

Background and Previous Council Direction

Background

Calgarians value healthy rivers and clean drinking water. The City of Calgary (The City) is committed to supporting a healthy and resilient watershed that provides reliable and clean water for current and future generations. Watersheds are interconnected and water is an essential resource that is shared between many different users in the Calgary Metropolitan Region. Providing reliable water and wastewater services to appropriate locations within surrounding municipalities contributes to public health and long-term sustainability in the Calgary Metropolitan Region.

The City has been providing bulk water provision services outside its corporate boundaries since 1961 and wastewater treatment services since 1972. The City operates regulated water treatment and delivery, as well as wastewater treatment and disposal services, to some customers outside The City's municipal boundaries through bi-lateral Master Servicing Agreements (MSAs) and per City Council policies. City Council holds authority for approving new servicing agreements and for setting regional customer rates. The City of Calgary's regional water and wastewater utility customers currently comprise approximately 10 per cent of The City's customer population base, 5 to 6 per cent of its consumption or treatment, and 3 percent of its revenue. The City's largest current customer is The City of Airdrie (water and wastewater). See Attachment 4 for a full summary of existing regional customers. The City currently does not provide stormwater servicing for any regional customers.

The City has a MSA with each regional customer to establish the legal obligations associated with the provision of regional water and wastewater servicing by The City. The MSAs are designed to be updated with each business cycle to update the annual contracted volumes to be provided by The City to each customer for the upcoming four years. These contracted volumes are a critical input into the Utility's Cost of Service Study that attributes utility costs to each customer class to inform customer rates, including the regional customer rate class. Rates charged by The City to regional customers are designed to recover 100 per cent of the cost of providing the regional service.

Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
1985	N/A	Rocky View County Adoption of the Cochrane Lakes Conceptual Scheme by resolution.
1996	N/A	City of Calgary and Town of Cochrane Municipalities enter into a Master Servicing Agreement for The City to provide wastewater treatment.
2007	N/A	Rocky View County Rocky View County approved the Harmony Area Structure Plan.
2017	N/A	City of Calgary and Town of Cochrane

		Master Servicing agreement approved by The City for The Town and specific surrounding service areas including Cochrane Lakes.
2/26/2018	IGA 2018-0089	City of Calgary Council approves updated policy on Regional Water, Wastewater and Stormwater Servicing.
10/5/2020	CP 2020-04	City of Calgary Council approves Source Water Protection Policy and adopts the Source Water Protection Plan as an implementation tool.
2021	N/A	Rocky View County Springbank Area Structure Plans are submitted to Calgary Metropolitan Region Board Interim Regional Evaluation Framework process. Plans were refused by Board vote.
2022	N/A	Calgary Metropolitan Region Board Approves and adopts Calgary Metropolitan Region Board Growth and Servicing Plan.
2022	IGA2022-1363	City of Calgary Harmony Wastewater Infrastructure Sub-Regional Servicing Strategy: Council provides support to pursue technical feasibility studies to assess the viability and effectiveness of regional wastewater servicing solutions west of Calgary.
2024	IGA2023-1281	City of Calgary Council adopts the updated Policy on Regional Water, Wastewater and Stormwater Servicing.

Bylaws, Regulations, Council Policies

Regional water and wastewater servicing aligns with or supports several Council Policies, including the following:

Triple Bottom Line Policy (LUP003, EM003, CS003)

Regional water servicing is consistent with the following themes of The City's *Triple Bottom Line Policy Framework*:

- provides affordable and cost-effective infrastructure;
- supports sports/leisure activities (e.g., Spruce Meadows);
- supports efficient land use;

- conserves and protects The City's water resources;
- promotes collaboration with neighbouring municipalities to ensure effective delivery of services and shared responsibility for future sustainability; and
- supports the long-term viability of The City and the region by collaborating with its regional partners on servicing and watershed issues.

Source Water Protection Policy (CP2020-04)

Regional water servicing aligns with The City's *Source Water Protection Policy (CP2020-04)*, which states that The City is committed to delivering safe, clean, high quality drinking water to our city and regional customers.

The City of Calgary's Environmental Policy (UEP001)

Regional water servicing is consistent with The City's *Environmental Policy (UEP001)* by promoting water conservation, minimizing water and land consumption, and partnering with other governments to enhance environmental sustainability.