Policy (cite)- Kneehill County Policy #13-4.

BACKGROUND/PROPOSAL:

Kneehill County Dust Suppression Policy 13-4 details that rates for the spec crude and calcium applications will be set based on product costs as of March of the current year.

The proposed 2025 rates for Calcium Dust Suppression are as follows:

DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES/OTHER CONSIDERATIONS:

The proposed 2025 rates for Calcium Dust Suppression are as follows:

	2024 Rate	2025 Rate
Full Calcium Chloride (2 Applications)	\$10.00 / metre	\$11.50 / metre
Top Spray Calcium (1 Application)	\$5.00 / metre	\$5.75 / metre
Spec Crude	\$56.00 / metre	\$56.00 / metre

A thorough cost analysis was performed on the 2024 Dust Control program. With refined tracking of gravel and dust control product volumes, equipment, and labour hours, a detailed estimate of cost per metre has been developed.

In 2024, 12 km of ratepayer-paid calcium chloride dust control applications were made, with a total volume of 328,000 litres of calcium applied to 73 separate paid locations. 1.4 km of spec crude was also applied to 4 separate locations.



The 2024 costs to supply and install the calcium chloride are as follows:

Calcium Chloride product cost	\$4.32 per lineal metre
Gravel cost	\$4.47 per lineal metre
Equipment/labour	\$2.82 per lineal metre
Total	\$11.61 per lineal metre \$3.54 per foot

The 2024 costs to supply and install the spec crude are as follows:

Contractor equipment and product	\$36.78 per lineal metre
Gravel cost	\$4.47 per lineal metre
Kneehill County Equipment/labour	\$8.35 per lineal metre
Total	\$49.60 per lineal metre \$15.12 per foot

An analysis of the 2024 Dust Control program has verified that \$196,565 in revenue was generated and \$109,465 in expenses associated with purchasing the calcium chloride, spec crude material, and contracting the spec crude applicator truck. The difference of \$87,100 is attributable to gravel costs and Kneehill County equipment/labour.

The recommended rate for a full-service calcium chloride application in 2025 is **\$11.50 per metre**. This increase will bring the rates to approximate cost recovery based on current evaluations.

The installation costs for Spec crude dust control can vary significantly based on the number of application areas and the length of each installation. Numerous shorter installations spread across a wide area tend to be considerably more expensive than longer, continuous stretches due to increased mobilization, labour, and logistical complexities. Although the 2024 cost to install spec crude is estimated to be \$49.60 per metre, this is established on limited participation and does not necessarily reflect cost averaging over the last few years.

Based on this understanding, the rate for Spec Crude is recommended to remain at **\$56.00 per metre**, which estimates the costs of installation and County resources over an average installation length.

FINANCIAL & STAFFING IMPLICATIONS:

Administration has determined the total cost of dust control applications based on several factors. While some costs, such as supplied product and contractor labour, have defined expenses, some assumptions have been made on gravel supply and installation costs and County equipment and labour expenses. These assumptions are continually refined through ongoing analysis of the County's expenses through Asset Management practices.

RECOMMENDED ENGAGEMENT:

Directive Decision (Information Sharing, One-Way Communication)			
Tools:	Individual Notification	Other:	

ATTACHMENTS:

n/a



COUNCIL OPTIONS:

1. That Council approve the recommended motions as presented.
2. That Council does not approve the recommended motions as presented.
3. That Council suggests alternate options to the motions.

RECOMMENDED MOTION:

That Council approve the 2025 dust suppression rates as \$11.50 per meter for full-service calcium chloride application and \$56.00 per meter for Spec Crude application.

FOLLOW-UP ACTIONS:

If Council approves the proposed rates, they will be advertised, and the dust control program will commence.

APPROVAL(S):

Mike Haugen, Chief Administrative Officer

Approved- ☒

