



Utility Business Case Budget Adjustment

Electoral Division: All

File: 5020-700

Date:	April 28, 2026
Presenter:	Mason Austen, Manager
Department:	Utility Services

REPORT SUMMARY

Administration is requesting a 2026 operating budget adjustment of \$450,000 to award the Request for Proposal (RFP) RFP-25-018: Aqueduct Utilities Corporation – Business Plan Update, including the Water Security Strategy addendum. This work implements Governance Committee direction from June 10, 2025, to engage an external consultant to evaluate strategic opportunities for the County’s water and wastewater utility sector.

The consultant will deliver an updated Aqueduct business plan (governance, operating model, service delivery), a long-term financial and rate strategy, a phased capital investment plan, and a comprehensive Water Security Strategy addressing demand projections, source options, and climate-related risks. The preferred proposal is just under \$450,000, exceeding the original \$300,000 estimate due to the expanded scope associated with the Water Security Strategy and extended long-term planning horizon.

ADMINISTRATION’S RECOMMENDATION

THAT Council approve a 2026 operating budget adjustment of \$450,000 to fund the Aqueduct Utilities Corporation – Business Plan Update and Water Security Strategy, to be funded from the Tax Stabilization Reserve, as set out in Attachment A.

BACKGROUND

On June 10, 2025, the Governance Committee directed Administration to bring forward a budget adjustment to procure an external consultant to develop a business plan for Rocky View County’s utility sector. The Committee’s motion was as follows:

“MOVED by Councillor Hanson that the Governance Committee directs Administration to bring forward an appropriate budget adjustment that will procure an external consultant to explore and evaluate strategic opportunities for the development of a business plan within Rocky View County’s utility sector. This includes the potential for:

- Strategic partnerships or joint ventures within private providers, neighbouring municipalities, or irrigation districts.
- Private investment in Aqueduct to expand service capacity; and
- Regional servicing arrangements that leverage Rocky View County-owned infrastructure and expertise.”

In response, Rocky View County Administration issued RFP-25-018 on November 24, 2025, to retain a qualified consultant to prepare a comprehensive business plan update for Aqueduct Utilities Corporation.

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An addendum was issued on February 25, 2026, to expand the scope to include the County's Water Security Strategy.

Council has discussed this initiative on multiple occasions, including a closed-session item at the January 13, 2026 Governance Committee meeting (H-1 – Utility Franchise Agreements: Water Security and Utility Governance Strategy) and during the CAO Workshop on February 12, 2026, which focused on County water supply and RFP-25-018. The RFP closed on March 16, 2026, with five proposals received. The preferred proponent's bid is just under \$450,000, compared to the \$300,000 estimate, reflecting the expanded scope as associated with the Water Security Strategy and long-term planning requirements for this work.

ANALYSIS

Administration is seeking a consultant to update the Aqueduct business plan to confirm its long-term role as Rocky View County's municipally controlled water and wastewater utility and to ensure financial and operational sustainability.

The consultant will deliver the following:

- **Aqueduct Business Plan Update** – Clarify Aqueduct's mandate, role as a municipality controlled utility, and long-term service model (10, 20, 30-year horizons), including governance, management, staffing, environmental stewardship, and key performance measures aligned with County policy.
- **Financial Plan and Rate Strategy** – Develop long-term financial forecasts, sustainable rate models (including reserves for asset replacement), customer classifications, rate-setting approach, service delivery models, and a clear statement of assets, liabilities, and obligations supporting Aqueduct operations.
- **Capital Investment Plan** – Identify and phase required water and wastewater infrastructure, with cost estimates, timelines, and potential funding, partnership, and grant opportunities.
- **Water Security Strategy (Addendum)** – Assess current and projected County wide water demand, including climate variability, drought, and conservation scenarios; identify potential water source development options; complete a high-level feasibility assessment; recommend a preferred portfolio of water security initiatives; and outline future consulting and costing requirements to advance preferred options.
- **Implementation and Engagement** – Provide a phased implementation roadmap (including Rate Setting and Financial Framework by end of Q2 2026 and full Business Plan and Water Security Strategy by end of 2026), a stakeholder engagement approach (customers, regulators, partners), an integration/reporting framework, and Council ready materials to support decision making and communication.

COMMUNICATIONS / ENGAGEMENT

All RFP proposals include robust communications and stakeholder engagement plans, which will be enacted if Council authorizes the budget increase request.

IMPLICATIONS

Financial

A budget adjustment to the 2026 Operating Budget of \$450,000 will be required to proceed with the Utilities Business Plan. This reflects the difference between the original \$300,000 estimate and the preferred proponent's bid, driven by the expanded scope and Water Security Strategy.

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STRATEGIC ALIGNMENT

Key Performance Indicators			Strategic Alignment
Effective Service Delivery	SD1: Services levels are clearly defined, communicated and transparent to citizens	SD1.1: Services with defined service levels	Water Security Strategy and Utility Business Case will provide recommendations for the direction and future of the services provided by the Utility
Effective Service Delivery	SD4: Services are continually assessed for improvements in cost efficiency, effectiveness, and customer experience	SD4.1: Services that are assessed annually for innovation opportunities and have demonstrable efficiency improvements	Water Security Strategy and Utility Business Case will provide recommendations for the direction and future of the services provided by the Utility
Financial Prosperity	FP2: Ensuring County remains financially sustainable for future generations	FP2.2: Establish a strategic reserve policy	This project will review existing policies and propose updates or new policy options

ALTERNATE DIRECTION

Alternate Direction 1

THAT Council accepts the Utility Business Case Budget Adjustment report for information.

ATTACHMENTS

ATTACHMENT A: Budget Adjustment

APPROVALS

Manager:	Mason Austen, Manager, Utility Services
Executive Director/Director:	Brian Henderson, Chief Operating Officer
Chief Administrative Officer:	Reegan McCullough, Chief Administrative Officer