



AGENDA

INTERGOVERNMENTAL AFFAIRS COMMITTEE

May 17, 2018, 9:30 AM

LEGAL TRADITIONS COMMITTEE ROOM

Members

Mayor N. Nenshi
Councillor G-C. Carra, Vice-Chair
Councillor P. Demong
Councillor J. Farkas
Councillor J. Gondek
Councillor R. Jones
Councillor J. Magliocca

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
 - 4.1 Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, held 2018 April 19
5. POSTPONED REPORTS
(including related/supplemental reports)
6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 6.1 Alberta Urban Municipalities Association (AUMA) (Verbal), IGA2018-0622
 - 6.2 Federation of Canadian Municipalities (FCM) (Verbal), IGA2018-0623
 - 6.3 Calgary Metropolitan Region Board (CMRB) (Verbal), IGA2018-0624
 - 6.4 Calgary Metropolitan Region Board (CMRB) - Land Use Committee (Verbal), IGA2018-0625
 - 6.5 Intermunicipal Committees (IMC) (Verbal), IGA2018-0626
 - 6.6 Elbow Valley West Wastewater Servicing, IGA2018-0610

7. ITEMS DIRECTLY TO COMMITTEE

7.1 REFERRED REPORTS

7.2 NOTICE(S) OF MOTION

8. URGENT BUSINESS

9. CONFIDENTIAL ITEMS

9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

9.1.1 Omni Area Structure Plan (Rocky View County) – Update, IGA2018-0604
Held confidential subject to Sections 21, 23 and 24 of FOIP.

9.1.2 Legalization of Cannabis - Update (Verbal), IGA2018-0639
Held confidential subject to Sections 21, 24 and 27 of FOIP

9.2 URGENT BUSINESS

10. ADJOURNMENT



MINUTES

INTERGOVERNMENTAL AFFAIRS COMMITTEE

April 19, 2018, 9:30 AM

LEGAL TRADITIONS COMMITTEE ROOM

PRESENT: Mayor N. Nenshi, Chair
Councillor G-C. Carra, Vice-Chair
Councillor P. Demong
Councillor J. Farkas
Councillor J. Gondek
Councillor R. Jones
Councillor J. Magliocca

ALSO PRESENT: Manager N. Younger
Acting City Clerk J. Lord Charest
Legislative Assistant T. Rowe

1. CALL TO ORDER

Councillor Carra called the Meeting to order at 9:30 a.m.

2. OPENING REMARKS

Councillor Carra provided opening remarks at today's Meeting.

3. CONFIRMATION OF AGENDA

Moved by Councillor Jones

That the Agenda for the 2018 April 19 Regular Meeting of the Intergovernmental Affairs Committee be confirmed.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

Mayor Nenshi assumed the Chair at 9:31 a.m.

4.1 Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, 2018 March 16

Moved by Councillor Farkas

That the Minutes of the Intergovernmental Affairs Committee, held on 2018 March 16, be confirmed.

MOTION CARRIED

5. POSTPONED REPORTS

(None)

6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

6.1 Alberta Urban Municipalities Association (AUMA) (Verbal), IGA2018-0369

That Report IGA2018-0369 be postponed, by general consent, to the Call of the Chair.

That Report IGA2018-0369 be dealt with at this time.

Moved by Councillor Demong

That with respect to Report IGA2018-0369, the following be approved:

That the Intergovernmental Affairs Committee receive the Alberta Urban Municipalities Association (AUMA) Verbal Report for information.

MOTION CARRIED

6.2 Federation of Canadian Municipalities (FCM) (Verbal), IGA2018-0370

Councillor Magliocca's Briefing notes with respect to Report IGA2018-0370 were distributed.

Moved by Councillor Magliocca

That with respect to Report IGA2018-0370, the following be approved

That the Intergovernmental Affairs Committee receive the Federation of Canadian Municipalities (FCM) Verbal Report for information.

MOTION CARRIED

6.3 Calgary Metropolitan Region Board (CMRB) (Verbal), IGA2018-0371

Moved by Councillor Carra

That with respect to Report IGA2018-0371, the following be approved:

That the Intergovernmental Affairs Committee receive the Calgary Metropolitan Region Board (CMRB) Verbal Report for information.

MOTION CARRIED

6.4 Calgary Metropolitan Region Board (CMRB) - Land Use Committee (Verbal), IGA2018-0492

Moved by Councillor Carra

That with respect to Report IGA2018-0492, the following be approved:

That the Intergovernmental Affairs Committee receive the Calgary Metropolitan Region Board (CMRB) - Land Use Committee Verbal Report for information.

MOTION CARRIED

6.5 Intermunicipal Committees (IMC) (Verbal), IGA2018-0372

Moved by Councillor Carra

That Item 6.5, Report IGA2018-0372, be postponed to be dealt with during the Closed Meeting portion of today's Meeting.

MOTION CARRIED

Administration in attendance during the Closed Meeting discussions with respect to Report IGA2018-0372:

Clerks: J. Lord Charest and T. Rowe; Advice: N. Younger, D. Shearer, H. Oh, R. Vanderputten, M. Surgenor-Sands, K. Cote, T. Hopkins and A. McIntyre; Legal: D. Mercer

Moved by Councillor Carra

That with respect to Report IGA2018-0372, the following be approved, **after amendment:**

That the Intergovernmental Affairs Committee:

1. Receive the Intermunicipal Committees (IMC) Verbal Report for information;
2. **Direct that the Closed Meeting discussions remain confidential subject to Sections 21, 23 and 24 of the Freedom of Information and Protection of Privacy Act.**

MOTION CARRIED

6.6 Discussion Re Administrative Inquiry from Councillor Farkas (Verbal), IGA2018-0499

A Memo, Re: Response to Administrative Inquiry at the Strategic Council Meeting 2018 February 28, with Respect to Report IGA2018-0499 was distributed.

Moved by Councillor Farkas

That with respect to Report IGA2018-0499, the following be approved:

That the Intergovernmental Affairs Committee receive the Discussion Re Administrative Inquiry from Councillor Farkas Verbal Report for information.

MOTION CARRIED

7. ITEMS DIRECTLY TO COMMITTEE

7.1 REFERRED REPORTS

(None)

7.2 NOTICE(S) OF MOTION

(None)

8. URGENT BUSINESS

(None)

9. CONFIDENTIAL ITEMS

Moved by Councillor Carra

That, in accordance with Sections 21, 23 and 24 of the *Freedom of Information and Protection of Privacy Act*, Committee now move into Closed Meeting, in the Legal Traditions Committee Room, at 10:19 a.m. in order to consider several confidential matters with respect to the following Reports:

- Item 6.5, Intermunicipal Committees (IMC) (Verbal), IGA2018-0372; and
- Item 9.1.1 Omni Area Structure Plan Intermunicipal Appeal Update, IGA2018-0482.

MOTION CARRIED

Committee moved into Public Session at 11:11 a.m. with Mayor Nenshi in the Chair.

Moved by Councillor Carra

That Committee rise and report.

MOTION CARRIED

9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

9.1.1 Omni Area Structure Plan Intermunicipal Appeal Update, IGA2018-0482

Attachment 2 to Report IGA2018-0482 was distributed, which is to remain confidential subject to Sections 21, 23 and 24 of the *Freedom of Information and Protection of Privacy Act* until this matter is resolved.

Administration in attendance during the Closed Meeting discussions with respect to Report IGA2018-0482:

Clerks: J. Lord Charest and T. Rowe; Advice: N. Younger, D. Shearer, H. Oh, R. Vanderputten, M. Surgenor-Sands, K. Cote, T. Hopkins, J. Clarke and A. McIntyre; Legal: D. Mercer

Moved by Councillor Demong

That with Respect to Report IGA2018-0482, the following be approved:

That the Intergovernmental Affairs Committee recommends that Council:

1. Approve Administration Recommendations 1 and 2 contained in Report IGA2018-0482; and
2. Direct that this Report, distribution, presentation and Closed Meeting discussions remain confidential subject to Sections 21, 23 and 24 of the *Freedom of Information and Protection of Privacy Act* until this matter is resolved.

And further, that this Report be forwarded as an item of Urgent Business to the Closed Meeting at the 2018 April 23 Regular Meeting of Council.

MOTION CARRIED

9.2 URGENT BUSINESS

(None)

10. ADJOURNMENT

Moved by Councillor Jones

That this meeting adjourn at 11:14 a.m.

MOTION CARRIED

The following item has been forwarded to the 2018 April 23 Regular Meeting of Council, as an item of Confidential Urgent Business:

CONFIDENTIAL ITEMS URGENT BUSINESS:

Omni Area Structure Plan Intermunicipal Appeal Update, IGA2018-0482

The next Regular Meeting of the Intergovernmental Affairs Committee has been scheduled for 2018 May 17 at 9:30 a.m.

CONFIRMED BY COMMITTEE 2018

CHAIR

ACTING CITY CLERK

Elbow Valley West Wastewater Servicing

EXECUTIVE SUMMARY

The City of Calgary (The City) provides water and wastewater services to ten customers outside The City through servicing agreements. Rocky View County (RVC) has formally requested extending wastewater servicing by The City from the current service area to Elbow Valley West (EVW). EVW is located immediately west of the existing approved service area along the Highway 8 corridor.

Since 2012, The City's response to servicing enquires for EVW has been that The City was unable to consider the request, as only requests for servicing from Calgary Regional Partnership (CRP) members could be considered. However, the Policy on Regional Water, Wastewater and Stormwater Servicing that Council approved on 2018 February 26 now allows Administration to consider such requests.

Administration has completed a technical review and has found that there is infrastructure capacity to service EVW. The purpose of this report is to seek Council approval to provide wastewater servicing to EVW through a new Master Servicing Agreement with RVC.

ADMINISTRATION RECOMMENDATION:

That the Intergovernmental Affairs Committee recommend that Council:

1. Approve wastewater servicing to Elbow Valley West and direct Administration to execute a new Master Servicing Agreement with Rocky View County for the provisions of wastewater servicing based on the proposed service area in Attachment 1 and term sheet in Attachment 2.

PREVIOUS COUNCIL DIRECTION / POLICY

1992 May 25 (OE92-31), Council approved a Policy for Utility Extensions Beyond The City's Boundaries known as policy UEP004.

1996 September 30, Council approved wastewater servicing to Elbow Valley and Pinebrook located in RVC with subsequent extensions in 1998 to include Glencoe Golf Course and Stonepine, and again in 2000 to include Country Haven Estates (United Lands).

2011 March 1 (in-camera report C2011-23), Council directed that prior to Provincial approval of the Calgary Regional Water and Wastewater Corporation (CRWWC), outside city servicing requests would be considered by City Council only for Calgary Regional Partnership (CRP) members and would be in accordance with the existing servicing policy.

2015 June 29 (in-camera report C2015-0544), Council approved amending the existing wastewater agreement for the Highway 8 corridor to replace the conference centre and associated commercial with 50 additional units to allow for a total of 982 residential units, a clubhouse and concession.

Elbow Valley West Wastewater Servicing

2017 September 11 (NM2017-40), Council directed Administration to continue negotiations of a new Master Servicing Agreement with RVC for the provision of wastewater servicing in alignment with the regional planning principles established by the Urban Municipalities Task Force. Administration was directed by Council to return to Council regarding servicing EVW once it was confirmed The City's wastewater system had sufficient capacity (Attachment 3).

2018 February 26 (IGA2018-0089), Council approved a new Policy on Regional Water, Wastewater and Stormwater Servicing (CP2018-01) to replace policy UEP004 (Attachment 4).

BACKGROUND

The City has been providing water and wastewater services outside of its corporate boundaries since approximately 1961. The City now provides these services to ten customers outside Calgary's boundaries through servicing agreements.

EVW is an existing development along the Highway 8 corridor west of Calgary that is comprised of approximately 120 residential lots. Wastewater effluent is held in a storage tank and then pumped out, hauled and ultimately treated at Calgary's wastewater treatment plants.

The City has received numerous servicing requests in the past for existing and proposed developments for the Highway 8 corridor, including the EVW development. The City has an existing agreement with RVC for the provision of wastewater servicing limited to a defined service area along the Highway 8 corridor (Attachment 1). Wastewater servicing requests for developments outside of the approved service area place The City in a position where it must consider the risks to its drinking water supply due to such extensive development upstream on the Elbow River. Historically, The City's response to recent (since 2012) servicing enquires for EVW were that The City was unable to consider the request for servicing, as it fell outside Council direction and policies. However, the Policy on Regional Water, Wastewater and Stormwater Servicing that Council approved on 2018 February 26 now allows Administration to consider such requests.

Exceptions have been made under the previous regional servicing policy to address cases which may result in negative environmental consequences for The City. The risk to Calgary's source water for this particular development is negligible, as the development is already in place and wastewater is hauled away for treatment at The City's wastewater treatment plants. However, it is possible that RVC could construct a wastewater treatment plant upstream of Calgary in the future.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

A technical review by Water Resources has indicated there is now capacity to service EVW following improvements RVC has made to past inflow and infiltration issues within its system. This review was based on flow data from the existing approved service areas and typical assumptions for new developments in the area.

Elbow Valley West Wastewater Servicing

Operation and ownership of the sanitary forcemains and lift stations that pump the wastewater from the existing service area to The City's wastewater system are owned and operated by RVC. In addition, The City already treats the wastewater from EVW, so there will be no additional capital infrastructure required by The City.

There will be little to no impact on the City of Calgary by not servicing EVW. At this point in time, the risk to Calgary's source water for this particular development is negligible as the wastewater is hauled away for treatment by Calgary's wastewater treatment plants.

An alternative to providing immediate servicing to EVW, would be to wait for the Calgary Metropolitan Region Board (CMRB) to complete its Growth and Servicing Plans. These Plans are anticipated to be available in 2021 and intended to outline how sustainable regional growth and servicing will be achieved.

Stakeholder Engagement, Research and Communication

Administration has been negotiating a new Master Servicing Agreement (MSA) with RVC to update the existing wastewater servicing agreements to make them consistent with the servicing agreements with other regional customers. Should Council approve wastewater servicing to EVW, the service area within the proposed MSA will be revised to incorporate EVW and Administration will proceed with executing the MSA.

Strategic Alignment

Regional water and wastewater servicing demonstrates The City's commitment to being a regional partner. Servicing the existing EVW development will not provide any substantive environmental or source water protection benefits.

Approving wastewater servicing at this time could be seen as premature given the establishment of the CMRB, and its mandate to create Growth and Servicing Plans. Servicing EVW at this time may not align with the Growth and Servicing Plans, and may trigger additional regional servicing requests that The City should not consider prior to establishment of the CMRB's Servicing Plan.

Social, Environmental, Economic (External)

There are no direct environmental benefits or impacts for The City associated with this report. Servicing EVW is considered by RVC as a more cost-effective wastewater solution for the residents of EVW.

Financial Capacity

Current and Future Operating Budget:

There are no operating budget impacts for The City associated with this report. Wastewater is already being treated by The City for this service area with costs recovered through existing hauled wastewater rates.

Should Council approve servicing EVW, costs will be recovered through rates approved by Council in the Wastewater Bylaw for regional customers.

Elbow Valley West Wastewater Servicing

Current and Future Capital Budget:

There are no capital budget impacts for The City associated with this report. All proposed future capital infrastructure in relation to a service area would be constructed, funded and maintained by the regional customer.

Risk Assessment

Providing servicing may give the perception to the region that The City has opened the doors for other servicing requests to The City prior to the establishment of the CMRB and its growth and servicing plans. Calgary historically managed a similar request from MacKenas Estates, another development along highway 8, which went to the Alberta Court of Appeal.

The City is currently in an intermunicipal dispute with RVC over the OMNI Area Structure Plan and other intermunicipal issues. The City filed a Municipal Government Board 690 appeal of the OMNI Area Structure Plan. Proceeding to provide servicing to EVW might be viewed as Calgary supporting unsustainable RVC development and may have unanticipated consequences on the ability of The City to present a fulsome appeal. This risk could be mitigated by not proceeding with servicing EVW until the appeal merit hearing has been concluded.

REASONS FOR RECOMMENDATIONS:

1. Administration was directed by Council in Notice of Motion NM2017-40 (Attachment 3) to return to Council for approval of a new service area that includes Elbow Valley West once it was confirmed that The City's wastewater system has sufficient capacity.

ATTACHMENT(S)

1. Existing and Proposed Highway 8 Corridor Service Area
2. Master Servicing Agreement Term Sheet
3. NM2017-40 – Notice of Motion Regarding Elbow Valley West Servicing
4. P2018-01 - Policy on Regional Water, Wastewater and Stormwater Servicing
5. Regional Servicing Summary

Terms for a Master Servicing Agreement for Regional Water and Wastewater Customers

1. Term and Termination

- 1.1. 20 years with optional renewal clauses

2. Joint Infrastructure Planning

- 2.1. Formalize planning alignment between the Customer and The City through regular planning meetings concerning infrastructure impacts resulting from water conservation, water and wastewater quality, population, business, industry, community growth and operational issues

3. Bylaw Alignment

- 3.1. Relevant bylaw provisions will be included in the agreement, and amended from time to time
- 3.2. Outlines areas of joint responsibility to manage water resource quality and quantity
- 3.3. The City will respect the autonomy of the Customer to manage their own customer base within their boundary

4. Provision of Service Franchise

- 4.1. Unless agreed to by The City, the Customer shall not supply water or wastewater service outside the corporate boundaries of the designated service area
- 4.2. The City will be the exclusive provider of bulk water and/or bulk wastewater for the term of the contract, unless otherwise agreed to in writing by The City
- 4.3. Customers receiving potable water shall return wastewater flows to The City where feasible

5. Point of Sale and Ownership Boundaries

- 5.1. The City will not own or operate infrastructure outside City of Calgary corporate boundaries
- 5.2. The City will deliver water to the Customer up to the City of Calgary corporate boundary and will receive wastewater at The City boundary where feasible
- 5.3. The City has the option to assume ownership of infrastructure, within The City, as corporate boundaries change

6. Emergency Management and Liability

- 6.1. In the event of water shortage, emergency, or operational maintenance, the Customer shall enact service restrictions in line with restrictions placed on internal City customers
- 6.2. The City and the Customer will attempt to share resources and align responses in the event of an emergency
- 6.3. The City will make all attempts to provide servicing in the event of a disruption but cannot accept any liability for disruption in service

7. Water Licence Allocation

- 7.1. The City will allocate part of its water licence for regional Customers in accordance with the Council approved allocation

8. Service Levels Regarding Flow Rates and Water Quality

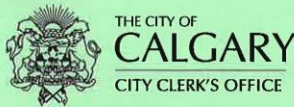
- 8.1. Maximum water and wastewater flow rates will be defined from time to time by the Director of Water Resources in accordance with system capacities and within the Council approved water licence allocation
- 8.2. Water and wastewater flow rates will be calculated based on Water Resources Long Range Planning Criteria incorporating conservation efforts
- 8.3. Water quality and pressure at the meter shall be the quality and pressure available in The City's Water system
- 8.4. The Customer is required to have sufficient water reservoir capacity to attenuate peak water flows
- 8.5. Quality of sanitary effluent at the ownership boundary shall meet City operating protocols and bylaws as amended from time to time

9. Meters

- 9.1. All billing meters and dedicated billing meter stations are to be owned and operated by The City
- 9.2. New billing meter stations constructed on new regional lines are to be donated to The City, including billing meters located within a customer owned lift station or reservoir
- 9.3. The Customer shall provide The City access to all meters located on customer land

10. Billing & Rates

- 10.1. The Customer will be invoiced monthly and will pay the service charges and usage rates as set by City Council
- 10.2. The City of Calgary will recoup the full cost of operational and capital expenditures to provide water and wastewater service to the Customer



NM2017 September 11
ISC: UNRESTRICTED

NM2017-40
NM RECEIVED

2017 AUG 31 AM 9:52

THE CITY OF CALGARY
CITY CLERK'S

NOTICE OF MOTION
CC 661 (R2009-05)

**ELBOW VALLEY WEST SERVICING
COUNCILLOR GIAN-CARLO CARRA**

WHEREAS The City of Calgary [The City] has an established Council Policy (UEP004) for the provision of utility servicing outside of its boundaries;

AND WHEREAS City Council directed Administration in C2011-23 that prior to Provincial approval of the Calgary Regional Water and Wastewater Corporation (CRWWC), outside city servicing requests would be considered by City Council only for Calgary Regional Partnership (CRP) member municipalities and would be in accordance with the existing servicing policy;

AND WHEREAS Rocky View County has neither joined the Calgary Regional Partnership nor adopted the Calgary Metropolitan Plan but is expected to be a member of the forthcoming Calgary Metropolitan Growth Management Board;

AND WHEREAS on 1997 September 10, The City and Rocky View County entered into an agreement for the provision of sanitary servicing for lands along the Highway 8 corridor which as amended over time include the developments of Elbow Valley, Pinebrook, Stonepine, Glencoe Golf & Country Club and United Lands (Lott Creek/Country Haven Estates). This servicing was allowed for as an exception to existing policies due to environmental and source water protection;

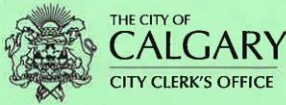
AND WHEREAS on 2017 June 28 Rocky View County Administration sent a letter to The City of Calgary Administration requesting that The City approve and extend servicing to 118 units in the Elbow Valley West Lands;

AND WHEREAS on 2017 July 14 City Administration sent a letter to Rocky View County reminding them that there were outstanding sewer capacity issues in the Highway 8 corridor and requested additional flow information prior to considering the request to service Elbow Valley West.

AND WHEREAS on 2017 August 10 Rocky View County Administration provided additional flow information to City Administration with respect to the Highway 8 corridor.

AND WHEREAS Elbow Valley West is an existing development that currently holds its wastewater in a storage tank which is then pumped out and hauled away to a treatment facility;

Signature of Member(s) of Council



NM _____

NOTICE OF MOTION

CC 661 (R2009-05)

AND WHEREAS in 2011 the developer of MacKenas Estates commenced a claim against The City and Rocky View County, which went all the way to the Court of Appeal, to allow a connection to the City's wastewater infrastructure servicing the Highway 8 corridor, and the Courts ruled against the developer as The City refused a connection based on existing policies rooted in fundamental differences in planning principles;

AND WHEREAS City Council on 2010 July 29 referred a previous motion on this matter to Administration to be considered with the implementation of the regional servicing strategy;

AND WHEREAS City Council on 2015 May 25 tabled a previous motion on this matter until such a time as Rocky View County joins the Calgary Metropolitan Plan (CMP);

AND WHEREAS The City of Calgary worked with The City of Chestermere, The City of Airdrie and The Town of Cochrane to establish the Urban Municipalities Task Force (UMTF) to address regional concerns including reducing regional sprawl and fiscally responsible planning to specifically address issues of concern for the UMTF partners with respect to Rocky View County's development plans and the potential adverse impacts of those plans on the region;

AND WHEREAS in keeping with its mandate of a "shared common municipal interests, infrastructure and a vision for a sustainable region" the UMTF approved the content of those interests in the form of a regional story which included the following key points:

- 1. Regional planning must be built on a foundation of fiscally responsibility;
- 2. Growth for the sake of growth makes it impossible to correct planning errors;
- 3. One opportunity to get regional planning right;
- 4. Regional planning should serve needs of all stakeholders;
- 5. Collaborative approach to develop region and create fiscally responsible, vibrant communities, supported by fair taxation, and responding to agricultural priorities;
- 6. Regional planning focuses on balancing economic and social development with the protection of wilderness, natural and environmentally sensitive areas, and farmlands;

AND WHEREAS the evolving nature of regional planning in the Calgary region has established the need for Calgary to review its existing servicing policies prior to and following the establishment of the Calgary Metropolitan Growth Management Board and resolution of Water Licence discussions with the Province;

Signature of Member(s) of Council



THE CITY OF
CALGARY
CITY CLERK'S OFFICE

NM _____

NOTICE OF MOTION

CC 661 (R2009-05)

NOW THEREFORE BE IT RESOLVED that City Council:

1. Reaffirm its commitment to not extend servicing beyond its boundaries without specific authorization from City Council;
2. Direct Administration to review The City's existing direction and policy for utility extensions beyond The City's boundaries in light of the evolving nature of regional planning in the Calgary region and develop interim guidance that would enable Council to consider outside City servicing requests on a case by case basis that aligns with the recommendations and key messages of the Urban Municipalities Task Force until such time as the Calgary Metropolitan Region Board establishes a servicing plan.
3. Direct Administration to continue negotiations of a new Master Servicing Agreement with Rocky View County for the provisions of wastewater servicing in alignment with the sound regional planning principles established through the Urban Municipalities Task Force, and return to Council for approval of a new service area that includes Elbow Valley West once it is confirmed that The City's wastewater system has sufficient capacity.

Signature of Member(s) of Council



Council Policy

Policy Title: Policy on Regional Water, Wastewater and Stormwater Servicing
Policy Number: CP2018-01
Report Number: IGA2018-0089
Adopted by/Date: 2018 February 26
Effective Date: 2018 February 26
Last Amended: N/A
Policy Owner: Water Resources

1. POLICY STATEMENT

- 1.1. Regional water, wastewater and stormwater servicing should support sound regional planning that is fiscally responsible and balances economic and social development with the protection of wilderness, natural and environmentally sensitive areas, and farmlands. In addition to managing the cumulative effects of continued growth and development in the Calgary region, the quality of Calgary's raw water sources must be protected to maintain a sustainable water supply for the region. Protecting these resources must also be balanced with available infrastructure capacity and future investments.
- 1.2. The City of Calgary is dedicated to achieving the Province's Water for Life Strategy and will continue to act as a responsible steward by taking an integrated watershed management approach and ensuring all future regional planning efforts align with this approach.
- 1.3. The City will retain full ownership of its water licences for future growth. The City of Calgary water licences are to be used expressly for the provision of safe, clean drinking water to City customers and The City will continue to be the water licensee of record.

2. PURPOSE

- 2.1. An updated *Policy on Regional Water, Wastewater and Stormwater Servicing* is required to:
 - 2.1.1. Manage cumulative effects on the watershed, including Calgary's raw water sources while recognizing The City's infrastructure capacity and financial implications.
 - 2.1.2. Steward The City's integrated watershed management approach by protecting The City's water licences.
 - 2.1.3. Provide Administration direction on how to proactively work with development outside the City that may impact Calgary's source water and pose environmental or watershed risks.
 - 2.1.4. Provide Administration direction on how to respond to applications for servicing outside the City's boundary.



3. DEFINITIONS

- 3.1. **Calgary Metropolitan Region Board:** Established in January 2018 by the Province, consists of representatives from 10 municipalities mandated to develop a long term plan for managed, sustainable growth and servicing in the Calgary region.
- 3.2. **Cost of Service Studies:** Establish recommendations for the utility rates as set out in the Water Bylaw and Wastewater Bylaw that are based upon a consultative review with regional customers in alignment with The City's business cycle.
- 3.3. **Master Servicing Agreement:** The duly executed contract between The City and a regional customer with respect to the supply of potable water and wastewater servicing to the regional customer through the works of The City.
- 3.4. **Regional Growth Plan:** The integrated growth management plan established by the Calgary Metropolitan Region Board as approved by the Minister of Municipal Affairs of the Province of Alberta.
- 3.5. **Regional Servicing Plan:** The plan established by the Calgary Metropolitan Regional Board to provide services referred to in section 16 of the Calgary Metropolitan Region Board Regulation on a regional basis.
- 3.6. **Wastewater Discharge Point:** The point where the customer owned regional wastewater transmission lines connect to City owned regional wastewater transmission lines as described in a Master Servicing Agreement.
- 3.7. **Wastewater Bylaw:** *Wastewater Bylaw Number 14M2012* as revised, amended or replaced from time to time.
- 3.8. **Water Bylaw:** *Potable Water Utility Bylaw Number 40M2006*, as revised, amended or replaced from time to time.

4. APPLICABILITY

- 4.1. This Council policy applies where The City is considering water, wastewater or stormwater servicing for any entity outside of The City's corporate boundaries.

5. PROCEDURE

5.1. **Regional Water Servicing**

- 5.1.1. The City will not transfer its water licences to any entity. Therefore, Council will only entertain potable water servicing to new entities outside the City on a case by case basis that either: a) have their own licence capacity, or b) could be accommodated under the City's own licence, subject to available infrastructure capacity and alignment with future investments.



- 5.1.2. The City will continue to provide water servicing to existing customers, as per existing servicing agreements subject to Council approval.
- 5.1.3. The City will work with the Province and regional municipalities to determine appropriate mechanisms, policies and options to ensure there is a sufficient and secure water supply to support current and future regional growth and economic prosperity.

5.2. Regional Wastewater Servicing

- 5.2.1. Case by case basis subject to Council approval in consideration of:
 - 5.2.1.1. Infrastructure capacity and alignment with future investments.
 - 5.2.1.2. Protection of the quality of Calgary's raw water sources, specifically the Bow and Elbow rivers upstream of The City's water treatment plants.
 - 5.2.1.3. Management of cumulative effects on the watershed including, but not limited to the Bow and Elbow rivers, and the Nose, West Nose, Pine and Fish Creek watershed.
 - 5.2.1.4. Supporting geographically-appropriate, existing, public, institutional uses.
- 5.2.2. The customer will own and operate the infrastructure required to deliver wastewater to the Wastewater Discharge Point, typically located at the first gravity manhole within City limits.

5.3. Regional Stormwater Servicing

- 5.3.1. Overland drainage that matches pre-development flows does not require Council approval.
- 5.3.2. Connections to engineered infrastructure will require Council approval on a case by case basis in consideration of infrastructure capacity, cost recovery, environmental protection and source water protection.

5.4. General

- 5.4.1. All formal requests for extension of City services originating outside The City's boundaries must be applied for by the municipality or First Nation in which the proposed service area exists or is to be located.
- 5.4.2. City Administration may proactively consider servicing a proposed service area without receiving a request due to undesired environmental risks or impacts to Calgary's water sources.
- 5.4.3. Council will be the approving authority for all new service areas and will approve general conditions.



- 5.4.4. All customers will be required to enter into a Master Servicing Agreement with The City in accordance with the general conditions approved by Council.
- 5.4.5. If formal negotiations on a Master Servicing Agreement are not initiated within two years of Council's in-principle approval, that servicing request will expire and Council's approval will be considered null and void.
- 5.4.6. All formal requests for new servicing areas outside The City's boundaries must be made in writing to the Director of Water Resources and include the location, size, population of the proposed service, requested flow rates, as well as any other technical information requested by the Director of Water Resources.
- 5.4.7. All formal requests for the extension of utility services outside The City's boundaries that do not meet this Council policy will be rejected in writing by Administration.
- 5.4.8. Where Administration considers a request to be in alignment with this Council policy, Administration will take a report on active written requests to City Council with recommendations for approval once every six months.
- 5.4.9. Should Council approve a servicing request, it will be in-principle to allow negotiations of a Master Servicing Agreement to commence.
- 5.4.10. Once a Master Servicing Agreement has been negotiated, Administration will present the agreed upon general conditions to Council for approval. If approved, the Director of Water Resources will be responsible for negotiating and implementing the terms of the Master Servicing Agreements in accordance with the general conditions.
- 5.4.11. The Director of Water Resources will be the approving authority for Master Servicing Agreement contract terms within approved service areas in accordance with Council approved general conditions.
- 5.4.12. The City will fully recover the costs of service to regional customers through rates determined by regular Cost of Service Studies and as approved by Council as outlined in the Water Bylaw and Wastewater Bylaw.
- 5.4.13. Any revisions to Master Servicing Agreements will require formal amending agreements.
- 5.4.14. Amendments and extensions in time of existing servicing contracts will be at the discretion of the Director of Water Resources.

6. AMENDMENT(S)

Date of Council Decision	Report/By-Law	Description



7. REVIEW(S)

Date of Policy Owner's Review	Description

Regional Servicing Summary

This servicing summary is intended to provide a high level summary of regional matters relevant to Council which are related to regional water and wastewater servicing, and inter-municipal drainage.

Table 1: Existing Regional Water & Wastewater Customers

Customer	Type of Existing Service	2019-2022 Flow Rate Amendments Required in 2018 ¹	MSA / Agreement <ul style="list-style-type: none"> Expiry Date 	CRP Member	CMRB Member	Servicing Since
City of Airdrie	Water & Wastewater	✓	MSA <ul style="list-style-type: none"> 2035 Jan 1 	Yes	Yes	1976
City of Chestermere	Water & Wastewater	✓	MSA <ul style="list-style-type: none"> 2035 Jan 1 	Yes	Yes	1983
Town of Cochrane	Wastewater	✓	MSA <ul style="list-style-type: none"> 2035 Jan 1 	Yes	Yes	1998
MD of Foothills	Spruce Meadows <ul style="list-style-type: none"> Water 		Agreement with Spruce Meadows directly <ul style="list-style-type: none"> 2021 Mar 31 	No	Yes	1986
Nexen Gas Plant	Water		Agreement <ul style="list-style-type: none"> 2009 MSA under negotiation	N/A	N/A	1961
Nexen Power Plant	Water & Wastewater		Water Agreement <ul style="list-style-type: none"> 2022 Wastewater Agreement <ul style="list-style-type: none"> 2027 	N/A	N/A	2002

Table 1 Continued: Existing Regional Water & Wastewater Customers

Customer	Type of Existing Service	2019-2022 Flow Rate Amendments Required in 2018 ¹	MSA / Agreement <ul style="list-style-type: none"> Expiry Date 	CRP Member	CMRB Member	Servicing Since
Rocky View County (RVC)	Elbow Valley Service Area <ul style="list-style-type: none"> Wastewater Bears paw School <ul style="list-style-type: none"> Wastewater 		Elbow Valley Service Area Agreement <ul style="list-style-type: none"> 2022 Sept Bears paw School Agreement <ul style="list-style-type: none"> No expiry MSA under negotiation.	No	Yes	1998
Town of Strathmore	Water	✓	MSA <ul style="list-style-type: none"> 2035 Jan 1 	Yes	Yes	2009
Tsuut'ina	Water & Wastewater	✓	MSA <ul style="list-style-type: none"> 2039 Mar 19 	No	No	1972

¹ Water Licence Balance Sheet for customers with Water servicing will require Council approval.

² Church's Farm formerly a customer of the City of Airdrie, is within Calgary City limits. The Balzac Community Hall formerly a customer of the City of Airdrie and was identified in the Airdrie MSA and service area and listed as a customer on the Term Sheet taken to Council.

Definitions:

- **"MSA"** means Master Servicing Agreement for water and or wastewater servicing which is a standardized and modernized servicing contract for an approved Service Area based on a Council approved term sheet. The MSA contains provisions and language which are not found in other regional servicing agreements still in effect.

Table 2: Regional Drainage

Municipality	Comments
Rocky View County (RVC)	<p>Cooperative Stormwater Management Initiative (CSMI)</p> <ul style="list-style-type: none"> The cooperative has executed a master agreement. <p>12 Mile Coulee Winter Drainage</p> <ul style="list-style-type: none"> RVC and Calgary continue to work on improving drainage issues

Table 3: Regional Strategy

Item	Comments
Source Water Protection Planning	Work ongoing.
Regional Water Supply & Licencing Strategy	Work ongoing.
Calgary Metropolitan Region Board (CMRB)	<p>Three subcommittees created:</p> <ol style="list-style-type: none"> Land Use Intermunicipal Servicing Governance <p>Interim Growth Plan</p> <ul style="list-style-type: none"> Work ongoing with consultant with September 2018 deadline <p>Regional Evaluation Framework</p> <ul style="list-style-type: none"> Work ongoing with Technical Advisory Group

IGA2018-0610
ATTACHMENT 1

