

Planning & Development Services Report to
Intergovernmental Affairs Committee
2023 December 21

ISC: UNRESTRICTED
IGA2023-1281

Regional Water, Wastewater and Stormwater Servicing Policy Update & Servicing Request

PURPOSE

The purpose of this report is to bring forward amendments to the Policy on Regional Water, Wastewater and Stormwater Servicing ([CP2018-01](#)), as well as recommendations for a regional wastewater servicing request from Rocky View County.

PREVIOUS COUNCIL DIRECTION

The City of Calgary (The City) has been providing bulk water and wastewater services outside its corporate boundaries since 1961. 1992 May 25, Council approved a *Policy for Utility Extensions Beyond The City's Boundaries* (UEP004). This was replaced by The City's current *Policy on Regional Water, Wastewater and Stormwater Servicing* (the Policy) on 2018 Feb 26.

RECOMMENDATION:

That Intergovernmental Affairs Committee recommend that Council:

1. Adopt the updated Policy on Regional Water, Wastewater and Stormwater Servicing (Attachment 3); and
2. Approve, in principle, the wastewater servicing request by Rocky View County in their letter dated 2023 June 7 (Attachment 7), and direct Administration to commence Master Servicing Agreement negotiations based on the proposed service area.

RECOMMENDATION OF THE INTERGOVERNMENTAL AFFAIRS COMMITTEE, 2023 DECEMBER 21:

That Council:

1. Adopt the updated Policy on Regional Water, Wastewater and Stormwater Servicing (Attachment 3); and
2. Approve, in principle, the wastewater servicing request by Rocky View County in their letter dated 2023 June 7 (Attachment 7), and direct Administration to commence Master Servicing Agreement negotiations based on the proposed service area.

Excerpt from the Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, 2023 December 21:

“The following documents were distributed with respect to Report IGA2023-1281:

- A letter from Rocky View County; and
- A letter from The City of Calgary.”

CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

Acting General Manager Debra Hamilton concurs with this report. Updating the Policy, as well as advancing negotiations on servicing with Rocky View County in accordance with the new Policy, supports responsible and sustainable water use in the Calgary region.

Regional Water, Wastewater and Stormwater Servicing

HIGHLIGHTS

- The proposed Policy demonstrates Calgary's commitment to successful and sustainable regional growth by providing updated guidance on the review and administration of regional servicing requests.
- Updates to the Policy were required to align the Policy with the Calgary Metropolitan Region Board's (CMRB) Growth and Servicing Plans.
- The City received a request from Rocky View County for expanded wastewater servicing to a new educational development.
- The servicing request meets The City's requirements to advance to Master Servicing Agreement (MSA) negotiations, with recommendations on terms and conditions to be presented to Council in a future report.
- Calgarians value healthy rivers and clean drinking water. The City is committed to supporting a healthy and resilient watershed that provides reliable clean water for current and future generations.

DISCUSSION

Water is an essential resource that is critical for long-term socio-economic development, growth and healthy ecosystems in the Calgary Metropolitan Region. The City has been providing water and wastewater services outside of its boundaries since 1961. The City currently provides these services to nine regional customers through bi-lateral MSAs (Attachment 6). The Policy (Attachment 2) guides the planning, infrastructure, regulatory and contractual considerations that inform Council decisions on regional servicing.

The CMRB Growth and Servicing Plans came into effect in 2022 August and established the strategic vision for how and where the region should grow (Attachment 5). There is a need for the Policy to be amended to align with these Plans.

Regional Servicing Policy Update

Administration engaged across City departments, with existing regional customers and with CMRB Administration to determine the scope for the Policy update. The proposed amendments (Attachment 3 and Attachment 4) focus on:

- **Alignment with CMRB Growth and Servicing Plans:**
 - The proposed updated Policy aligns with CMRB Growth and Servicing Plans;
 - Requests in CMRB Preferred Growth Areas or by First Nations are prioritized;
 - Requests outside of these areas may be considered if they are assessed to be regionally significant or have existing area structure plans that comply with the Growth and Servicing Plans.
- **Streamlined language on Water Licences:**
 - The Policy position on water licences has been maintained, with language updated to make it more succinct.
- **Improved clarity and transparency:**
 - The technical information needed to evaluate applications is clearly stated;
 - The Policy confirms existing regional customers wanting to expand service must satisfy the same criteria and information requirements as new servicing requests.

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- **Supporting evidence-based decision making:**
 - Updated policies enable Administration to request additional information (if required) to evaluate environmental, water security and climate change impacts.
- **General housekeeping:**
 - Updates improve readability and create alignment with The City's post-realignment corporate structure.

Rocky View County - Request for expanded wastewater service

On 2023 June 7, Rocky View County formally submitted a request for wastewater servicing to support an education services development serving residents of Calgary, Rocky View County and the region (Attachment 7). The City already provides wastewater servicing to an adjacent school through an MSA between The City and Rocky View County.

Administration reviewed the policy, regional planning, utility infrastructure, contractual and legal impacts of the request. No significant risks were identified. Although the request is not in a CMRB preferred growth area, the proposal still represents a regionally significant development.

Upon receiving a written request for regional servicing, Administration must take a report to City Council with recommendations for in-principle approval within six months. This allows The City to begin detailed MSA negotiations. If negotiations are successful, Administration will bring a second report to Council with recommendations on approval of the MSA terms and conditions.

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 |

Policy update: Extensive public engagement was undertaken by CMRB members for the Growth and Servicing Plans. As the amended Policy aligns with these plans, no public engagement was required. Targeted engagement was carried out with select interested parties including existing regional customers and CMRB Administration. These parties were given the opportunity to review the updated Policy and provide feedback.

Rocky View County Servicing Request: No public engagement was required.

IMPLICATIONS

Social

The updated Policy promotes social wellbeing through sustainable development, as well as the responsible use of water for the benefit of current and future Calgarians and regional residents.

Administration's initial evaluation of the Rocky View County servicing request highlighted social benefits of the proposed development through the provision of educational services to residents of Calgary, Rocky View County and the region. Further implications will be confirmed through MSA negotiations and presented to Council in a future report.

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Environmental

The updated Policy embeds environmental considerations in the decision-making process. The Policy enables Administration to request additional information on environmental, water security and climate change impacts in order to support evidence-based decision making.

Administration's initial evaluation of the Rocky View County servicing request did not identify any significant environmental impacts. Further implications will be confirmed through MSA negotiations and presented to Council in a future report.

Economic

The updated Policy supports sustainable regional growth in line with the CMRB Growth and Servicing Plans.

Administration's initial evaluation of the Rocky View County servicing request did not identify any significant economic impacts. Further implications will be confirmed through MSA negotiations and presented to Council in a future report.

Service and Financial Implications

No anticipated financial impact

There are no direct capital or operating implications as a result of the Policy update. The City operates on a 100 per cent cost-recovery basis for the services provided to regional customers. Costs for expanded servicing to Rocky View County would be recovered through the rates approved by Council in the Wastewater Bylaw for regional customers.

RISK

Policy Amendments

If the recommendations are not approved, this will result in a lack of alignment between City policy and the CMRB Growth and Servicing Plans. It could also be perceived as The City not supporting collaboration for regional growth and development.

Rocky View County Wastewater Servicing Request

No significant risks have been identified in the initial evaluation of this request. MSA negotiations will confirm any risks, which would then be presented to Council in a future report.

ATTACHMENTS

1. Background and Previous Council Direction
2. (CP2018-01) Policy on Regional Water, Wastewater and Stormwater Servicing
3. Amended Policy on Regional Water, Wastewater and Stormwater Servicing
4. Summary of Proposed Amendments
5. Calgary Metropolitan Region Board Growth and Servicing Plans Overview
6. Regional Water and Wastewater Servicing Summary
7. Regional Servicing Request (Wastewater) - Rocky View County
8. Presentation

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- 9. Letter from Rocky View County
- 10. Letter from The City of Calgary

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Debra Hamilton, GM	PDS - GMO	Approve
Carolyn Bowen, Director	PDS – Climate and Environment	Approve
Josh White, Director	PDS – City and Regional Planning	Inform
Nancy MacKay, Director	OS – Water Services	Inform

City Clerks: C. Doi / J. Booth