

Harmony Wastewater Infrastructure Sub-Regional Servicing Strategy

RECOMMENDATIONS:

That the Intergovernmental Affairs Committee recommend that Council:

- 1) Indicate support through the signature of a Letter of Intent (LOI) by Mayor Gondek (Attachment 2) for the continued exploration of the viability of the Harmony sub-regional servicing strategy, and commissioning of technical studies in collaboration with the Town of Cochrane, Rocky View County, and Harmony Advanced Water System Corporation (HAWSCo) (working group);
- 2) Recognizing that a Council resolution is an eligibility requirement, make a Resolution supporting a grant application to the Alberta Community Partnership (ACP) program to help fund technical engineering work; and
- 3) Direct Administration to report back through the Intergovernmental Affairs Committee by no later than Q1 2024 with a summary of technical findings and proposed next steps.

RECOMMENDATION OF THE INFRASTRUCTURE AND PLANNING COMMITTEE, 2022 DECEMBER 15:

That Council:

- 1) Indicate support through the signature of a Letter of Intent (LOI) by Mayor Gondek (Attachment 2) for the continued exploration of the viability of the Harmony sub-regional servicing strategy, and commissioning of technical studies in collaboration with the Town of Cochrane, Rocky View County, and Harmony Advanced Water System Corporation (HAWSCo) (working group);
- 2) Recognizing that a Council resolution is an eligibility requirement, make a Resolution supporting a grant application to the Alberta Community Partnership (ACP) program to help fund technical engineering work; and
- 3) Direct Administration to report back through the Intergovernmental Affairs Committee by no later than Q1 2024 with a summary of technical findings and proposed next steps.

HIGHLIGHTS

- Administration is requesting Council support through a Letter of Intent (LOI) and a resolution supporting a grant application to the Alberta Community Partnership (ACP) (as per application requirements), to pursue technical feasibility studies that will assess the viability and effectiveness of regional wastewater servicing solutions west of Calgary.
- Working group municipalities (Town of Cochrane and Rocky View County) have also committed to similar requests from their respective councils by Q1 2023 to get commitment for this work through a signature of an LOI.
- The option being explored by the working group looks at bringing additional regional wastewater into The City. This exploration is occurring as Rocky View County's

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franchise partner HAWSCo's wastewater treatment facility plant is reaching capacity; and The Town of Cochrane is twinning the existing force main that carries wastewater from Cochrane to Calgary. The City remains interested in impacts to The City's source water at Bearspaw Reservoir, should other options be pursued.

- Administration anticipates a small financial commitment will be required to support technical feasibility studies and for which from there is budget from the Utilities Project Development (operating budget). Each partner municipality will contribute. Municipal contributions would be reduced if the ACP grant application is successful.
- The work remains an important example of regional collaboration with our neighbours in building borderless servicing solutions in the region.
- Background and Previous Council Direction is included in Attachment 1.

DISCUSSION

Initiated by the Ministry of Environment and Protected Areas (EPA), City Administration has participated in an informal working group over the past 18 months with Rocky View County, the Town of Cochrane, and HAWSCo (Rocky View County's private utility franchise partner); with Environment and Protection Areas (EPA) and Calgary Metropolitan Region Board (CMRB) staff participating as observers. The objective of the working group is to explore regional wastewater servicing options to the west of Calgary.

The investigation is supported by CMRB administration who view the strategy as a means to achieve goals and policies outlined in the CMRB's *Regional Growth Plan* and *Regional Servicing Plan*.

The catalyst for the work includes:

- Cochrane will be twinning the existing force main that carries wastewater from Cochrane to Calgary for treatment to increase capacity.
- Rocky View County's franchise partner HAWSCo's wastewater treatment facility plant is reaching the capacity of what it can treat and irrigate onto its golf course.

At this time, the working group identified two potential wastewater servicing options:

1. HAWSCo expand its existing wastewater treatment plant and apply for a new wastewater outfall directly to the Bow River, upstream of the Bearspaw Reservoir (a key drinking water source for Calgary and Region);
2. Connect HAWSCo to expanded wastewater infrastructure originating in Cochrane that conveys wastewater to Calgary to be processed at the Bonnybrook wastewater treatment plant.

Both options would support development within preferred growth areas as identified in the CMRB *Growth and Servicing Plans* including the unincorporated area of Harmony and the Town of Cochrane.

HAWSCo will continue to advance work on option 1, independently. It is anticipated both streams of work will happen concurrently for the next year.

Through commitment to this work via the LOI, administration would undertake a technical exploration by commissioning regionally focused engineering feasibility studies to better understand the technical viability, interim strategies, and associated costs of the sub regional

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servicing strategy. City Administration would then return to Council (through IGA) with a recommended course of action based on the findings from the technical work.

The working group would propose funding and governance principles to provide additional structure and oversight to this work. The CMRB *Growth Plan* and *Regional Evaluation Framework* will remain important tools to ensure the servicing discussions do not become 'out of step' with regional planning processes.

The City is committed to the CMRB *Growth Plan* and working on servicing solutions for growth areas that are supported by policy. While Harmony (unincorporated area) and Cochrane are identified as preferred growth areas by the CMRB, some development plans for adjacent areas in Rocky View County (Springbank, Cochrane Lakes etc.) remain disputed and are out of alignment with the CMRB *Growth Plan*. There is a risk that should a sub-regional servicing solution be implemented; it could be used as a point of leverage in the argument for supporting growth outside of preferred growth areas. Should Council be supportive of moving forward on this work, Administration will look to the tools available via the *Growth Plan* and *Regional Evaluation Framework* and will conduct further investigation on how to best mitigate this risk.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required |

IMPLICATIONS

Social

The City continues to redefine our relationship with neighbouring municipalities by exploring partnerships and the borderless delivery of essential services.

If The City decides not to participate in the strategy exploration through signature of the LOI and withdraws from the project team, there may be relationship implications with not only other members of the working group but the CMRB membership inclusive.

Environmental

Administration understands that a receiving water bodies assessment would be completed as part of a regulatory application for a new HAWSCo effluent outfall to the Bow River (option 1 noted above). This study should help Calgary better understand the risk of a direct outfall upstream of the Bearspaw Reservoir on The City's source water supply.

Economic

The lands in Harmony and Cochrane are considered preferred growth areas by the CMRB *Growth Plan*; and are included as priority servicing areas. Administration anticipates that the approach to the strategy would provide full cost recovery to The City (which is consistent with

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our overall regional servicing approach) through a strategy intended to support the economic growth and benefit of the region which includes Calgary.

Service and Financial Implications

Existing operating funding - one-time

Administration anticipates a small financial commitment will be required to support technical feasibility studies. Funds for the work will be directed from the operating budget of Utilities Project Development. Each partner municipality will contribute. Municipal funding should be reduced if the ACP grant application is successful.

RISK

Risk	Description	Probability	Mitigation
Intermunicipal Relationship	City has shown commitment to the project to date. Working group members will be requesting signature of the LOI from their councils by Q1 2023. Assuming support from other partners, if Calgary does not approve the continued strategy exploration, it may be viewed negatively by other members.	High	Continue participating in next stages of technical exploration prior to making decision about city position.
Regional Planning	The CMRB is supportive of exploring sub-regional servicing solutions for preferred growth areas. Should Calgary eventually offer support for one of the options being explored, it could set a precedent for growth in the area including areas not identified under the CMRB <i>Growth Plan</i> as preferred growth areas. This is because servicing may no longer be a limiting factor for development of those areas.	Medium	Support for strong regional planning, establishment of governance principles and maintaining a level of involvement in approvals are ways to mitigate this risk. The CMRB has tools in place (such as the <i>Regional Evaluation Framework</i>) to ensure development does not occur out of sync with the <i>Growth Plan</i> . This risk will be monitored throughout the project.
Private Utility	HAWSCo is a private, for-profit utility that is a franchise partner to Rocky	Low	The City's expects a small fiscal contribution to support the next phase of exploration.

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	View County. It is unknown how financial contribution of City funds to a private utility expansion may be viewed.		<p>The budget for this is available through the Utilities Project Development operating budget. This regional technical work will help Calgary in conducting our own analysis to understand the potential in-city infrastructure impacts.</p> <p>If the strategy proceeds further, The City would be party to the development of its funding principles which would reflect appropriate use of municipal and private contributions.</p>
Infrastructure Costs	Sanitary trunk upgrades within Calgary may be required, depending on the subregional servicing strategy that is recommended.	Low	Further technical analysis will confirm the capital upgrades (if any) required to accommodate the subregional servicing strategy. Work will occur outside the scope of the regional assessment.
Water Quality	There could be water quality risk to Bearspaw Reservoir if a direct outfall is pursued.	To be Determined	Additional environmental study (receiving water body assessment) is required before an objective position can be articulated.

ATTACHMENTS

Attachment 1: Background and previous council direction

Attachment 2: Proposed non-binding Letter of Intent

Attachment 3: Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Director Carolyn Bowen	Climate and Environment	Inform
Director Nancy Mackay	Water Services	Inform
GM Stuart Dalgleish	Planning and Development Services	Approve