



Regional Water and Wastewater Off-Site Levy Bylaw

Electoral Division: All

File: 1007-700

Date:	July 23, 2024		
Presenter:	Jeannette Lee, Acting Executive Director of Operations		
Department:	Capital & Engineering Services		
Approved by:	<input checked="" type="checkbox"/> Executive Director / Director	and/or	<input checked="" type="checkbox"/> Chief Administrative Officer

REPORT SUMMARY

Regional Water and Wastewater Off-Site Levy Bylaw C-8009-2020 was approved by Council in June of 2020. The Regional Water and Wastewater Off-Site Levy Bylaw provides for the fair and equitable allocation of Off-Site levies related to Water and Wastewater Infrastructure in accordance with the Municipal Government Act. Since the adoption of the bylaw, updates have been delivered regarding the collection of the levy and expenditures on various upgrades for the system. This report serves the purpose of offering an update to the bylaw, including an adjustment of the capacity committed to date and a recalculation of the rates for the water and wastewater system. This report serves the purpose of offering an update to the bylaw, including an adjustment of the capacity committed to date and a recalculation of the rates for the water and wastewater system.

The County's Water and Wastewater Off-Site Levy Bylaw update was prepared following a comprehensive review of the County's Water and Wastewater systems and financials to the end of 2022. Key updates to the Bylaw include:

- Update schedules based on allocated capacity.
- Update schedules based on levies collected and outstanding debt.
- Updates to infrastructure expansion costs and accommodation for inflation.
- Amendment to schedule "C-1" – Langdon Wastewater Treatment Plant Levy to include provision to update the treatment technology.
- Addition of Schedule "C-13a" and "C-13b" to capture the recent expansion of the system to the West Balzac area.

The information within this report was previously presented to the Governance Committee on April 16, 2024. The intent of this report is to seek approval for the First Reading of the amended bylaw and allow for Administration to begin the consultation process with the relevant stakeholders. Third and final reading of the amended bylaw is anticipated to be in front of Council Q4 of 2024.

ADMINISTRATION'S RECOMMENDATION

THAT Bylaw C-8548-2024 be given first reading.

THAT Council directs Administration to advertise the proposed Regional Water and Wastewater Off-Site Levy Bylaw in accordance with section 648(6) of the Municipal Government Act.

BACKGROUND

The Regional Water and Wastewater Off-Site Levy Bylaw establishes a framework that aligns with Council's Strategic Plan thoughtfully managing growth and ensuring the County's financial prosperity. Growth resulting from new development creates opportunities for residents and businesses by fostering



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a vibrant and diverse economy and generating additional tax revenues to support County services. Growth also affects the costs of operating and maintaining the County's Infrastructure. Balancing the benefits and costs of growth is a key focus of the County's Strategic Plan, and the levy structure is a critical tool to help achieve that. It ensures that new development pays a proportionate share of the costs needed for the addition, expansion, and long-term sustainability of the County's Water and Wastewater network resulting from that growth.

Key systems such as the East Rocky View Regional System, Dalroy Wastewater System, Cochrane Lake System, Bragg Creek System, and Blazer & Bearspaw Regional System are highlighted, each playing a crucial role in water supply and wastewater treatment for their respective areas. Recent acquisitions and planned expansions underscore the County's commitment to meeting the demands of a growing population while ensuring the long-term sustainability of its infrastructure and financial resources.

### ANALYSIS

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Council's Strategic Plan emphasizes managing growth and ensuring financial prosperity. New development brings opportunities and challenges, impacting both the economy and infrastructure costs. The levy structure, crucial for balancing these dynamics, ensures new development contributes proportionately to infrastructure needs.

In recent years, the expansion of the East Rocky View Regional System across Highway 2 has enabled servicing within the lands identified as West Balzac, situated west of Highway 2 and north of Highway 566. Therefore, a new schedule titled "West Balzac" has been added to this bylaw to capture the network expansion. The newly acquired systems, such as Horse Creek Water, Bearspaw, and Blazer regional systems, are not considered in this bylaw update. This is because they either have cost contribution and connection agreements in place, or no growth is anticipated, which would necessitate significant upgrades to support development. Future developments within these areas will continue to pay the appropriate connection fees under the current Master Rates Bylaw.

### COMMUNICATIONS / ENGAGEMENT

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In accordance with the *Municipal Government Act*, municipalities establishing an Off-Site levy must consult in good faith with stakeholders. A "stakeholder" is defined to be any person that will be required to pay the levy when the bylaw is passed, or any other person the municipality considers is affected. This includes developers, landowners, residents, and lobbyists who have an interest in, or may be affected by, the proposed levy.

Pending the first reading of the proposed bylaw, additional engagement will be completed. This may include:

- Engaging industry representatives and stakeholders on updates/changes
- Advertising in Rocky View Weekly & Social Media
- Holding an open house
- Providing supporting information on County website

### IMPLICATIONS

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#### Financial

The establishment of these levies for water and wastewater will create a new funding source for future Water and Wastewater Utility Facility capital investments. Funds collected from each levy schedule per the bylaw will require management within a separate reserve. Usage of these funds can only be applied for the future facility infrastructure as itemized against the schedule within the bylaw. The County is

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required to provide annual reporting of collecting versus used funds for each levy schedule per MGA legislation. In addition, as development occurs across the County, Administration may be required to review and update levy rates to ensure the rates remain appropriate given facility funding requirements, community servicing demands, and input from the development community.

### Economic Competitiveness

Each municipality tailors its levy structure based on unique factors such as local infrastructure needs, anticipated rate of development, and the characteristics of each jurisdiction for consideration. The County’s proposed water and wastewater off-site levy rate may appear to be higher than the City of Calgary and lower than other municipalities. While this adjustment is necessary to ensure the sustainability and effectiveness of our water and wastewater utility infrastructure, we understand the importance of maintaining economic competitiveness.

### STRATEGIC ALIGNMENT

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Key Performance Indicators		Strategic Alignment
Service Excellence	SE2: Services are resourced and delivered to specific groups as intended, and citizens are satisfied with the outcomes	SE2.1: Percent of citizens satisfied with the range of County services available/delivered
Financial Health	FH2: Ensuring County remains financially sustainable for future generations	FH2.1: Percent of assets (by value) that are incorporated in an Asset Management Plan
		The bylaw's purpose is to continue the collection of funding to support a broader range of required services to residents in new developments.
		The levy will assist with future financial sustainability as it will provide a source of funding for new infrastructure as the County continues to grow.

### ALTERNATE DIRECTION

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Administration does not have an alternate direction for Council’s consideration.

### ATTACHMENTS

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- Attachment A: Draft Bylaw C-8548-2024 - Regional Water and Wastewater Off-Site Levy
- Attachment B: Presentation