Meeting Minutes

Date: April 26, 2022 10:00am

Attendees: Perry Neufeld, Ivan Aguilar, Don Janzen, Bridget Mearns, Brad Schmidtke, Brad Kirk, Bud Hogeweide, Byron Buzunis, Lisa Sutherland and Janet Gutsell

Meeting #2 – Financial Factors and Growth Maps

Financial Factors

- Overview of the process for the review
- Annual Report – City staff will attend the next BILD Developer council meeting to answer any questions about the report. Send any questions ahead of time to Byron

Growth Maps

North Side

- Blackwolf Stage 1 – Done
- Blackwolf Stage 2 – 2022-2030
- Legacy Ridge Stage 3 – 2019-2027
- Royalview Yellow SW – 2027-2035
- Royalview Yellow SE - 2030-2040
- Royalview Yellow NW - 2040-2048
- Royalview Yellow NE - 2041-2048
- Royalview Orange East – 2041-2060
- Royalview Orange North – 2048-2062
- Royalview Blue – 2063-2078
- Grey – Same

South Side

- Southbrook 2019-2028 (look at dividing this quarter section N/S for what is done) – Remainder (east half) 2022-2028
- Remainder of Discovery Green – 2019-2025 (2030-?)
    - Does the existing system actually have capacity? If not need to be clear to developers.
    - May need to wait to 2030 for Sanitary connection to major system. In 2030 there is an investment in Sanitary Sewer Capacity (need to get it to Discovery) so start date may be after 2030.
    - Need to get plan for area north of the hwy to secure ROW for sanitary alignment.
- Coulee Creek Green – 2019-2025 (this is also done)
- Pink Area North of hwy
    - Did they pay for water or a water connection fee?
    - What would their offsite levy be?

    - Change title
- Remaining areas stay the same dates

West Side

South of Whoop Up Drive

- Canyons Green – 2014-2038
- Canyons Yellow – 2025-2038
- Canyons Orange – Same
- Watermark East – 2028-2055 (add WM North into 2028)
- Copperwood – Same
- South of Copperwood Yellow – 2025-2040
- Watermark West Orange – Same
- West of Copperwood Yellow Hatch – 2035-2050
- Southwest of Copperwood Blue – 2050-2065
- West of Chinook and Copperwood – Orange – 2050-2065

North of Whoop Up

- Hubbard (West of Crossings) – 2028-2043
- Piers – 2023-2038
- Crossings – Get rid of area already developed, remainder 2023-2032
- Garry Station – 2022-2030
- Country Meadows East Green – 2022-2024
- Country Meadows West Orange – Same
- Country Meadows Olafson – Same

WLEC

- Start 2030 – Push everything else out 5 years accordingly – Do we need to put a storm outfall in for this area??
- Walsh drive Sanitary – Has the City looked at the capacity in West Highlands? Can we confirm what is available now? Get some kind of understanding from Matt, has there been any monitoring done? The new systems should have less infiltration and sump flow than our current calculations allow for.

<u>Growth Rate Forecast</u>

- 2022 – 28 + 7? = stay at 30
- 2023 – 30
- 2024 – 30
- 2025 – 35

- 2026-2035 – 35
- Ongoing – 44

Financial Factors

- Interest rate
  - We have been using 3%, we do have flexibility to set what the rate is and terms are
  - The previous number was set by Finance. Finance is currently taking a status quo stance and isn't making a lot of drastic changes so we will stay with 3% now.
- Loan rates
  - We add 1.5% to ACFA rates as a buffer factor – Table is ACFA + 1.5%.
  - ACFA dissolved so now the City's preferential rates have disappeared and Municipalities now have market rates.
  - New Rates Alberta Government rates (from their website based on rates from Government of Canada) + 1.75% (this rate is from the treasurer, when we open the cash flow we can look at this factor and see the impact on the cash flow. Lisa will talk to the treasurer to see how open he is to changing this value)
- Rate of Return
  - Previously used 3% but investments aren't doing as well, 2021 rate of return was 1.615%.
  - We will talk to the treasurer about what to use going forward. This has very little impact to the levy rate.
- Oversize costs
  - Previous estimate was $1.9M per year but the 2021 oversize was just under $800K.
  - Look at average per ha vs average per year.
  - Industry is interested in talking about credits for School sites and irrigation make up water.
  - The City Solicitor isn't sure that oversize credits are actually allowed under the offsite levy.
  - This will be part of the Phase 2 discussion.
- CPI
  - keep track of last 100 years. We use 3% which is the 100-year average
- Areas that we have previously delayed
  - WLEC – 2030
  - SEASP – 2030
  - Watermark – 2028
  - Royalview – 2031
- Focus on finishing existing developments. Main City focus is finishing area north of Whoop UP to Chinook.

Next Meeting: Project Scope, Estimates and Timing