Off-site Levy Bylaw Review – Water Resources Working Group Stakeholder Consultation Meeting Notes

Date/Time: July 28, 2022 / 3:00 pm to 4:30 pm

Location: MS Teams – video conferencing and The Water Centre - 625 25 Avenue SE

Attendees:

Internal	External
Krista Campbell	Greg Bodnarchuk
Maggie Choi	Jackie Stewart
Quinn Eastlick	Jay German
Kimberly Kahan	Brian Hahn
Pam McHugh*	Mark Wynker
Helena Nguyen	Chris Ollenberger
Chris Tse	
Angela Sedor	
Regrets	
	Guy Huntingford
	Shameer Gaidhar

*Note taker

Agenda

1. **Welcome, Introductions & Agenda Overview** (Chris Tse)
2. **Meeting Norms (Hybrid)** (Quinn Eastlick)
3. **Refresher on Methodology & Formula** (Chris Tse)
4. **Leviable Land** (Chris Tse)
5. **Benefit Allocation and Example** (Chris Tse)
6. **Treatment Methodology** (Chris Tse)
7. **Next Steps** (Chris Tse)

Feedback collected:

General Feedback/Comments

- We understand in new communities you may develop a new commercial centre. Overall, the person in the employment area is at 0.61EP according to this projection and therefore is not using their personal allocation when they are at work. Can you clarify? What is the assumption? Are levies getting charged for a net use of water that is not an additional use of water? Not convinced that we are not doubling up in this approach. The assumption is logical, but we need to prove it out a little better.
    - Are regional customers in the same ratio?

- The costs per equivalent person may change based on certain variables, so I want to understand how much, for example, water conservation efforts weigh into a new water treatment plant.
- A new treatment plant is added clearly for new future development and so does the denominator in the formula then change?
- If we can go back to the Ogden feeder main example and you use the scenario of completing the loop, I do not see how that has been factored into the benefit calculation. How do we go about the benefit calculation? How are the established area components captured? Where is the remainder coming from if only X is being collected through OSL? Where are the regional customers captured?
- Slide 9 - can you show how you calculated the 27.9 %. I was not able to replicate that calculation to that percentage. The spreadsheet is unclear on how you got to the numbers.
- Earlier in the presentation, there was a reference to April 2022 so there is probably more recent decisions by Council---is there a date and a map to show the projected rates?
- 285 per person equivalent discussion previous in the Established Area Local Levy. Is that still the case? Is that number going to be reviewed through this process?
- How are each of the population numbers in the table determined or generated (i.e., how is the 823,937 in Residential under Total Population in Study Area determined, how is 126,001 for Residential Greenfield determined, how is 21,151 under Employment Greenfield determined, etc.)? Has there been any changes to the benefit percentages or assumptions since the 2016/2018 Bylaw? What is the source of the data, and can it be shared? Will there be changes to the project costs in the numerator? Will estimates be changes given the time lapse?
- Has analysis similar to that shown for Ogden Feedermain shown on slide 10 been completed for all projects?
- When does the benefit allocation become the final benefit allocation for this bylaw update? Is there no chance that the benefit allocation will change or be revisited if it is on the list? Will all the population data and assumptions (like slide 10) be made available to the working group members?
- In terms of determining the treatment plant and forecast demand, is the same approach to linear taken? Are the Equivalent Population usage assumptions the same as for linear pipes? Are there any diversity factors to determine litres per day per capita consumption?
- Are the equivalent person usage assumptions used for the water treatment plant levy calculations the same as for linear? How is the capacity of linear determined?
- What specific wastewater and storm drainage assumptions are used in determining treatment plant levy calculations?
- Are any diversity factors for usage applied against the data that is used to determine the litres per day per capita consumption?
- If so, what are the diversity factors and how are they determined? If not, what is the city relying on to assume 100% coincident peak demand from all users?
- In 2016, didn't we talk about fire flow capacity rather than population consumption? Isn't fire flow typically the driver? Linear projects are typically all different. Is there a peak demand consideration and then a diversity factor?
- Capacity goes to the required projects, so there is a concern around overbuilding.
- Working group wants to understand capital and what is triggering new development. How are we splitting the greenfield between what is currently developable and the future to be developed areas.

- What we need to prove and clearly display is that the levy is not artificially inflated and that this is MGA-compliant.
- How do we conduct benefit percentages?
- Can the working group receive old water models for treatment plants as a comparison?
- When will the water model spreadsheets for treatment plants be provided?
- What amortization period will be used for financing treatment plants – 10 years?
- Full build-out of the community is 2041. What is the timeline for the projects used in the numerator?
- The order of slides was a bit disjointed in jumping between linear and stormwater, for consideration in future sessions because the methodology is different.
- There still seems to be misalignment between infrastructure projects included when Council directed the removal of water and wastewater from the levy for a period of time. It is an ongoing issue for industry.
- What projects are being used in amortization? Can the amortization of ten years be looked at through this process?
- Will 2-3 sessions be enough, and can we expect another Established Area Linear Levy session?

Summary of Action Items

- Previous water & wastewater treatment financial models from the project team to working group members.