# AQUATERA INFRASTRUCTURE CHARGE POLICY

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| **POLICY NO:** | 310 | **TITLE:** Aquatera Infrastructure Charge | |
| **SECTION:** | Finance | | |
| **APPROVAL DATE**: | June 9, 2005 | **REVISION DATE:** November 29, 2023 | |
| **AUTHORITY:** | Board of Directors | **REFERENCE:** | |
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## 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 meter sizes. The wastewater demand is directly proportional to the water demand. In the case that only a sanitary service is required, Aquatera will determine the appropriate IC fee based on expected water usage/water meter size using comparable customer information.
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.

   The Wastewater Utility systems: the City of Grande Prairie, the County of Grande Prairie, Clairmont, the Town of Sexsmith and the Town of Wembley function independently or in

series. The cost to upgrade these systems and the benefiting area varies. The Wastewater Charge for each of these systems may differ.

6. The water meter size is based on the nominal size (diameter) of the meter upstream connection which is specified by the meter manufacturer and is not necessarily equivalent to the inside diameter. The water service line shall be at least 19 mm (3/4") nominal size (diameter) or as required based on the expected water usage.

**Infrastructure Charge Administration**

7. 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, the Town of Sexsmith and the Town of Wembley. The Infrastructure Charge is payable upon application to connect or re-connect to the water and/or wastewater system.

8. The Infrastructure Charge will be based on the nominal water meter size in accordance with the following tables:

**Table 1 Water Charge**
**(City of Grande Prairie, County of Grande Prairie, Hamlet of Clairmont, Town of Sexsmith and Town of Wembley)**

| Nominal Meter Size | Effective July 1, 2022 ($) | Effective July 1, 2023 ($) | Effective July 1, 2024 ($) |
|---|---|---|---|
| 5/8" (16 mm) minimum | 3,737 | 3,774 | 3,812 |
| 3/4" (19 mm) | 6,924 | 6,993 | 7,063 |
| 1" (25 mm) | 10,817 | 10,925 | 11,035 |
| 1-1/2" (38 mm) | 15,577 | 15,733 | 15,890 |
| 2" (50 mm) | 27,694 | 27,971 | 28,251 |
| 3" (75 mm) | 62,311 | 62,934 | 63,563 |
| 4" (100 mm) | 110,775 | 111,883 | 113,001 |
| 6" (150 mm) | 249,244 | 251,736 | 254,254 |

**Table 2 Wastewater Charge**
**(City of Grande Prairie, County of Grande Prairie, Hamlet of Clairmont, Town of Sexsmith and Town of Wembley)**

| Nominal Meter Size | Effective July 1, 2022($) | Effective July 1, 2023 ($) | Effective July 1, 2024 ($) |
|---|---|---|---|
| 5/8" (16 mm) | 5,757 | 5,815 | 5,873 |
| 3/4" (19 mm) | 10,474 | 10,578 | 10,684 |
| 1" (25 mm) | 16,365 | 16,529 | 16,694 |
| 1-1/2" (38 mm) | 23,565 | 23,801 | 24,039 |
| 2" (50 mm) | 41,895 | 42,314 | 42,737 |
| 3" (75 mm) | 94,262 | 95,205 | 96,157 |
| 4" (100 mm) | 167,577 | 169,253 | 170,945 |
| 6" (150 mm) | 377,051 | 380,822 | 384,630 |

9. The Infrastructure Charge amount shall not be based on a water meter size that is larger than the size of the water service between the water main and the property line.

10. The water meter size will not exceed the water service size. Meter size is determined by Aquatera with consideration to average monthly consumption, expected demand and range of flows based on the manufacturer's published applicable operating flow range for each meter size.

11. If the water meter 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.

12. The Infrastructure Charge will be payable to Aquatera prior to the water meter being installed. The Infrastructure Charge in effect at the time of payment will apply.

13. The Charge will apply to new development created by subdivision or intensified redevelopment requiring a new or larger water meter. Where an increase in the size of an existing water meter is required, a Charge equal to the difference in the Charge from the old to the new water meter size will apply. Upsizing the water meter will result in the corresponding adjustment to the wastewater Charge, if applicable, whether there is any change in size to the wastewater service line, or not.

14. Where the meter size is not known at the time of payment, the Charge will be based on the minimum meter size shown in Table 1 and 2. If a larger meter 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.

15. As allowed by the Plumbing Code, developments on a single lot with multiple buildings and/or buildings with multiple units that share a common service connection to Aquatera's water and or wastewater system and has individual Aquatera water meters to each building or unit is subject to the Charge based on the engineered, theoretical common meter size using the total expected water consumption for the development. 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. Manufactured home communities, 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.

16. An infrastructure charge will apply to separately metered irrigation systems. An infrastructure charge is not applicable for drip irrigation systems located within municipal parks.

**Over-sizing Cost Recovery**

17. Sanitary Trunk Over-sizing are the costs associated with the increase in diameter and/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.

18. Lift Station Over-sizing are the costs of increased storage and/ or pumping capacity for associated land beyond what would have been required to serve the development and can include off-site components.

19. 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, chlorination 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.

20. Over-sizing cost recovery will be identified at the Servicing / Development Agreement stage by Aquatera.

21. 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.

22. New Over-sizing reimbursement is limited to those projects identified in the first five years of Aquatera's current Capital Plan.

**Transparency**

23. A summary of this Policy, its purpose and the applicable Charges will be posted on the Aquatera web site.

24. 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.

25. Six per cent (6%) of all infrastructure charge proceeds collected will be used to contribute to Aquatera Engineering operating costs related to new development.

26. 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.

27. 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 and Annual Review**

28. The Effective Date of the Infrastructure Charge was August 1, 2005.

29. The Effective Date of this revision is July 1, 2022.

30. The policy will be reviewed internally on an annual basis.

**DISCLAIMER**

**Grande Prairie Wastewater System**
**Capital Construction Costs Allocated to New Development**

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates ($) |
|---|---|---|---|
| | 101 Street Trunk Sewer Upgrade | 2022 – 2024 | 8,110,000 |
| | 108 Street Trunk Sewer Twinning | 2021-2022 | 4,840,000 |
| | 88 Street Trunk Kingsgate Extension Oversizing | 2022 | 1,800,000 |
| | Crossroads North Highway Crossing Upgrade | 2023 | 480,000 |
| | Grande Prairie Sewer Trunk Oversizing | 2021-2026 | 1,500,000 |
| | Westpointe Sanitary Diversion | 2021 | 790,000 |
| | **Total Grande Prairie Wastewater System** | | **17,520,000** |

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

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates ($) |
|---|---|---|---|
| | Clairmont Regional Lift Station | 2021-2022 | 8,050,000 |
| | Clairmont Sewer Trunk Lines - Crossroads | 2025-2026 | 3,320,000 |
| | **Total Clairmont Wastewater System** | | **11,370,000** |

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

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates ($) |
|---|---|---|---|
| | Heritage Park Lift Station Generator Upgrade | 2021 | 300,000 |
| | **Total Sexsmith Wastewater System** | | **300,000** |

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

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates ($) |
|---|---|---|---|
| | Raw Water Siltation / Storage Pond Expansion | 2021-2026 | 14,430 |
| | Regional Transmission Line Twinning | 2023-2024 | 10,200,000 |
| | River Intake #4 & Fish Screening Facility | 2021-2028 | 37,020,000 |
| | WTP Capacity Upgrade | 2026 - 2028 | 27,600,000 |
| | WTP Reservoir Expansion | 2021-2023 | 26,500,000 |
| | Zone III Reservoir Expansion | 2025 | 4,100,000 |
| | Zone III Transmission Line | 2025 | 16,470,000 |
| | Zone III Upgrade Phase II | 2023-2024 | 2,100,000 |
| 48095 | Raw Water Pipeline Replacement | 2022-2023 | $4,480,000 |
| | | **Total Grande Prairie Water System** | **132,900,000** |

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

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates ($) |
|---|---|---|---|
| | Clairmont Reservoir (Mercer Hill) | 2023-2024 | 8,700,000 |
| | Clairmont Transmission Lines | 2022-2023 | 5,440,000 |
| | | **Total Clairmont Water System** | **14,140,000** |

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

| Project # | Project Description | Year of Estimate | Cost in Year of Estimates ($) |
|---|---|---|---|
| | Sexsmith Transmission / Distribution System | 2020-2022 | 1,540,000 |
| | | **Total Sexsmith Water System** | **1,540,000** |