



Alberta Capital Region Wastewater Commission



23262 Township Road 540
Fort Saskatchewan, AB
T8L 4A2

Tel: (780) 467-8655
Fax: (780) 467-5398
email: info@acrwc.ab.ca
web: www.acrwc.ab.ca

January 24, 2012

File: 1.5.7

Parkland County
53109A SH 779
Parkland County, AB T7Z 1R1

Attention: Mr. Pat Vincent
Chief Administrative Officer

Re: ACRWC access to grant funding

At their January 20th, 2012 meeting, the Board of Directors of the Alberta Capital Regions passed a motion asking its member municipalities to support our efforts to solicit grant funding from other orders of government.

As a Regional Services Commission, the ACRWC is limited in terms of access to provincial and federal grant programs. The Board has been working on a communication and lobby strategy to change how the ACRWC can access grant monies. The attached *Background* provides more details on the issues and the proposed strategy.

Key to the Board's strategy is unanimous support from our member municipalities in our efforts. To that end, the Board has asked that each Council pass a motion of support. Attached is a proposed motion that could be used for that purpose.

Some of our Board members have already brought this forward to their Councils. If your community has already dealt with this matter and has agreed to support the Commission by motion of Council, a letter of support would be appreciated.

If you require more information to ensure your Council has the information it needs to render its decision, please contact me at (780) 467-8655. Your Council representative on our Board can also offer assistance.

Regards,

Mike Darbyshire, P.Eng.
General Manager

c.c. Councillor Darrell Hollands, Parkland County

Members:

Beaumont

Bon Accord

Gibbons

Fort Saskatchewan

Leduc

Leduc County

Morinville

Parkland County

St. Albert

Spruce Grove

Stony Plain

Strathcona County

Sturgeon County

Enclosure 2: Proposed Council motion

WHEREAS the Alberta Capital Region Wastewater Commission provides an essential service to its member municipalities; and

WHEREAS the Alberta Capital Region Wastewater Commission as a Regional Services Commission is limited in terms of accessing grant revenues to help pay for capital upgrades, and

WHEREAS the Alberta Capital Region Wastewater Commission does not wish to limit its member municipalities' access to grant funding,

NOW THEREFORE BE IT RESOLVED THAT (community) supports the efforts of the Alberta Capital Region Wastewater Commission to solicit grant funding from other orders of government as a separate entity.

Backgrounder:

Accessing grant funding

Current Structure:

The Alberta Capital Region Wastewater Commission (ACRWC) is a legally established commission under provincial regulation, falling into the category of Regional Service Commission.

The ACRWC provides wastewater services to its 13 member municipalities. It constructs and maintains wastewater facilities to serve over 200,000 people.

The ACRWC generates the majority of its revenue on a cost-recovery basis by charging a rate to its member municipalities for its services. The ACRWC is required to charge all municipalities the same rate.

The Issue:

The ACRWC must build large capital projects from time to time and incorporates those project costs into its rate. These capital requirements contribute significantly to rate increases.

The number of grants available to the ACRWC is limited.

- The ACRWC is eligible for grant funding under the *Alberta Municipal Water & Wastewater Partnership* program. As the population in the Capital Region increases their eligibility decreases.
- The ACRWC cannot receive grants directly from sources such as the *Municipal Sustainability Initiative*, the *Federal Gas Tax Fund* or the *Alberta Municipal Infrastructure Program*.
 - The only way for this grant money to get to the ACRWC is for member municipalities to apply for it and then redirect those funds to the ACRWC.
 - It is often difficult for municipal governments to reach consensus on how, or even if, to divert these grant funds to the ACRWC.
 - Because the ACRWC is not a municipality, it is ineligible to apply for these grants on their own.
- Federal and Federal/Provincial grant programs often do not recognize regional services commissions as separate entities. The ACRWC must rely on its members to sponsor projects and apply on their behalf.

The Solution:

Change the regulations and make the ACRWC a recognized entity to give us the opportunity to apply for grants on their own merit. As a result, the ACRWC will be able to:

- Continue to fulfill its legal mandate while keeping rates as low as possible
- Ensure money is available when government changes environmental standards but doesn't provide funding to make the necessary upgrades

The Benefits:

With access to these grants, a portion of the cost of capital projects doesn't need to be passed along to their members and their ratepayers.

- Approximately \$3,000,000 in grant funding on a project would reduce the ACRWC utility rate by one cent per cubic meter annually.