



UTILITY SERVICES

TO: Council
DATE: September 21, 2021 **DIVISION:** All
FILE: 1007-500 **APPLICATION:** N/A
SUBJECT: 2021 Master Rates Bylaw - Amendments

EXECUTIVE SUMMARY:

Administration is recommending two amendments to the 2021 Master Rates Bylaw.

Amendment 1: Wastewater Update

On July 27th, 2021, Council directed Administration to prepare an amendment to the Master Rates Bylaw that reflects a 10% increase to the user rates for the East Rocky Wastewater System. The \$0.21 increase will provide a cost recovery for the Council approved budget adjustment for the blockage removal and remediation required for the East Rocky View Wastewater Transmission Main.

If passed by Council, the amendments would be in effect September 21, 2021.

Amendment 2: Solid Waste & Recycling Update

Updates to the 2021 Master Rates Bylaw are required to establish a new rate for transfer site usage by non-Rocky View residents. This new rate, \$25 per site visit, will provide a mechanism for recovering full costs related to transfer site management in the absence of formal inter-municipal agreements. The timing of this new rate relates to the termination of the agreement with Redwood Meadows for use of the Bragg Creek Transfer Site on September 17, 2021, however, the new rate is applicable County-wide.

If passed by Council, the amendments would be in effect September 21, 2021.

ADMINISTRATION RECOMMENDATION:

Administration recommends approval in accordance with Option #1.

BACKGROUND:

Wastewater Update:

On May 25th, 2021, Council approved a budget adjustment for \$985,000 for the blockage removal and remediation required for the East Rocky View Wastewater Transmission Main.

At the same meeting Administration informed Council that a cost recovery report would be a forthcoming to Council once Administration finalized its review and assessment of the root cause of the blockages and developed repayment options for consideration. Administration has completed this review and due to the history of the pipeline and the nature of the blockage, Administration was unable to truly determine a root cause. As noted in the report to Council on May 25th, infrastructure has been installed to ensure any future blockage can be accessed easier.

Administration Resources

Steve Seroya, Manager Utility Services



Administration has determined a rate increase to the system would be the most appropriate method of cost recovery to the Reserve. Based on the existing flows a 10%, 20% and 30% rate increase to the per cubic meter rate to all East Rocky View Sewer customers has been outlined below. For clarity, the rate increase would be applied to all gaining service from the East Rocky View Wastewater Transmission Main inclusive of Conrich and Langdon service customers.

Percentage Increase	Dollar Increase	Estimated Annual Repayment	Years of Recovery
10%	\$0.21	\$94,374.00	10.5
20%	\$0.41	\$184,202.00	5.4
30%	\$0.62	\$274,549.00	3.5

Administration would recommend a 10% rate increase. On July 27th, 2021, Council approved a rate 10% increase, and directed Administration to bring forward an amendment to the Master Rates Bylaw with the reflective changes

Solid Waste & Recycling Update:

It is common practice, where regional arrangements do not exist, for municipalities to have differential rates for residents versus non-residents at waste management facilities. Recently, and most locally, the City of Chestermere implemented a minimum \$25 usage fee for non-Chestermere residents at their Eco Centre in January 2021.

Based on a per visitor calculation, the precedence set by Chestermere, and Redwood Meadows' preference for a pay-per-use approach, it is recommended to introduce a \$25 per use site fee for non-Rocky View residents at the transfer sites. Other options considered were: refusal of use for non-residents, annual subscription fees per household, and the current method of municipality-to-municipality contributions based on percent usage.

BUDGET IMPLICATIONS:

Wastewater:

A 2021 Budget Adjustment is required to account for the additional revenue.

The increase revenue (\$94,374.00 estimated) would be transferred to the reserves as part of the cost recovery process.

Solid Waste & Recycling:

The termination of the inter-municipal agreement with Redwood Meadows will result in a potential decrease of revenue of approximately \$3,000 for 2021. This deficit may be recouped with the installation of the pay-per-use site fee.

COMMUNICATIONS PLAN:

A communications plan will be required to advertise both the new Wastewater fee and Solid Waste and Recycling fee to neighboring municipalities, which will be communicated on Rocky View County's website.



STRATEGIC OBJECTIVES:

The introduction of a pay-per-use rate at the transfer sites for non-Rocky View residents supports Council’s strategic objective of financial health and specifically supports Council’s commitment to work closely with Administration to find ways to manage and recover costs.

OPTIONS:

- Option #1: Motion 1 THAT Bylaw C-8243-2021 be given first reading.
- Motion 2 THAT Bylaw C-8234-2021 be given second reading.
- Motion 3 THAT Bylaw C-8234-2021 be considered for third reading.
- Motion 4 THAT Bylaw C-8234-2021 be given third and final reading.
- Option #2: THAT alternative direction be provided.

Respectfully submitted,

Concurrence,

“Byron Riemann”

“Kent Robinson”

Executive Director
Operations

Acting Chief Administrative Officer

SS/JK/bg

ATTACHMENTS:

- ATTACHMENT ‘A’ - Bylaw C-8234-2021 with Schedule ‘A’
- ATTACHMENT ‘B’ - 2021 Budget Adjustment Request Form