

CHANGES TO APPROVED SANITARY SERVICING STRATEGY FUND PROGRAM

RECOMMENDATION

That Utility Committee recommend to City Council:

That the following changes to the approved Sanitary Servicing Strategy Fund system plan, as outlined in the January 30, 2023, Urban Planning and Economy report UPE01567, be approved:

- Deletion of the SW6 and SW7 trunk segments and the addition of a pump station and forcemain system in lieu of the SW6 and SW7 segments; and
- Deletion of the SW5 trunk segment.

Requested Council Action		Decision Required	
ConnectEdmonton's Guiding Principle		ConnectEdmonton Strategic Goals	
CONNECTED This unifies our work to achieve our strategic goals.		Urban Places	
City Plan Values	LIVE		
City Plan Big City Move(s)	A Rebuildable City	Relationship to Council's Strategic Priorities	15-Minute Districts / District Planning
Corporate Business Plan	Serving Edmontonians		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> • Sanitary Servicing Strategy Fund (SSSF) Program 		
Related Council Discussions	<ul style="list-style-type: none"> • FCS0121, EPCOR Water Services Inc. - Edmonton's Changing Water Use, Utility Committee, May 20, 2022 • CR_6671rev, Sanitary Services Strategy Oversight Committee - Governance Options - Additional Collaboration, Executive Committee, April 12, 2021 • CR_6671, Sanitary Services Strategy Oversight Committee - Governance Options, Executive Committee, September 30, 2019 		

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Executive Summary

- The Sanitary Servicing Strategy Fund (SSSF) program was approved by Council in 1998 to support growth in new areas by providing remote offsite sanitary servicing. The concept was to store sanitary flows during wet weather in these newly constructed large storage trunks to avoid overloading the downstream system.
- An updated SSSF governance model, presented to Council on May 17, 2021 (CR_6671 rev), requires that material changes to the SSSF system plan, including the addition or deletion of segments, must be approved by Council.
- Recent technical analysis completed by EPCOR has identified the need for material changes to the SSSF system plan. EPCOR has determined that trunk segments SW5, SW6, and SW7 should be deleted, and a pump station and forcemain system in the Riverview area should be added.
- The proposed changes have been reviewed by the SSSF Oversight Committee and information has also been shared with the public through the City's SSSF webpage. The development industry has been engaged throughout this process through the Oversight Committee.
- If approved, these changes will result in savings to the fund and will have a positive impact on future SSSF rates for builders and developers. The savings realized by the development industry should translate to savings for home buyers, which will positively impact housing affordability.
- The changes described in this report may require amendments to the relevant Area and Neighbourhood Structure Plans, which will require Council approval through the Land Development Application process.
- In consideration of EPCOR's Sanitary Integrated Resource Plan (SanIRP) outcomes and One Water planning approach, and to align with The City Plan growth objectives, City Administration is initiating a comprehensive review of the SSSF program, including the rate structure.

REPORT

This report seeks approval for proposed changes to the Sanitary Servicing Strategy Fund system plan ("the system plan") as proposed by EPCOR.

Context

The Sanitary Servicing Strategy Fund (SSSF or "the fund") was established in 1998 to provide a long-range plan and funding strategy for Edmonton's sanitary trunks that support growth in developing areas of Edmonton. This program is funded mainly through development fees collected at two stages: first from developers at the time of servicing agreement as a condition of subdivision, and then from builders as a condition for a development permit. The funds are allocated for construction of trunks identified in the system plan.

Administration works in partnership with EPCOR and local industry representatives of the Urban Development Institute on the SSSF Oversight Committee to guide the implementation of the system plan and manage the fund. In April 2021, Administration presented an updated SSSF

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governance model offering greater Council oversight, transparency and public input on the decisions made by Administration and the SSSF Oversight Committee (CR_6671rev Executive Committee April 12, 2021). City Council approved the proposed updated governance model. The updated governance approach ensures material changes to the system plan, including the addition or deletion of trunk segments, are presented to Utility Committee and City Council for approval.

A detailed analysis, recently completed by EPCOR for the Riverview and Windermere areas, has identified reduced demand in the planned system and suggests the need for material changes to the system plan. This report seeks approval for those changes.

Technical Considerations

In 2020, EPCOR created the One Water Planning team that brought strategic planning resources from the water and drainage utility together. EPCOR has identified that changing water consumption patterns and a focus on reducing inflow/infiltration will impact the historical planning assumptions for major trunk networks on both the water and sanitary systems.

EPCOR initiated the Sanitary Integrated Resource Plan (SanIRP) to review the city's overall sanitary servicing plan in support of the long-term operational, environmental and financial sustainability of the sanitary servicing system. SanIRP has an anticipated completion date of mid to late 2023 and will be presented to Utility Committee for information at that time.

As a part of the ongoing SanIRP work, a sanitary flow assessment and analysis for southwest Edmonton has been completed. EPCOR has confirmed that the original design assumptions that determined the configuration and timing of this portion of the SSSF system are no longer valid. An overview of the technical findings from the analysis are presented in Attachment 1.

Sanitary trunk segments SW5, SW6 and SW7 were intended to provide sanitary conveyance and storage for ultimate servicing of the Riverview and Windermere areas as shown in Figure 1 of Attachment 1. The requirement was for deep trunks (approximately 25-30 metres deep) as well as a complex inverted siphon river crossing. To date, interim servicing for the Riverview area has been provided by the existing Edgemont pump station. However, reduced wastewater generation and inflow/infiltration rates identified through flow monitoring has confirmed that the existing Edgemont pump station has capacity to receive more flows and provide long-term servicing for both the Edgemont and Riverview areas. These findings eliminate the need for trunk segments SW6 and SW7, that were planned for future servicing of the Riverview area, as well as the construction and operation of the siphon river crossing. A new Riverview pump station and forcemain will need to be added to the system in lieu of SW6 and SW7, to convey the sanitary flows from Riverview to the Edgemont pump station. This new pump station will replace a temporary pump station that is currently being used and the temporary pump station will be decommissioned once the new Riverview pump station is in place. The existing and proposed servicing plans for southwest Edmonton are illustrated in Figures 1 and 6 respectively in the EPCOR technical report in Attachment 1.

Similarly for the Windermere area, under the current servicing plan, the Ambleside pump station was to provide interim servicing and to be abandoned once a future SW5 trunk segment was

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constructed. However, based on EPCOR's recent findings, the reduced wastewater generation rate means that the Ambleside pump station can provide servicing for a larger area and has eliminated the need for the SW5 trunk segment. Further details are provided in Attachment 1.

Proposed Changes to the SSSF Approved System Plan

Based on technical analysis completed by EPCOR, the following material changes to the approved SSSF system plan are proposed:

- Deletion of the SW6 and SW7 trunk segments,
- Addition of a pump station and forcemain system to service the Riverview area in lieu of the SW6 and SW7 segments, and
- Deletion of the SW5 trunk segment.

Financial Implications

The proposed changes to the system plan will provide savings to the fund that are anticipated to have a positive impact on future SSSF rates for builders and developers. For example, previously forecasted increases to the Expansion Assessment (EA) and Sanitary Sewer Trunk Charge (SSTC) rates, to account for increased inflation and anticipated cash flow shortfalls, are no longer required.

In anticipation of major changes to the system plan resulting from the SanIRP work and EPCOR's One Water planning approach, Administration is initiating a comprehensive review of the SSSF program to ensure rates are equitable and aligned with The City Plan growth objectives and EPCOR's planning approach. SSSF rates for 2023 remain unchanged, as approved by Council through the 2023-26 operating budget. Rates for future years are to be determined depending on completion of the SanIRP and SSSF program review.

Next Steps

- Administration will complete a review of amendments to the Area Master Plan and Neighbourhood Design Report. These changes may trigger proposed amendments to the relevant Area and Neighbourhood Structure Plans and be advanced for Council approval.
- EPCOR will continue work on SanIRP with an expected completion in 2023.
- Administration, in collaboration with EPCOR and development industry representatives, will initiate a comprehensive review of the SSSF program, including rate structure and fees in consideration of SanIRP outcomes, the One Water planning approach and in alignment with The City Plan growth objectives.

COMMUNITY INSIGHT

Industry engagement on the proposed changes to the system plan occurred through the SSSF committees, including discussions and recommendations with respect to the proposed technical changes. Industry representatives have indicated support for the suggested changes and expressed their desire to see similar analyses applied to other areas of the system plan. The SSSF Oversight Committee has recommended approval of the proposed changes to the SSSF system plan.

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As previously committed to Council under the updated governance approach, Administration has shared information about the proposed changes to the SSSF system plan with Edmontonians through the City's SSSF webpage.

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The SSSF program is designed to provide sanitary servicing to support growth in the city. Projects funded by the SSSF are informed by need. The SSSF program strives to provide equitable service to Edmontonians, ensuring that sanitary servicing is available to the growth areas when needed.

The proposed changes to the system plan are a result of reduced sanitary flow patterns, in part due to more efficient home appliances and fixtures and lower water usage by Edmonton households.

ATTACHMENT

1. EPCOR Riverview and Windermere Ultimate Sanitary Servicing Technical Analysis