



Municipally Controlled Corporation structure proposed for City's water and wastewater services

Friday, December 17, 2021 (Wetaskiwin, Alberta) – The City of Wetaskiwin is proposing a *Municipally Controlled Corporation (MCC)* structure for future water and wastewater services in order to minimize the financial burden for local ratepayers due to the mandated construction of a new wastewater treatment plant.

City Council scheduled a public hearing for January 24, 2022 at 1 p.m. after receiving a [presentation from Graham Capital](#) about the new Wastewater Treatment Facility, *Peace Hills Utility Inc.* – the proposed Municipally Controlled Corporation (MCC) – during the regular December 13, 2021 City Council meeting.

The City began exploring Wastewater Treatment Facility options after being mandated by other orders of government to upgrade its wastewater systems to meet new effluent regulations. In 2020, the City of Wetaskiwin conducted a tendering process in the form of an expression of interest and received three submissions. Administration selected the Graham Aquatera consortium as a business partner to provide the design, build, finance, and operations for the facility, which is proposed to operate as a Municipally Controlled Corporation – a business or organization that is created and controlled by a municipality, with approval from Council.

“After a thorough review of options, opening an MCC was the only way the city could afford to complete this mandated project. The province has agreed to allow the use of the \$12.9 million dollar grant to be used as part of the P3 project which will help reduce the overall impact of the rate increase to citizens,” said Sue Howard, City Manager. “Everyone is encouraged to review the documents and ask questions prior to the public hearing so you can let Council know what your thoughts are on January 24, 2022.”

By establishing the proposed Wastewater Treatment Facility as an MCC, the City partners with Graham Capital to ensure project financing can be secured and debt remains off the City's balance sheet. This partnership also allows the City to retain ownership of all assets related to the project while receiving the financial benefits of that ownership. Any surplus generated from the proposed Water Treatment Facility would flow back into the community.

Aquatera – along with Graham Capital – is another core member of the proposed business partnership for this project and would be responsible for providing long-term operations and maintenance services to the City for both water and wastewater utilities.

Depending on the rate structure selected by City Council for the proposed project, the construction of the MCC could cost between \$40 million to \$53 million.

Prior to next steps for this project being finalized – the City and Council invite the community to share their thoughts about the proposed MCC during the public hearing scheduled for





January 24, 2022 at 1 p.m. at City Hall (4705 50 Avenue, Wetaskiwin Alberta). The following information will be discussed during the hearing:

- Services that MCC intends to provide
- Names of the shareholders of the MCC
- Geographic locations in and outside Alberta in which the MCC intends to provide services
- In the case of an MCC that intends to provide utility services and projected rate structure
- The market impact analysis contained in the business plan.

Verbal commentary will be heard during the meeting, while all written submissions can be mailed to City of Wetaskiwin, PO Box 6210, Wetaskiwin AB, T9A 2E9 or emailed to sue.howard@wetaskiwin.ca.

Residents can find more information about the project on the [\[what if wetaskiwin\]](#) portal.

Quick Facts:

- The City of Wetaskiwin's current wastewater system was constructed in 1979 and has been in service for over 40 years. Operating approval of that facility is set to expire in 2023.
- Effluent is wastewater that is deposited from the wastewater system. New regulations under the Fisheries Act set out new rules that require a higher quality of wastewater than previous regulations.
- In December 2019, Wetaskiwin City Council began lobbying the federal and provincial governments to pay for the costs associated with upgrading the Water Treatment Facility - resulting in a \$12.9 million Alberta Provincial Grant aid to help fund the construction of the facility.

About the City of Wetaskiwin

Wetaskiwin is a secure, connected, and inclusive community, home to a diverse population of nearly 13,000 people. Located only 30 minutes south of the Edmonton International Airport, the City of Wetaskiwin provides a high quality of life through ample recreation opportunities, diverse cultural activities, and a modernized, business-friendly downtown.

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