

Background

Context

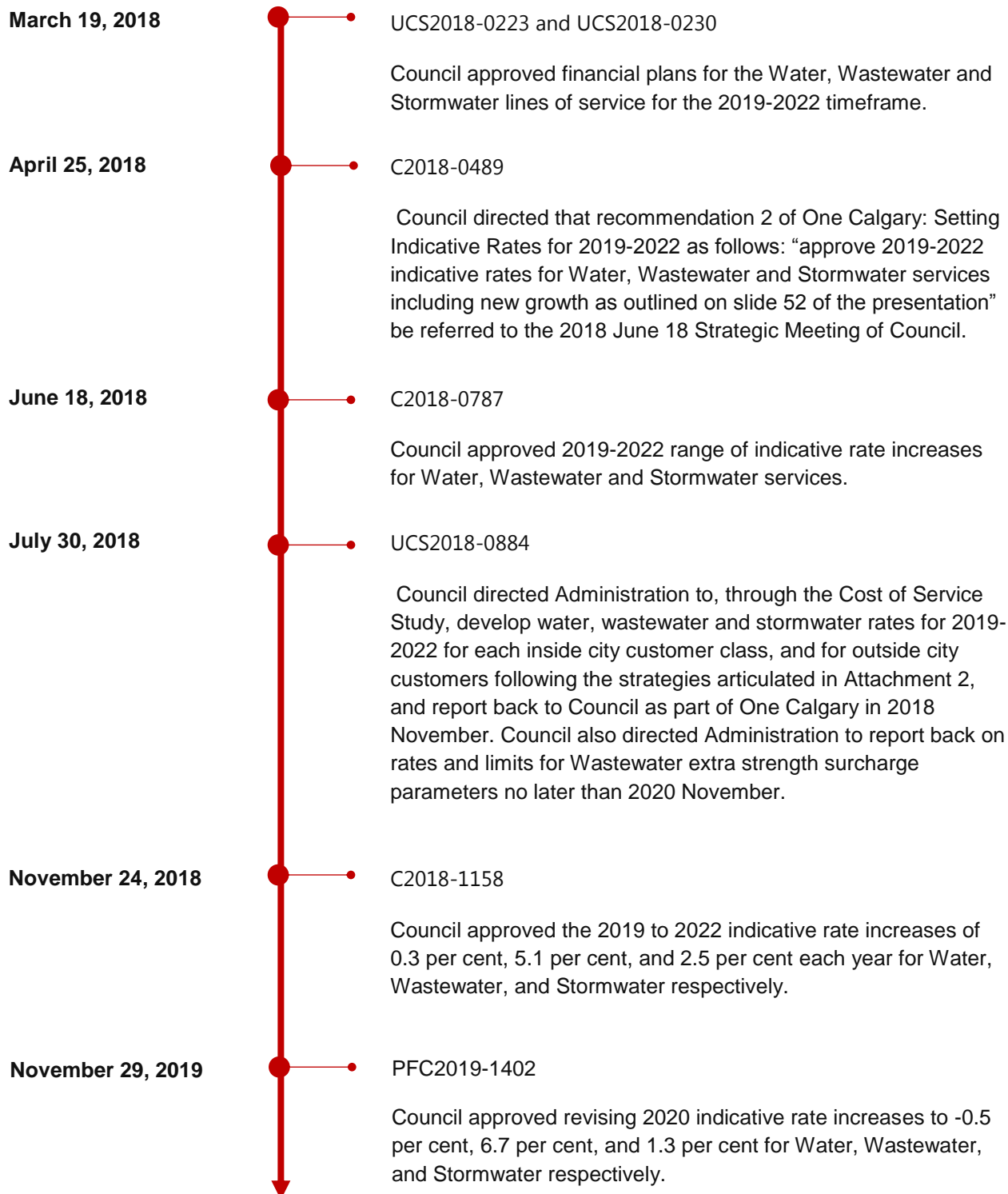
Under One Calgary, The City of Calgary (The City) is committed to Calgary's economic recovery through effective service delivery, while continuing to look for efficiencies to streamline the cost of municipal government. With increasing capital investment required to maintain highly reliable water and wastewater systems, meet regulatory requirements, and be resilient to environmental and economic changes, it is vital The Water Utility focus on continuous improvements including the implementation of the zero-based review recommendations to keep rates low for customers.

The Water Utility delivers services through a public utility model, where all revenue requirements are recovered through user rates, levies, and other utility fees. In the development of the 2019 to 2022 indicative rates, The Water Utility considered drivers and priorities related to operating and capital expenditures, customer expectations, and requirements to meet financial plan compliance to improve financial sustainability. The Water Utility continues to experience pressure on the rates to meet increasingly stringent regulations, provide high quality service, support the needs of a growing population, and maintain critical assets and infrastructure. Revised land development forecasts and lower than anticipated urban development have also resulted in greater off-site levy revenue shortfalls. These shortfalls place an upward pressure on utility rates.

Previous Council Direction

On 2019 November 29, Council approved PFC2019-1402, specifically revising 2020 indicative rate increases to -0.5 per cent, 6.7 per cent, and 1.3 per cent for Water, Wastewater, and Stormwater, respectively. Council also directed Administration to report back to the Priorities and Finance Committee with indicative rates for 2021 and 2022 prior to the November 2020 Mid-cycle Adjustments.

Leading up to the approval of C2019-1402, Council directed the following:



Bylaws, Regulations, Council Policies

Bylaws impacted by this report are:

- 40M2006 The Water Utility Bylaw
- 14M2012 The Wastewater Bylaw
- 37M2005 The Drainage Bylaw