



Aquatera Infrastructure Charge

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|-------------------|--------------------------------|-----------------------|---------------------|
| POLICY NO: | 310 | APPROVAL DATE: | June 9, 2005 |
| TITLE: | Aquatera Infrastructure Charge | REVISION DATE: | May 23, 2018 |
| SECTION: | Financial | AUTHORITY: | Board of Directors |

PURPOSE

This policy confirms the contributions from new development towards the Infrastructure funding needed to accommodate growth; in accordance with the Aquatera Principle of Balancing Profitability and Affordability.

Infrastructure Charge Fund Application & Use:

1. The Aquatera Infrastructure Charge (the Charge) will apply as a contribution by new or newly serviced development towards the Water and Wastewater Infrastructure needed to accommodate growth. The funds collected contribute to only a portion of the total growth related infrastructure costs.
2. Funds collected by the Charge will apply to the infrastructure upgrades needed to accommodate growth identified in the Aquatera Capital Plan as amended from time to time. Eligible projects are the upgrading of water and wastewater treatment and related facilities, water transmission facilities (including pump stations and reservoirs), Sanitary Trunk Mains or over-sizing of Lift Stations, construction of water booster stations and chloramination stations and such other infrastructure that is reasonably required by Aquatera to accommodate growth.
3. The growth related infrastructure upgrades that form the basis of this Policy are shown in the Appendix as a reference.
4. The proportionate share of the Charge is based on the water demand of a development. Water demand is based on the proportionate flow available for various water service sizes. The wastewater demand is directly proportional to the water demand.
5. The Water Utility is a single system that benefits all users. Upgrades to the Water Utility are necessitated by new development and the Water Charge relating to new or newly serviced development will be uniform.
6. The Wastewater Utility systems in Grande Prairie, Clairmont and Sexsmith function independently. The cost to upgrade these systems and the benefiting area varies. The Wastewater Charge for each of these systems may differ.

7. The water service line size is based on the nominal size (diameter) of the water service pipe which is specified by the pipe manufacturer and is not necessarily equivalent to the inside diameter.

Infrastructure Charge Administration

8. The Charge will apply to developments connecting to the water and / or wastewater systems in or from the City of Grande Prairie, the County of Grande Prairie, the Hamlet of Clairmont and the Town of Sexsmith. The Infrastructure Charge is payable upon application to connect or re-connect to the water and/or wastewater system.
9. The Infrastructure Charge for other land uses will be based on the nominal water service size in accordance with the following tables:

Table 1 Water Charge

| Water Service Size | To May 31, 2018 (\$) | Effective June 1, 2018 (\$) |
|--------------------|----------------------|-----------------------------|
| ¾" (19mm) | 4,148 | 4,148 |
| 1" (25mm) | 7,374 | 7,216 |
| 1¼" (32mm) | 11,522 | 11,274 |
| 1½" (38mm) | 16,592 | 16,235 |
| 2" (50mm) | 29,497 | 28,863 |
| 2½" (64mm) | 46,089 | 45,098 |
| 3" (75mm) | 66,368 | 64,941 |
| 4" (100mm) | 117,988 | 115,451 |
| 6" (150mm) | 265,472 | 259,764 |

Table 2 Wastewater Charge

| Water Service Size | To May 31, 2018 (\$) | Effective June 1, 2018 (\$) |
|--------------------|----------------------|-----------------------------|
| ¾" (19mm) | 6,275 | 6,275 |
| 1" (25mm) | 11,156 | 10,916 |
| 1¼" (32mm) | 17,431 | 17,056 |
| 1½" (38mm) | 25,100 | 24,560 |
| 2" (50mm) | 44,622 | 43,663 |
| 2½" (64mm) | 69,722 | 68,223 |
| 3" (75mm) | 100,400 | 98,241 |
| 4" (100mm) | 178,489 | 174,651 |
| 6" (150mm) | 401,600 | 392,966 |

10. The Water Service Size will be determined by the maximum size of the water service line from property line to the meter; excluding the component required for the building fire suppression system as determined by Aquatera.
11. The Infrastructure Charge amount shall not be based on a water service size that is larger than the size of the water service between the water main and the property line.

12. The water meter size will not equal or exceed the water service size on which the infrastructure charge is based. Meter size is determined by Aquatera with consideration to average monthly consumption, expected demand and range of flows.
13. If the water service size is other than that which is shown in Tables 1 & 2, the Infrastructure Charge will be calculated by Aquatera using the same formulas used to calculate the tabulated values.
14. The Infrastructure Charge will be payable to Aquatera upon application to connect or re- connect to the water and/or wastewater system. The Infrastructure Charge in effect at the time of payment will apply.
15. The Charge will apply to new development created by subdivision or intensified redevelopment requiring a new or larger water service. Where an increase in the size of an existing water service is required, a Charge equal to the difference in the Charge from the old to the new water service size will apply. Upsizing the water service will result in the appropriate adjustment to the wastewater Charge whether or not there is any change in size to the wastewater service line.
16. The minimum Charge for each type of land use will be based on the service line sizes shown in Table 3.

Table 3 Water Service Line Size Used to Determine the Minimum Infrastructure Charge

| Land Use | Minimum Water Service Size |
|---------------------------|----------------------------|
| Single Family Residential | 3/4" (19mm) |
| Other* | 1" (25mm) |

* Other Land Uses include Commercial, Industrial, Multi-Family and High Density Residential and Institutional (Schools, Hospitals ...).

17. Where the service line size is not known at the time of payment, the Charge will be based on the land use and the corresponding minimum service line size shown in Table 3. If a larger service line is installed after payment, the applicant will, upon demand by Aquatera, pay the additional Infrastructure Charge based upon the Infrastructure Charge in effect at the time of installation of the water meter.
18. For developments with multiple buildings and/or buildings with multiple units, each building or each unit within a building that has its own Aquatera water service to the exterior of the building or unit is subject to the Charge. This includes but is not limited to Duplexes, Multi-attached Dwellings, Semi-Detached Dwellings, , Condominiums and Commercial and/or Industrial buildings with multiple units. It does not include apartment buildings or apartment style condominium units that are typically a single building with a single water service to the exterior of the building. A Water Charge will apply to separately metered irrigation systems. Manufactured Home Parks, with multiple buildings having metered water services at the boundaries of the Park will be charged based on the number and size of the domestic water service at boundary meters.
19. Where it can be demonstrated that the water service size must be increased beyond the minimum outlined in Table 3 in order to overcome unacceptable levels of pressure loss resulting from an unusually long service line and/or a low pressure system, the Infrastructure Charge will be based on the land use and the corresponding minimum water service size shown in Table 3. Approval for this must be obtained from Aquatera in advance of the water service line being installed.

20. The minimum water service line size used to determine the minimum Infrastructure Charge for a single family residence located on a farm is 3/4in (19mm).

Over-sizing cost recovery

21. Sanitary Trunk Over-sizing are the costs associated with the increase in diameter or depth of a Trunk Main requirement beyond what would have been required to serve the development and can include off-site components. A Sanitary Trunk Main has a diameter of 18in (450mm) or larger.
22. Lift Station Over-sizing are the costs of increased storage and/ or pumping capacity and associated land beyond what would have been required to serve the development and can include off-site components.
23. Additional Over-sizing Requirements, are the costs associated with any infrastructure that is required in addition to Sanitary Trunk Over-sizing or Lift Station Over-sizing, which is beyond what would have been required to serve the development and may include off-site components. Additional Over-sizing Requirements may include but are not limited to the cost of construction of water booster stations, chloramination stations, reservoirs and any other infrastructure that Aquatera reasonably deems as necessary and which is paid for in the first instance by the Developer and benefits Aquatera.
24. Over-sizing cost recovery will be identified at the Servicing / Development Agreement stage by Aquatera.
25. A Recovery Agreement between the Developer and Aquatera outlines eligible amounts and recovery / repayment mechanisms. Recovery agreements cannot result in additional borrowing or debt by Aquatera. Recovery disbursements relating to all monies owed pursuant to recovery agreements with developers and other parties will not exceed Fifty per cent (50%) of the Infrastructure Charge revenue generated in any given year. Interest will not accrue to recovery amounts.
26. New Over-sizing reimbursement is limited to those projects identified in the first five years of Aquatera's current Capital Plan.

Transparency

27. A summary of this Policy, its purpose and the applicable Charges will be posted on the Aquatera web site.
28. Infrastructure Charge funds collected will be used for the eligible projects identified in the Aquatera Capital Plan as amended from time to time and for related over-sizing and investment recovery.
29. Six per cent (6%) of all infrastructure charge proceeds collected will be used to contribute to Aquatera Engineering operating costs related to new development. An additional 4% from IC proceeds (wastewater proceeds only) will be used to recover Aquatera costs of providing CCTV inspections.
30. Funds collected for Water and Wastewater projects will be separately accounted for. Funds collected for separate Wastewater systems will also be separately accounted for. Funds will not be used to cross-subsidize each other.
31. Disbursement of Funds collected will be recorded by Aquatera and include: the eligible project, the amount, the recipient and any remaining Funds owed.

Charge Effective Date, Annual Increases and Review

32. The Effective Date of the Infrastructure Charge was August 1, 2005.
33. The effective date of this revision is June 1, 2018.

34. The Charge will increase at a rate of 3% for each calendar year thereafter, until a positive cash flow has been achieved.
35. Infrastructure Charges will be reviewed with Stakeholder input (municipalities affected, local Developers and Home Builders) at least every three years and adjusted as appropriate.

Grande Prairie Wastewater System

Capital Construction Costs Allocated to New Development

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates (\$) |
|---|---|------------------|--------------------------------|
| | | | |
| | | | |
| 4 | Wastewater Treatment Plant Upgrades Phase 2 | 2013 | 18,512,000 |
| 5 | 116 St Trunk Sewer | 2013 | 32,000 |
| 6 | Wastewater Treatment Plant Upgrades Phase 2 | 2014 | 14,738,000 |
| 7 | Grande Prairie Sewer Trunk Over-sizing | 2014 | 304,000 |
| 8 | 116 St Trunk Sewer | 2014 | 37,000 |
| 9 | Grande Prairie Sewer Trunk Over-sizing | 2015 | 500,000 |
| 10 | Wastewater Treatment Plant Upgrades Phase 2 | 2015 | 16,058,000 |
| 11 | 116 St Trunk Sewer | 2016 | 12,317,000 |
| 12 | Wastewater Treatment Plant Upgrades Phase 2 | 2016 | 300,000 |
| 13 | Grande Prairie Sewer Trunk Over-sizing | 2016 | 750,000 |
| 14 | Grande Prairie Sewer Trunk Over-sizing | 2017 | 250,000 |
| | 116 St. City/County Gravity Trunk | 2017 | 2,000,000 |
| | Westpointe Sanitary Diversion | 2017 | 20,000 |
| 15 | Grande Prairie Sewer Trunk Over-sizing | 2018 | 250,000 |
| | Westpointe Sanitary Diversion (off-site) | 2018 | 350,000 |
| | Westpointe Sanitary Diversion (on-site) | 2018 | 1,180,000 |
| | Westpointe Sanitary Diversion (off-site) | 2019 | 1,250,000 |
| 16 | Grande Prairie Sewer Trunk Over-sizing | 2019 | 250,000 |
| 17 | Grande Prairie Sewer Trunk Over-sizing | 2020 | 250,000 |
| 18 | Grande Prairie Sewer Trunk Over-sizing | 2021 | 250,000 |
| 19 | Grande Prairie Sewer Trunk Over-sizing | 2022 | 250,000 |
| 20 | Grande Prairie Sewer Trunk Over-sizing | 2023 | 250,000 |
| | Digestion Expansion | 2023 | 1,238,000 |
| | Digestion Expansion | 2024 | 6,954,000 |
| | Westpointe Sanitary Diversion | 2024 | 1,900,000 |
| 21 | Grande Prairie Sewer Trunk Over-sizing | 2024 | 250,000 |
| 22 | Grande Prairie Sewer Trunk Over-sizing | 2025 | 250,000 |
| | Digestion Expansion | 2025 | 6,312,00 |
| 23 | Grande Prairie Sewer Trunk Over-sizing | 2026 | 250,000 |
| 24 | Grande Prairie Sewer Trunk Over-sizing | 2027 | 250,000 |
| 25 | Grande Prairie Sewer Trunk Over-sizing | 2028 | 250,000 |
| 26 | Grande Prairie Sewer Trunk Over-sizing | 2029 | 250,000 |
| 27 | Grande Prairie Sewer Trunk Over-sizing | 2030 | 250,000 |
| Total Grande Prairie Wastewater System | | | \$86,652, |

**Clairmont Wastewater System
Capital Construction Costs Allocated to New Development**

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates (\$) |
|--|--|-------------------------|---------------------------------------|
| 1 | Clairmont Lagoon Discharge | 2015 | 399,000 |
| 2 | Clairmont Regional Lift Station, Force Main & Trunks | 2015 | 532,000 |
| 3 | Clairmont Lagoon Discharge | 2016 | 86,000 |
| 4 | Clairmont Regional Lift Station, Force Main & Trunks | 2016 | 470,000 |
| 5 | 4 Mile Corner Lift Station Pump Upgrade | 2016 | 1,295,000 |
| 6 | Clairmont Regional Lift Station, Force Main & Trunks | 2017 | 37,000 |
| 7 | Clairmont Lagoon Discharge | 2017 | 5,732,000 |
| | Clairmont Lagoon Discharge | 2018 | 9,500,000 |
| | Clairmont Regional Lift Station, Force Main & Trunks | 2018 | 6,000,000 |
| | Clairmont Regional Lift Station, Force Main & Trunks | 2019 | 6,113,000 |
| 8 | Trunk Sewer Lines – Northridge/Lakeside/B-Hodges | 2020 | 4,048,000 |
| 9 | Crossroads N Highway Crossing Upgrade | 2020 | 467,000 |
| 10 | Clairmont Regional Lift Station, Force Main & Trunks | 2021 | 4,995,000 |
| 11 | | | |
| 12 | Clairmont Lagoon Discharge | 2022 | 10,148,000 |
| 13 | Clairmont Regional Lift Station, Force Main & Trunks | 2025 | 6,532,000 |
| 14 | Trunk Sewer Lines – Crossroads | 2025 | 2,751,000 |
| 15 | Lift Station #6 & Force Main | 2025 | 9,934,000 |
| 16 | Trunk Sewer Lines – Northridge/Lakeside/B-Hodges | 2025 | 1,759,000 |
| 17 | Lift Station #5 Upgrade & Second Force Main | 2025 | 9,572,000 |
| 18 | Trunk Sewer Lines – Crossroads | 2026 | 568,000 |
| 19 | Trunk Sewer Lines – Crossroads | 2027 | 585,000 |
| 20 | Trunk Sewer Lines – Crossroads | 2028 | 602,000 |
| 21 | Trunk Sewer Lines – Crossroads | 2029 | 620,000 |
| 22 | Trunk Sewer Lines – Crossroads | 2030 | 639,000 |
| 23 | Trunk Sewer Lines – Northridge/Lakeside/B-Hodges | 2030 | 1,942,000 |
| 24 | Clairmont Trunks – Ferguson/116 St | 2030 | 7,204,000 |
| 25 | West Clairmont Phase 2 – Lift Station 10/Trunk | 2030 | 8,584,000 |
| 26 | 4 Mile Corner Lift Station Twinning | 2030 | 5,533,000 |
| 27 | Trunk Sewer Lines – Crossroads | 2030+ | 3,493,000 |
| 28 | Clairmont Trunks – Ferguson/116 St | 2030+ | 3,736,000 |
| 29 | Clairmont Lift Station 9/Force Main | 2030+ | 11,894,000 |
| 30 | West Clairmont Phase 2 – Lift Station 10/Trunk | 2030+ | 4,148,000 |
| Total Clairmont Wastewater System | | | \$129,918,000 |

**Town of Sexsmith Wastewater System
Capital Construction Costs Allocated to New Development**

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates (\$) |
|---|--|-------------------------|---------------------------------------|
| 1 | Heritage Park Lift Station Upgrade | 2014 | 33,000 |
| 2 | Heritage Park Lift Station Upgrade | 2015 | 810,000 |
| 3 | Lift Station (LS N20) & Force Main | 2019 | 120,000 |
| 4 | Lift Station (LS N20) & Force Main | 2020 | 2,280,000 |
| 5 | Heritage Park Lift Station Upgrade – New Gen Set | 2020 | 160,000 |
| 6 | Lift Station (LS N04) & Force Main | 2020 | 250,000 |
| 7 | Lift Station (LS N04) & Force Main | 2021 | 4,850,000 |
| 8 | Heritage Park Lift Station Force Main Twinning Stg.1 | 2021 | 432,000 |
| 9 | Heritage Park Lift Station Force Main Twinning Stg.2 | 2026 | 760,000 |
| 10 | Sexsmith Sewage Lagoon Upgrades | 2027 | 3,054,000 |
| Total Town of Sexsmith Wastewater System | | | \$12,749,000 |

**Water System
Capital Construction Costs Allocated to New Development**

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates (\$) |
|---------------------------|--|-------------------------|---------------------------------------|
| | | | |
| | | | |
| 3 | River Bank Protection/Intakes/Storage | 2013 | 15,000 |
| 4 | West Transmission Trunk | 2013 | 18,000 |
| 5 | West End/Airport Transmission | 2013 | 131,000 |
| 6 | River Bank Protection/Intakes/Storage | 2014 | 15,000 |
| 7 | West Transmission Trunk | 2014 | 28,000 |
| 8 | West End/Airport Transmission | 2014 | 19,000 |
| 9 | West End/Airport Transmission | 2015 | 1,791,000 |
| 10 | River Bank Protection/Intakes/Storage | 2015 | 145,000 |
| 11 | Clairmont Pump House, Reservoir & Transmission | 2016 | 249,000 |
| 12 | West End/Airport Transmission | 2016 | 260,000 |
| 13 | River Bank Protection/Intakes/Storage | 2016 | 100,000 |
| 14 | River Bank Protection/Intakes/Storage | 2017 | 250,000 |
| 15 | West Transmission Trunk | 2017 | 2,600,000 |
| 17 | Clairmont Pump House, Reservoir & Transmission | 2018 | 8,751,000 |
| 18 | River Bank Protection/Intakes/Storage | 2018 | 500,000 |
| 19 | West Transmission Trunk | 2018 | 4,000,000 |
| 20 | Second Raw Water Transmission Line | 2018 | 725,000 |
| | Clairmont Pump House, Reservoir & | 2019 | 8,751,000 |
| | River Bank Protection/Intakes/Storage | 2019 | 500,000 |
| 23 | Clairmont Pump House, Reservoir & Transmission | 2019 | 39,000 |
| | River Bank Protection/Intakes/Storage | 2019 | 17,095,000 |
| 24 | Sexsmith Pump Station Upgrades | 2019 | 2,400,000 |
| 25 | Water Treatment Plant Membrane Filtration | 2019 | 250,000 |
| 26 | Regional Water Line Twinning | 2019 | 250,000 |
| | River Bank Protection/Intakes/Storage | 2020 | 250,000 |
| 27 | Clairmont Pump House, Reservoir & Transmission | 2020 | 5,400,000 |
| 28 | Water Treatment Plant Membrane Filtration | 2020 | 10,000,000 |
| 29 | 15ML Reservoir | 2020 | 500,000 |
| 30 | 15ML Reservoir | 2021 | 15,000,000 |
| | River Bank Protection/Intakes/Storage | 2021 | 17,095,000 |
| 29 | Regional Transmission Line Twinning | 2021 | 10,000,000 |
| 30 | Water Treatment Plant Membrane Filtration | 2025 | 5,000,000 |
| 31 | Zone III Reservoir Expansion | 2025 | 4,100,000 |
| 32 | Zone III Transmission Line | 2025 | 16,470,000 |
| 33 | Clairmont Pump House, Reservoir & Transmission | 2030 | 11,253,000 |
| Total Water System | | | 119,014,000 |