



Council Policy

Policy Title: **Policy on Regional Water, Wastewater and Stormwater Servicing**
Policy Number: TBD
Report Number: TBD
Adopted by/Date: TBD
Effective Date: TBD
Last Amended: N/A
Policy Owner: **Water Resources**

1. POLICY STATEMENT

- 1.1. Regional water, wastewater and stormwater servicing should only 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. Regional servicing plans need to be developed at a collaborative level to balance the needs of all stakeholders while supporting vibrant communities with fair taxes and utility rates. Continued growth and development in the Calgary region are highlighting the need to manage the cumulative effects on the watershed, including protecting the quality of Calgary's raw water sources. The need to protect these resources must be balanced with a strategic approach to available infrastructure capacity and future investments.
- 1.2. The City of Calgary (The City) needs to carefully consider how it manages its water licences to support Calgary's future growth. With the establishment of the Calgary Metropolitan Region Board (CMRB), along with the associated requirement to create a mandatory Regional Growth Plan and Servicing Plan, The City's current *Policy for Utility Extensions Beyond the City's Boundaries (UEP 004)* requires updating and The City needs to establish an updated regional water, wastewater and stormwater servicing Council policy based on sound principles that protect The City's water licences.
- 1.3. The City will retain full ownership to its water licences. The City's existing water licences must be protected for future growth, and will not be transferred to support regional water servicing. The City of Calgary water licences are to be used expressly for the provision of safe, clean drinking water to existing City customers and The City will continue to be the water licensee of record.

2. PURPOSE

- 2.1. The City's existing *Policy for Utility Extensions Beyond the City's Boundaries (UEP 004)* is out of date and requires updates while the CMRB works on the new Regional Growth and Servicing Plans. 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. Protect 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 waters and pose environmental 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 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 by the regional customers from time to time.
- 3.3. Master Servicing Agreement: Means the duly executed contract between The City and a regional customer with respect to the long term commitment for the supply of potable water and wastewater servicing to the regional customer through the works of The City.
- 3.4. Regional Growth Plan: Means an integrated growth management plan established by the Calgary Metropolitan Region Board for the Calgary region as approved by the Minister of Municipal Affairs of the Province of Alberta.
- 3.5. Regional Servicing Plan: Means a 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: Means the point where the customer owned regional wastewater transmission lines connect to City owned regional wastewater transmission lines as more particularly described in a Master Servicing Agreement.
- 3.7. Wastewater Bylaw: Means *Wastewater Bylaw Number 14M2012*, being a bylaw of The City to regulate wastewater, as revised, amended or replaced from time to time.
- 3.8. Water Bylaw: Means *Potable Water Utility Bylaw Number 40M2006*, being a bylaw of The City to regulate potable water 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 licence to any entity. Therefore until further notice, except under extenuating circumstances subject to Council approval, The City will not entertain potable water servicing to any new entities outside The City. Any Council considerations will be subject to a strategic approach to available infrastructure capacity and 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 in alignment with rate setting.
- 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. A strategic approach to available infrastructure capacity and future investments.
 - 5.2.1.2. Protection of the quality of Calgary's raw water sources, specifically the Bow and Elbow rivers.
 - 5.2.1.3. Management of cumulative effects on the watershed including the Bow and Elbow rivers, and the Nose, West Nose, Pine and Fish Creeks.
 - 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 where there is considered to be 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. The Director of Water Resources will be the approving authority for contract terms within approved service areas in accordance with Council approved general conditions.
- 5.4.5. 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.
- 5.4.6. All Customers will be required to enter into a Master Servicing Agreement with The City in accordance with the general conditions approved by Council.
- 5.4.7. Any revisions to Master Servicing Agreements will require formal amending agreements.
- 5.4.8. 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.
- 5.4.9. Amendments and extensions in time of existing servicing contracts will be at the discretion of the Director of Water Resources.
- 5.4.10. 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.
- 5.4.11. 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.
- 5.4.12. Where Administration considers a request to be in alignment with this Council policy, Administration will take a report on active requests to City Council with recommendations for approval once every six months.

5.4.13. Should Council approve a servicing request, it will be in-principle to allow negotiations of a Master Servicing Agreement to commence.

5.4.14. 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.

6. AMENDMENT(S)

| Date of Council Decision | Report/By-Law | Description |
|--------------------------|---------------|-------------|
| | | |

7. REVIEW(S)

| Date of Policy Owner's Review | Description |
|-------------------------------|-------------|
| | |