

**BYLAW 1680/25
AMENDMENT TO BYLAW 1548/21
STURGEON COUNTY, ALBERTA**

A BYLAW OF STURGEON COUNTY, IN THE PROVINCE OF ALBERTA FOR THE PURPOSE OF AMENDING BYLAW 1548/21 ESTABLISHING OFF-SITE LEVIES FOR LAND THAT IS TO BE SUBDIVIDED OR DEVELOPED WITHIN THE STURGEON INDUSTRIAL PARK AREA.

WHEREAS, section 648 of the *Municipal Government Act*, RSA 2000, c M-26, as amended (the MGA), provides that a Council of a municipality may enact a bylaw to provide for the imposition and payment of Off-Site Levies in respect to lands that are to be developed or subdivided and to authorize agreements to be entered into in respect of the payment of those levies;

AND WHEREAS, the Council of Sturgeon County deems it necessary to establish Off-Site Levies to pay for the capital costs of new and expanded roads, for new or expanded water and wastewater facilities, and for new or expanded stormwater facilities, and the land required in connection with those facilities, all of which will be required as a result of anticipated subdivision and development within the Sturgeon Industrial Park Area;

AND WHEREAS, Sturgeon County has and continues to consult in good faith with affected landowners and representatives of the development industry in order to address and define existing and future infrastructure and facility requirements within the Sturgeon Industrial Park Area and the benefit to new development from such infrastructure and facilities;

AND WHEREAS, the Council of Sturgeon County has received advice and reports respecting existing and future infrastructure and facility requirements within the Sturgeon Industrial Park Area and the benefit to new development from such infrastructure and facilities, which advice and reports set out a fair and equitable calculation of Off-Site Levies in relation to benefit, in accordance with the purpose of the MGA and the principles of the Off-Site Levies Regulation, Alta Reg 187/2017;

AND WHEREAS, notice of intention to pass this bylaw has been given in accordance with the MGA;

NOW THEREFORE, the Council of Sturgeon County, in the Province of Alberta, duly assembled, hereby enacts as follows:

1. Title

- 1.1. This Bylaw may be referred to as 'Amendments to the Sturgeon Industrial Park Offsite Levy Bylaw'.

2. Purpose

- 2.1. The purpose of this Bylaw is to amend Bylaw 1548/21, Sturgeon Industrial Park Offsite Levy Bylaw.

3. Sturgeon Industrial Park Offsite Levy Bylaw 1548/21 be amended as follows:

- 3.1. Schedule "B" of Bylaw 1548/21 is repealed and replaced by Schedule "B" of this Bylaw.
- 3.2. Schedule "C" of Bylaw 1548/21 is repealed and replaced by Schedule "C" of this Bylaw.
- 3.3. Amend Subsection 8 to read as:

The supporting technical information which identifies the impact of proposed subdivision and development within the Off-Site Levy Area and each Benefitting Area, estimates the Construction Costs of the Off-Site Infrastructure and identifies how the Off-Site Levy is calculated is contained in the Sturgeon Industrial Park: 2025 Off-Site Levy Update, dated April 2025, prepared by Corvus Business Advisors, attached as Schedule "C" to this bylaw.

- 3.4. Amend Part III: Application to include:

16. Offsite levy account balances that are in a positive position earn interest using the weighted average annual interest rate of Sturgeon County's general operating account. Offsite levy account balances that are in a negative position are charged interest using the average experienced interest rate on Sturgeon County's long-term borrowing for the calculation year or, in the event no long-term borrowings are executed in the calculation year, the Government of Alberta's capital financing rate on 15-year term.

- 4. If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed, and the remainder of the Bylaw is deemed valid.

5. Effective Date

This Bylaw shall come into force and take effect on the date that it is passed.

Read a first time this 29th day of April, 2025.

Read a second time this 24th day of June, 2025.

Read a third time this 24th day of June, 2025.

"Original Signed"

 MAYOR

"Original Signed"

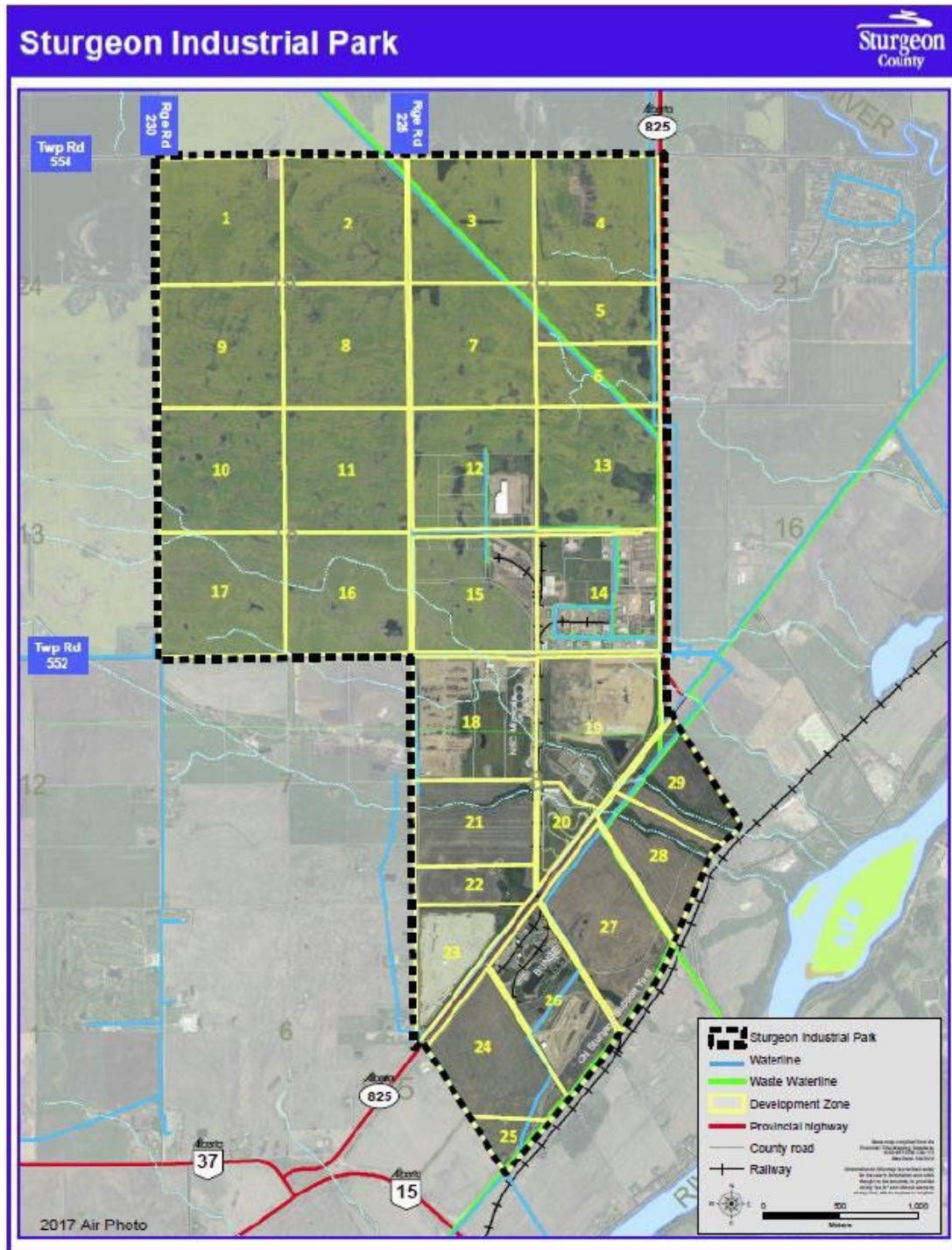
 CHIEF ADMINISTRATIVE OFFICER

June 24, 2025

 DATE SIGNED

Schedule "A"

Off-Site Levy Areas



Schedule "B"

Summary of Off-Site Levy Rates by Area (Per Net Hectare)

Area #	Transportation Levies	Water Levies	Sanitary Levies	Stormwater Levies	Total
1.0	\$ 29,797	\$ 23,270	\$ -	\$ 4,150	\$ 57,217
2.0	\$ 29,797	\$ 23,270	\$ 2,411	\$ 4,150	\$ 59,628
3.0	\$ 29,797	\$ 23,270	\$ 2,411	\$ 4,150	\$ 59,628
4.0	\$ 29,797	\$ 23,270	\$ -	\$ 4,150	\$ 57,217
5.0	\$ 29,797	\$ 23,270	\$ -	\$ 4,150	\$ 57,217
6.0	\$ 29,797	\$ 23,270	\$ -	\$ -	\$ 53,066
7.0	\$ 29,797	\$ 23,270	\$ 2,411	\$ 4,150	\$ 59,628
8.0	\$ 29,797	\$ 23,270	\$ 10,954	\$ 4,150	\$ 68,171
9.0	\$ 29,797	\$ 23,270	\$ 7,542	\$ 4,150	\$ 64,758
10.0	\$ 29,797	\$ 25,007	\$ 7,542	\$ 2,270	\$ 64,616
11.0	\$ 29,797	\$ 25,007	\$ 7,542	\$ 2,270	\$ 64,616
12.0	\$ 29,797	\$ 21,305	\$ 3,051	\$ 2,270	\$ 56,423
13.0	\$ 29,797	\$ 21,305	\$ -	\$ -	\$ 51,102
14.0	\$ 29,797	\$ 21,305	\$ -	\$ -	\$ 51,102
15.0	\$ 29,797	\$ 11,736	\$ 3,051	\$ 2,270	\$ 46,854
16.0	\$ 29,797	\$ 15,438	\$ 7,542	\$ 2,270	\$ 55,047
17.0	\$ 29,797	\$ 15,438	\$ 7,542	\$ 2,270	\$ 55,047
18.0	\$ 29,797	\$ 31,076	\$ -	\$ 2,270	\$ 63,143
19.0	\$ 29,797	\$ 31,076	\$ -	\$ -	\$ 60,873
20.0	\$ 29,797	\$ 31,076	\$ 12,874	\$ -	\$ 73,747
21.0	\$ 29,797	\$ 31,076	\$ 12,874	\$ -	\$ 73,747
22.0	\$ 29,797	\$ 31,076	\$ 12,874	\$ -	\$ 73,747
23.0	\$ 29,797	\$ 31,076	\$ 12,874	\$ -	\$ 73,747
24.0	\$ 29,797	\$ 31,076	\$ 11,389	\$ -	\$ 72,262
25.0	\$ 29,797	\$ 31,076	\$ 11,389	\$ -	\$ 72,262
26.0	\$ 29,797	\$ 31,076	\$ 11,389	\$ -	\$ 72,262
27.0	\$ 29,797	\$ 31,076	\$ 18,630	\$ -	\$ 79,503
28.0	\$ 29,797	\$ 31,076	\$ -	\$ -	\$ 60,873
29.0	\$ 29,797	\$ 31,076	\$ -	\$ -	\$ 60,873

Schedule "C"

Sturgeon Industrial Park: 2025 Offsite Levy Update – April 15,2025



Sturgeon Industrial Park: 2025 Offsite Levy Update

April 15th, 2025

Prepared by:

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April 15th, 2025

Sturgeon County
9613 – 100 Street
Morinville, Alberta
T8R 1L9

RE: Sturgeon Industrial Park 2025 Offsite Levy Update

Enclosed is our report in support of the Sturgeon Industrial Park 2025 offsite levy rate update. If you have any questions do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michal Tokarew", with a long horizontal flourish extending to the right.

Michal Tokarew
Director

1 DOCUMENT INFORMATION

Version		
Number	Revision Date	Summary of Changes and Author
1.0	April 15 th , 2025	FINAL. Created by CORVUS Business Advisors.

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3 INTRODUCTION

3.1 Overview

Bylaw 1548-21, established by Sturgeon County (“the County”) in 2021 defines offsite levy charges for transportation, water, sanitary, and stormwater offsite infrastructure in the Sturgeon Industrial Park. The County wishes to update this bylaw, amending offsite infrastructure included in the bylaw in alignment with the County’s recent actual expenditures, receipts, latest capital/master plans, and ensuring updated costs and development forecasts are reflected fairly and equitably in new rates, thereby ensuring a financially sustainable community.

This report outlines the methodology and information used in establishing updated transportation, water, sanitary, and stormwater offsite levy rates for the Sturgeon Industrial Park.

3.2 Methodology

The County has various infrastructure capital/master plans, and these plans have been used by County staff as a starting point for developing key information for this offsite levy review. County staff reviewed existing plans and verified offsite projects for roads, water, sanitary, and drainage infrastructure¹. The County's review also included verification of benefits to existing development, future development, and benefiting areas.

Support provided by CORVUS Business Advisors (“CORVUS”) included:

- Update of the offsite levy model—configuration, priming, and data loading.
- Incorporation of area measurements and land development forecasts (provided by County staff).
- Incorporation of infrastructure costs and allocation percentages for existing development, new development, and other parties (provided by County staff).
- Reconciliation of reserve opening balances (historical reconciliation details provided by County staff).
- Determination of transportation, water, sanitary, and stormwater levy rates.
- Presentation of results to Administration.

Offsite levy rates within the CORVUS model are forecast using a rolling 25-year review period. During this review, a cut-off date of December 31st, 2024 was established, and so the review period stems from **2025 to 2049**. The cut-off date coincides with the County's most recent year-end when the project started. Project expenditures, receipts etc. were gathered as "actuals" from the County's financial records up to the cut-off date. Beyond the cut-off date, all financial details are estimates. When the County completes its next rate

¹ It was not within CORVUS’ scope of work to review the County’s capital/master plans. Plans were reviewed and refined by County staff.

update, information from January 1st, 2025 up to the new cut-off date will be converted from estimates to actuals, and the rolling 25-year review period will move further out.

Costs that benefit development prior to and within the 25-year review period are included in rates. Costs that benefit development beyond the review period (called “financial oversizing”) are excluded from rates. In future years, when rates are updated and the rolling 25-year period moves further out, offsite infrastructure costs beyond 2049 will gradually be included in rates.

4 KEY FINDINGS

The following provides a summary of key findings pertaining to the updating of Sturgeon Industrial Park offsite levy rates:

Offsite Infrastructure Costs. Offsite infrastructure costs to be included in the offsite levy bylaw total approximately **\$141.86 million**. An overview of offsite infrastructure costs and maps is provided in Appendices B1 (Transportation), C1 (Water), D1 (Sanitary), and E1 (Stormwater); and a definition of each offsite infrastructure type is provided in Appendix F.

Before determining how the infrastructure costs will be allocated to parties that benefit (e.g., existing/residual development, future development, other municipalities etc.), financing provided by way of special ear-marked grants and other contributions are deducted from offsite infrastructure costs. For this review, the County has identified approximately **\$3.88 million** in ear-marked grants and contributions. An overview of ear-marked grants and contributions and resulting net costs is provided in Appendices B2, C2, D2, and E2.

The share of costs which benefits existing/residual development (the County’s share) is **\$23.32 million**; and, the share of costs which benefits other stakeholders (e.g., neighbouring municipalities) is **nil**.

The share of costs which benefits future development totals approximately **\$114.67 million (\$70.11 million + \$44.56 million)** and is based on the allocations shown in Appendices B4, C4, D4, and E4. However, **\$70.11 million** of the cost which benefits future development is beyond the 25-year review period (called “financial oversizing”). Financial oversizing is determined based on the anticipated year of construction (construction staging) which is provided in Appendices B3, C3, D3, and E3.

Of the **\$114.67 million** in total offsite infrastructure costs which benefits future development, the portion that is within the 25-year review period and included in rates today (the offsite levy share) is approximately **\$44.56 million**, as shown in the table below. This is an increase of approximately **11%** since the last update. An increase in costs puts upward pressure on rates, all other things being equal. A complete summary of offsite infrastructure net cost “flow-thru” is provided in Appendices B6, C6, D6, and E6.

Summary of Infrastructure Costs & Allocations

Infrastructure	Special Grants & Contributions	Muni Share of Costs	Other Stakeholders' Share of Costs	Developer Cost Beyond 25 Yrs (Financial Oversizing)	Developer Costs (In Rates)	Total Costs
Transportation	\$ 3,086,860	\$ 16,764,418	\$ -	\$ 42,805,237	\$ 24,202,433	\$ 86,858,947
Water	\$ 30,000	\$ 6,551,578	\$ -	\$ 15,723,830	\$ 14,938,319	\$ 37,243,726
Sanitary	\$ 475,680	\$ -	\$ -	\$ 8,735,701	\$ 3,866,962	\$ 13,078,343
Stormwater	\$ 286,965	\$ -	\$ -	\$ 2,843,495	\$ 1,553,312	\$ 4,683,772
Total	\$ 3,879,505	\$ 23,315,995	\$ -	\$ 70,108,263	\$ 44,561,026	\$ 141,864,789

Offsite Levy Collections. Before allocating infrastructure costs to benefitting lands, offsite levy costs must be reduced by the total levies collected to date. Up to **December 31st, 2024**, the County collected approximately **\$8.50 million** in offsite levies as summarized in the table below. Details associated with levy collections are shown in Appendices B5, C5, D5, and E5.

Summary of Levies Collected to Date

Levies Collected To Date	
Transportation	\$ 5,901,818
Water	\$ 1,604,708
Sanitary	\$ 685,314
Stormwater	\$ 307,414
Total	\$ 8,499,254

Offsite Levy Areas and Forecast Development. To facilitate the allocation of infrastructure costs to those lands that benefit from the infrastructure, the Sturgeon Industrial Park is parsed into **29** offsite levy areas. The area boundaries, numbering schema, and area measurements are described in Appendix A along with an offsite levy map. An overview of offsite infrastructure allocations to each benefitting area is provided in Appendices B7, C7, D7, and E7.

To calculate offsite levy rates, it is necessary to forecast the amount of land that will develop during the 25-year review period. Land development forms the denominator of the rate calculation. A larger denominator reduces rates but could potentially result in under-collection thereby placing an increased burden on tax payers. A smaller denominator increases rates but could potentially result in over-collection thereby placing an increased burden on future development. Accordingly, land development forecasts need to be: (a) reasonable and reflect current planning assumptions including the current pace of development in the community, and (b) updated regularly.

For this review, the County is forecasting development of approximately **670 ha.** during the 25-year review period (the land development forecast is shown in Appendix A). This is an increase of approximately **5%** since the last update. An increase in land development puts downward pressure on rates, all other things being equal.

Offsite Levy Reserves. The County is currently managing offsite levy receipts and withdrawals in the Sturgeon Industrial Park via four accounts (i.e., one account for each infrastructure type), and this in alignment with MGA requirements. The reason the MGA stipulates the requirement for separate accounts is because offsite levies can only be used for the type of infrastructure for which they were collected (e.g., water levies can only be used to construct water offsite infrastructure, not sanitary infrastructure etc.). The County's offsite levy account balances are shown in Appendices B8, C8, D8, and E8.

Interest. Offsite levy account balances (both actual and forecast) are impacted by interest. Actual reserve inflows and forecast reserve balances that are in a positive/surplus position earn interest (as required by the MGA). Actual reserve outflows and forecast reserve balances that are in a negative/deficit position are charged interest (forecast balances that are negative indicate the requirement for front-ending). Interest rates and forecast balances over the 25-year review period are shown in Appendices B9, C9, D9, and E9.

Front-ending Approach. Front-ending is an extremely important concept that underpins rigorous management of offsite levies. Front-ending represents monies owed by future development to the front-ending party (municipality or developer) for past construction undertaken on behalf of future development—i.e., a front-ending party will often pay for its share of an offsite infrastructure project in addition to that portion of the project which benefits future development when offsite levy reserve balances are insufficient.

There are 2 alternatives for repaying front-ending debts to claimants: (1) the First-In First-Out (FIFO) approach, and (2) the Average Outstanding Claim (AOC) approach. The FIFO approach can create: (a) stagnation of development, and (b) increased pressure on the municipality (i.e., taxpayers) to front-end. Accordingly, in 2017 the County adopted the AOC approach as part of its broader offsite levy policy framework.

Under the AOC approach, claimants share distributions based on their proportionate share of outstanding claims. For example, Developer A fronts a \$1 million piece of infrastructure in 2016. Developer B front-ends a \$0.5 million piece of infrastructure in 2017. And Developer C is contemplating front-ending a \$0.5 million piece of infrastructure in the future. Using the AOC approach, offsite levy collections are shared between Developer A (66.6% of distributions) and Developer B (33.3% of distributions) until fully repaid². If Developer C chooses to front-end in the future, then future claim reimbursements would be shared amongst Developer A (50% of distributions) and Developer B (25% of distributions) and Developer C (25% of distributions) until repaid³. This approach is preferred, as it ensures regular positive cash flow to all claimants, and therefore no disincentive to future front-ending.

In the Sturgeon Industrial Park, it is our understanding that the County is the only front-

² $\$1,000,000 / (\$1,000,000 + \$500,000) = 66.6\%$. $\$500,000 / (\$1,000,000 + \$500,000) = 33.3\%$.

³ $\$1,000,000 / (\$1,000,000 + \$500,000 + \$500,000) = 50\%$. $\$500,000 / (\$1,000,000 + \$500,000 + \$500,000) = 25\%$.

ending party currently. As such, all excess cash in reserve accounts should always be used to pay-down the County’s front-ending debt (described below).

5 RATE UPDATES

For future development to pay for its share of the **\$141.86 million** of offsite infrastructure costs contained in the County’s capital plans for the Sturgeon Industrial Park, rates are approximately **\$61,643** per net hectare on a weighted average basis, as shown in the tables below. A comparison of rates to other municipalities is shown in Appendix G.

Rates are increasing from an average of approximately \$52,462 per net hectare (contained in the current bylaw) to an average of \$61,643 per net hectare.

Offsite Levy Rates (Per Net Hectare): High, Low, & Averages⁴

	Transportation Levies	Water Levies	Sanitary Levies	Storm Levies	Total
High	\$ 29,797	\$ 31,076	\$ 18,630	\$ 4,150	\$ 83,654
Low	\$ 29,797	\$ 11,736	\$ -	\$ -	\$ 41,533
Weighted Average	\$ 29,797	\$ 23,470	\$ 6,533	\$ 1,843	\$ 61,643

⁴ Highs, Lows, and Averages are shown for information purposes only. Developers pay the actual rate applicable to their specific development area.

Summary of Offsite Levy Rates by Area (Per Net Hectare)

Area #	Transportation Levies	Water Levies	Sanitary Levies	Stormwater Levies	Total
1.0	\$ 29,797	\$ 23,270	\$ -	\$ 4,150	\$ 57,217
2.0	\$ 29,797	\$ 23,270	\$ 2,411	\$ 4,150	\$ 59,628
3.0	\$ 29,797	\$ 23,270	\$ 2,411	\$ 4,150	\$ 59,628
4.0	\$ 29,797	\$ 23,270	\$ -	\$ 4,150	\$ 57,217
5.0	\$ 29,797	\$ 23,270	\$ -	\$ 4,150	\$ 57,217
6.0	\$ 29,797	\$ 23,270	\$ -	\$ -	\$ 53,066
7.0	\$ 29,797	\$ 23,270	\$ 2,411	\$ 4,150	\$ 59,628
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15.0	\$ 29,797	\$ 11,736	\$ 3,051	\$ 2,270	\$ 46,854
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18.0	\$ 29,797	\$ 31,076	\$ -	\$ 2,270	\$ 63,143
19.0	\$ 29,797	\$ 31,076	\$ -	\$ -	\$ 60,873
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26.0	\$ 29,797	\$ 31,076	\$ 11,389	\$ -	\$ 72,262
27.0	\$ 29,797	\$ 31,076	\$ 18,630	\$ -	\$ 79,503
28.0	\$ 29,797	\$ 31,076	\$ -	\$ -	\$ 60,873
29.0	\$ 29,797	\$ 31,076	\$ -	\$ -	\$ 60,873

6 RECOMMENDATIONS

CORVUS recommends the following:

1. Implement the updated offsite levy rates outlined in Section 5.
2. During the reconciliation of account balances in the future, ensure the interest earning and charge rates that underpin the offsite levy bylaw for that time period are used to determine reserve interest impacts.
3. Changes to the MGA in 2017 enable municipalities to charge offsite levies for recreation, fire, police, library, and interchange facilities. County Administration and Council should consider whether it wishes to adopt such levies in the future and, if so, begin developing the necessary supporting documentation that will be needed to support such levies. Support documentation requirements for these new levies are more stringent (see *MGA Section 648* and *Regulation AR 187/2017*).

7 ACKNOWLEDGEMENTS

CORVUS Business Advisors would like to thank all Sturgeon County staff from Engineering, Planning, and Finance who supported the work of this review.

8 DISCLAIMER

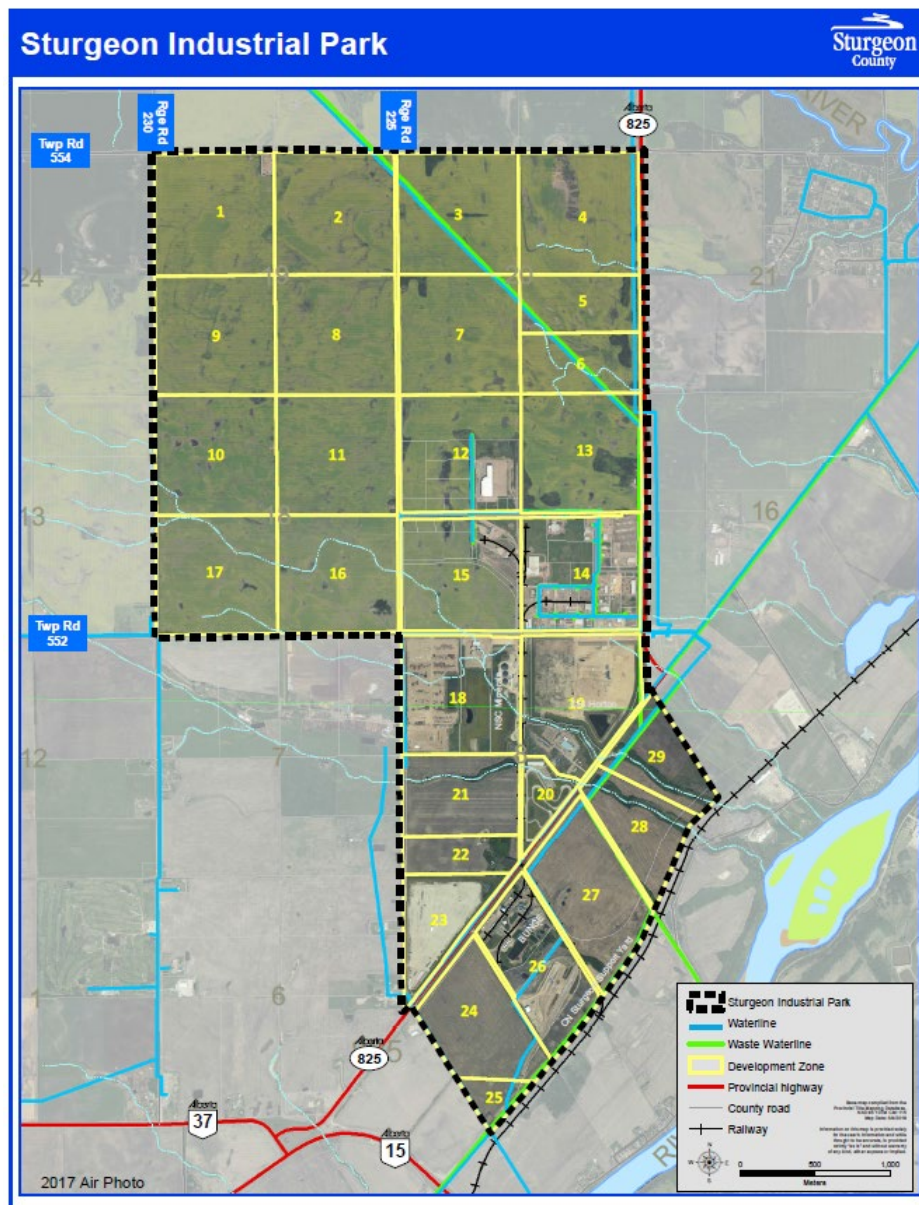
CORVUS Business Advisors has relied upon Sturgeon County and its advisors to provide all of the data and information used to construct the offsite levy model and create the rates, such as planning data and assumptions, development forecasts and assumptions, infrastructure costs and cost estimates, allocations to benefitting parties, allocation to benefitting areas, and other assumptions etc. As such, CORVUS Business Advisors makes no guarantee as to the accuracy of the input data and information provided by these groups or the results that stem from this data and information.

Offsite levy rates are not intended to stay static; they are based upon assumptions and the best available information of the day. Planning assumptions, cost estimates etc. can change each year. Accordingly, the Municipal Government Act requires that offsite levy rates be updated with the most current information available on a regular basis (usually annually). When information changes, it will be reflected in a future update, and rates adjusted accordingly.

APPENDIX A: OFFSITE LEVY AREAS AND LAND STAGING

The Sturgeon Industrial Park is parsed into **29** offsite levy areas, as shown in the map below. Areas take into consideration the intersection points of existing/planned infrastructure basins (e.g., water and sanitary basins), and also various natural and man-made barriers (e.g., rivers, highways, etc.). All offsite levy infrastructure costs are allocated to one or more areas.

Offsite Levy Areas



Total net development area, the amount of land available for development in all offsite levy areas, is approximately **1126 ha**. In calculating net development area, allowances have been made for environmental reserves, municipal reserves, and arterial road right of way.

Offsite Levy Net Development Area⁵

Area Ref. #	Development Area Location	Land Use	Gross Area (ha.)	Environmental Reserves (ha.)	Sub-total	Municipal Reserves	Arterial Right of Way	Net Development Area (ha.)
1.0	NW-19-55-22-4	Industrial	64.70	1.60	63.10	6.31	2.98	53.81
2.0	NE-19-55-22-4	Industrial	64.70	0.81	63.89	6.39	2.78	54.72
3.0	NW-20-55-22-4	Industrial	64.70	3.87	60.83	6.08	2.41	52.34
4.0	NE-20-55-22-4	Industrial	64.70	0.73	63.97	6.40	2.40	55.17
5.0	SE-20-55-22-4 (North Half)	Industrial	32.35	2.38	29.97	3.00	0.41	26.56
6.0	SE-20-55-22-4 (South Half)	Industrial	32.35	7.20	25.15	2.52	0.41	22.23
7.0	SW-20-55-22-4	Industrial	64.70	4.61	60.09	6.01	0.81	53.27
8.0	SE-19-55-22-4	Industrial	64.70	1.46	63.24	6.32	1.20	55.72
9.0	SW-19-55-22-4	Industrial	64.70	3.07	61.63	6.16	1.61	53.86
10.0	NW-18-55-22-4	Industrial	64.70	3.19	61.51	6.15	1.61	53.75
11.0	NE-18-55-22-4	Industrial	64.70	2.21	62.49	6.25	1.18	55.06
12.0	NW-17-55-22-4	Industrial	43.40	8.50	34.90	3.49	0.78	30.63
13.0	NE-17-55-22-4	Industrial	64.10	4.01	60.09	6.01	1.03	53.05
14.0	SE-17-55-22-4	Industrial	12.90	-	12.90	1.29	-	11.61
15.0	SW-17-55-22-4	Industrial	54.05	-	54.05	5.41	1.49	47.16
16.0	SE-18-55-22-4	Industrial	64.70	-	64.70	6.47	2.76	55.47
17.0	SW-18-55-22-4	Industrial	64.70	-	64.70	6.47	3.16	55.07
18.0	NW-8-55-22-4	Industrial	47.34	-	47.34	1.93	-	45.41
19.0	NE-8-55-22-4	Industrial	48.48	-	48.48	4.85	-	43.63
20.0	SE-8-55-22-4	Industrial	-	-	-	-	-	-
21.0	SW-8-55-22-4 (North Portion)	Industrial	44.50	2.83	41.67	4.17	0.52	36.98
22.0	SW-8-55-22-4 (South Portion)	Industrial	19.70	-	19.70	1.97	0.25	17.48
23.0	NW-5-55-22-4	Industrial	29.87	-	29.87	2.99	-	26.88
24.0	RL22-55-22-4 (North Portion)	Industrial	49.00	1.08	47.92	4.79	-	43.13
25.0	RL22-55-22-4 (South Portion)	Industrial	8.30	0.12	8.18	0.82	-	7.36
26.0	RL16&18-55-22-4	Industrial	28.70	1.47	27.23	2.72	-	24.51
27.0	RL14-55-22-4	Industrial	54.80	2.91	51.89	5.19	-	46.70
28.0	RL12-55-22-4 (West Portion)	Industrial	33.80	6.32	27.48	2.75	0.19	24.54
29.0	RL12-55-22-4 (East Portion)	Industrial	29.90	7.45	22.45	2.25	0.61	19.60
		Total	1,345.23	65.82	1,279.42	125.14	28.59	1,125.69

Summary of Offsite Levy Net Development Area

Description	ha.
Gross Development Area	1,345.23
Less Environment Reserve	65.82
Less Municipal Reserve	125.14
Less ROW Allowance	28.59
Net Development Area	1,125.69

*Note: 1 Hectare (ha.) = ~2.47 Acres

Net development area definitions will be applied in determining offsite levy obligations of developers on application for subdivision or development within Sturgeon County. Net development area is defined as follows:

- Gross Area – The area of lands to be developed in hectares that have not previously paid an offsite levy.

⁵ Area measurements were provided by County staff.

- Less: Any environmental reserves contained within the development area including environmental reserves and environmental easements.
- Less: A 10% allowance for Municipal Reserves.
- Less: The measurement of arterial road right of way that bisects the development lands.
- Equals: Net Developable Area, which is the area subject to offsite levies.

A rate planning period of 25 years underpins the offsite levy model and rate calculations. Many municipalities use this planning period as it provides a reasonable timeframe to recoup the costs associated with offsite levy infrastructure construction, and it aligns with the timeframes of many municipal capital planning and construction cycles.

Of the **1126 ha.** of net land available across all offsite levy areas, approximately **165 ha. (15%)** have been developed to date, and planners estimate that approximately **670 ha. (60%)** will develop during the next 25 years (the rate planning period) as shown in the tables below.

Summary of Anticipated Development during the 25 Year Rate Planning Period

Developed Since Model Created	165.31	14.7%
Developed In Next 25 Years	669.78	59.5%
Developed Beyond 25 Years	290.61	25.8%
Net Development Area	1,125.70	

Anticipated Development during the 25 Year Rate Planning Period

Area Ref. #	Area Developed in Next 25 years (Net ha.)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	
1.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2.0	41.370	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.79	13.79	13.79
3.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5.0	26.560	-	-	-	-	-	-	-	6.64	6.64	6.64	6.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.0	22.213	-	-	-	5.54	5.56	5.56	5.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7.0	53.265	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.32	13.32	13.32	13.32	-	-	-	-	-	-	-	-
8.0	55.060	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.77	13.77	13.77	13.77	-	-	-	-
9.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.0	55.060	-	-	-	-	-	-	-	-	13.77	13.77	13.77	13.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12.0	15.070	2.96	6.05	6.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13.0	53.040	13.26	13.26	13.26	13.26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14.0	2.890	-	-	-	-	2.89	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15.0	40.800	13.60	13.60	13.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16.0	55.460	-	-	-	-	-	-	-	-	13.87	13.87	13.87	13.87	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17.0	55.040	-	-	-	-	-	-	-	-	-	-	-	6.88	6.88	6.88	6.88	6.88	6.88	6.88	6.88	-	-	-	-	-	-	-
18.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21.0	36.960	-	-	-	9.24	9.24	9.24	9.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22.0	17.480	-	-	-	4.37	4.37	4.37	4.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24.0	41.330	-	-	12.59	14.37	14.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25.0	7.350	-	-	-	-	2.45	2.45	2.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27.0	46.700	-	-	11.68	11.68	11.68	11.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28.0	24.540	-	-	-	-	-	-	6.14	6.14	6.14	6.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29.0	19.590	-	-	-	-	-	-	-	-	-	-	4.90	4.90	4.90	4.89	-	-	-	-	-	-	-	-	-	-	-	-
	669.78	29.82	32.91	57.19	58.46	50.56	33.28	27.75	12.78	40.41	40.41	39.17	39.41	11.78	11.77	20.20	20.20	20.20	20.20	20.65	13.77	13.77	13.77	13.79	13.79	13.79	

APPENDIX B: TRANSPORTATION

B1. Transportation Offsite Infrastructure

To support future growth, transportation offsite infrastructure is required. The estimated cost of this infrastructure is based upon: (a) actual construction costs to the cut-off date, (b) future debenture interest associated with financing, and (c) future cost estimates. Total cost is approximately **\$86.86 million** as outlined in the table below. Actual costs, debenture interest (if any), and cost estimates were provided by County staff. It is important to note that these costs represent “gross” costs, of which only a portion will go to support development during the 25-year review period. The remainder of this section outlines how the “net” costs for development are determined.

Summary of Transportation Offsite Infrastructure

Item	Project Description	Cost of Completed Work	Future Debenture Interest	Estimated Cost of Work Yet to be Completed	Total Project Cost
1	Twp 552/Hwy 825 (Grading and Paving)	\$ 1,319,147	\$ -	\$ -	\$ 1,319,147
2	Twp 552 from Hwy 825 - RR 225 (Grading)	\$ 1,384,047	\$ 104	\$ -	\$ 1,384,151
3	Twp 552 from Hwy 825 - RR 225 (Paving)	\$ 2,512,768	\$ 152	\$ -	\$ 2,512,919
4	Twp 552/RR 225 (Grading and Paving)	\$ -	\$ -	\$ 606,802	\$ 606,802
5	RR 225 from Hwy 825 - Estates Way (Grading)	\$ 1,827,051	\$ -	\$ 312,910	\$ 2,139,961
6	RR 225 from Hwy 825 - Estates Way (Paving)	\$ -	\$ -	\$ 4,839,521	\$ 4,839,521
7	Hwy 825/RR 225 (Grading and Paving)	\$ 2,376,447	\$ -	\$ -	\$ 2,376,447
8	Hwy 825/RR 224A (Grading and Paving)	\$ 4,285,939	\$ -	\$ -	\$ 4,285,939
9	Twp 552 from Boysdale Rd to Hwy 825 (Grading)	\$ -	\$ -	\$ -	\$ -
10	Twp 552 from Boysdale Rd to Hwy 825 (Paving)	\$ -	\$ -	\$ -	\$ -
11	Boysdale Road/Twp 552 (Grading and Paving)	\$ -	\$ -	\$ -	\$ -
12	Twp 552 from RR 225 to RR 230 (Grading)	\$ -	\$ -	\$ 2,041,290	\$ 2,041,290
13	Twp 552 from RR 225 to RR 230 (Paving)	\$ -	\$ -	\$ 2,419,760	\$ 2,419,760
14	Twp 552/RR 230 (Grading and Paving)	\$ -	\$ -	\$ 606,802	\$ 606,802
15	RR 225 from Estates Way - Twp 554 (Grading)	\$ -	\$ -	\$ 2,347,866	\$ 2,347,866
16	RR 225 from Estates Way - Twp 554 (Paving)	\$ -	\$ -	\$ 3,629,640	\$ 3,629,640
17	Hwy 825/Twp 553 (Grading and Paving)	\$ -	\$ -	\$ 4,726,435	\$ 4,726,435
18	RR 230 from Twp 552 - Twp 553 (Grading)	\$ -	\$ -	\$ 2,041,290	\$ 2,041,290
19	RR 230 from Twp 552 - Twp 553 (Paving)	\$ -	\$ -	\$ 2,419,760	\$ 2,419,760
20	Hwy 825/Twp 554 (Grading and Paving)	\$ -	\$ -	\$ 4,805,435	\$ 4,805,435
21	Twp 554 from RR 225 - Hwy 825 (Grading)	\$ -	\$ -	\$ 2,041,290	\$ 2,041,290
22	Twp 554 from RR 225 - Hwy 825 (Paving)	\$ -	\$ -	\$ 2,419,760	\$ 2,419,760
23	Twp 554/RR 225 (Grading and Paving)	\$ -	\$ -	\$ 606,802	\$ 606,802
24	Twp 554 from RR 230 - RR 225 (Grading)	\$ -	\$ -	\$ 2,041,290	\$ 2,041,290
25	Twp 554 from RR 230 - RR 225 (Paving)	\$ -	\$ -	\$ 2,419,760	\$ 2,419,760
26	RR 230/Twp 554 (Grading and Paving)	\$ -	\$ -	\$ 606,802	\$ 606,802
27	Twp 552 from RR 230 - Hwy 28A (Grading)	\$ -	\$ -	\$ 6,123,869	\$ 6,123,869
28	Twp 552 from RR 230 - Hwy 28A (Paving)	\$ -	\$ -	\$ 7,259,281	\$ 7,259,281
29	Twp 554 from RR 230 - Hwy 28A (Grading)	\$ -	\$ -	\$ 6,123,869	\$ 6,123,869
30	Twp 554 from RR 230 - Hwy 28A (Paving)	\$ -	\$ -	\$ 7,259,281	\$ 7,259,281
31	RR 230 from Twp 553 - Twp 554 (Grading)	\$ -	\$ -	\$ 2,041,290	\$ 2,041,290
32	RR 230 from Twp 553 - Twp 554 (Paving)	\$ -	\$ -	\$ 2,419,760	\$ 2,419,760
33	Estate Way from Park Road to RR 225 (Grading and Paving)	\$ 992,731	\$ -	\$ -	\$ 992,731
100	Transfer From Arterial Road Fee Account	\$ -	\$ -	\$ -	\$ -
		\$ 14,698,130	\$ 255	\$ 72,160,562	\$ 86,858,947

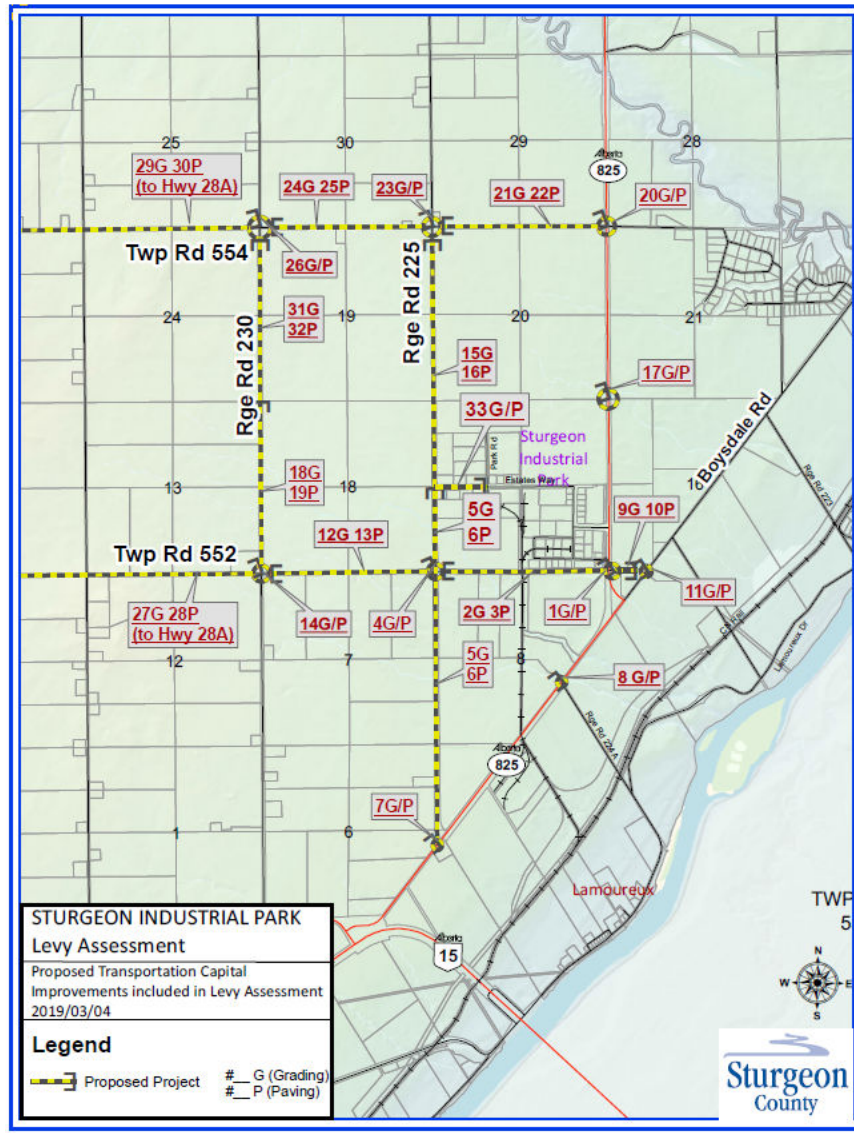
*Past expenditures include past financing expenditures (interest) if any.

**Costs estimates provided by County staff.

***Estimates include engineering and contingencies.

****Transfers or contributions stemming from Development Agreements were set-up as an individual project (#100) and credited 100% to future development and to all offsite levy areas (see Section B5).

*****Offsite infrastructure definitions are contained in Appendix F.



B2. Transportation Offsite Infrastructure Grants & Contributions to Date

The MGA enables the County to allocate the costs of offsite infrastructure to development, other than those costs that have been provided by way of special ear-marked grant or contribution (i.e., contributed infrastructure). Sturgeon County has/will receive **\$3.09 million** in special ear-marked grants or contributions for transportation offsite levy infrastructure as shown in the table below (note, if the County receives other ear-marked grants or contributions in the future, it will be reflected in one of the annual updates and rates adjusted accordingly). The result is that the total reduced project estimated cost is **\$83.77 million**.

Special Grants and Contributions for Transportation Offsite Infrastructure

Item	Project Description	Total Project Cost	Special Provincial Grants (Historic & Future)	Developer Agreement Contributions (Historic & Future)	Other Contributions (Historic & Future)	Reduced Project Cost
1	Twp 552/Hwy 825 (Grading and Paving)	\$ 1,319,147	\$ 100,000	\$ -	\$ -	\$ 1,219,147
2	Twp 552 from Hwy 825 - RR 225 (Grading)	\$ 1,384,151	\$ -	\$ -	\$ -	\$ 1,384,151
3	Twp 552 from Hwy 825 - RR 225 (Paving)	\$ 2,512,919	\$ -	\$ -	\$ -	\$ 2,512,919
4	Twp 552/RR 225 (Grading and Paving)	\$ 606,802	\$ -	\$ -	\$ -	\$ 606,802
5	RR 225 from Hwy 825 - Estates Way (Grading)	\$ 2,139,961	\$ -	\$ -	\$ -	\$ 2,139,961
6	RR 225 from Hwy 825 - Estates Way (Paving)	\$ 4,839,521	\$ -	\$ -	\$ -	\$ 4,839,521
7	Hwy 825/RR 225 (Grading and Paving)	\$ 2,376,447	\$ -	\$ -	\$ -	\$ 2,376,447
8	Hwy 825/RR 224A (Grading and Paving)	\$ 4,285,939	\$ 2,936,860	\$ -	\$ -	\$ 1,349,079
9	Twp 552 from Boysdale Rd to Hwy 825 (Grading)	\$ -	\$ -	\$ -	\$ -	\$ -
10	Twp 552 from Boysdale Rd to Hwy 825 (Paving)	\$ -	\$ -	\$ -	\$ -	\$ -
11	Boysdale Road/Twp 552 (Grading and Paving)	\$ -	\$ -	\$ -	\$ -	\$ -
12	Twp 552 from RR 225 to RR 230 (Grading)	\$ 2,041,290	\$ -	\$ -	\$ -	\$ 2,041,290
13	Twp 552 from RR 225 to RR 230 (Paving)	\$ 2,419,760	\$ -	\$ -	\$ -	\$ 2,419,760
14	Twp 552/RR 230 (Grading and Paving)	\$ 606,802	\$ -	\$ -	\$ -	\$ 606,802
15	RR 225 from Estates Way - Twp 554 (Grading)	\$ 2,347,866	\$ -	\$ -	\$ -	\$ 2,347,866
16	RR 225 from Estates Way - Twp 554 (Paving)	\$ 3,629,640	\$ -	\$ -	\$ -	\$ 3,629,640
17	Hwy 825/Twp 553 (Grading and Paving)	\$ 4,726,435	\$ -	\$ -	\$ -	\$ 4,726,435
18	RR 230 from Twp 552 - Twp 553 (Grading)	\$ 2,041,290	\$ -	\$ -	\$ -	\$ 2,041,290
19	RR 230 from Twp 552 - Twp 553 (Paving)	\$ 2,419,760	\$ -	\$ -	\$ -	\$ 2,419,760
20	Hwy 825/Twp 554 (Grading and Paving)	\$ 4,805,435	\$ -	\$ -	\$ -	\$ 4,805,435
21	Twp 554 from RR 225 - Hwy 825 (Grading)	\$ 2,041,290	\$ -	\$ -	\$ -	\$ 2,041,290
22	Twp 554 from RR 225 - Hwy 825 (Paving)	\$ 2,419,760	\$ -	\$ -	\$ -	\$ 2,419,760
23	Twp 554/RR 225 (Grading and Paving)	\$ 606,802	\$ -	\$ -	\$ -	\$ 606,802
24	Twp 554 from RR 230 - RR 225 (Grading)	\$ 2,041,290	\$ -	\$ -	\$ -	\$ 2,041,290
25	Twp 554 from RR 230 - RR 225 (Paving)	\$ 2,419,760	\$ -	\$ -	\$ -	\$ 2,419,760
26	RR 230/Twp 554 (Grading and Paving)	\$ 606,802	\$ -	\$ -	\$ -	\$ 606,802
27	Twp 552 from RR 230 - Hwy 28A (Grading)	\$ 6,123,869	\$ -	\$ -	\$ -	\$ 6,123,869
28	Twp 552 from RR 230 - Hwy 28A (Paving)	\$ 7,259,281	\$ -	\$ -	\$ -	\$ 7,259,281
29	Twp 554 from RR 230 - Hwy 28A (Grading)	\$ 6,123,869	\$ -	\$ -	\$ -	\$ 6,123,869
30	Twp 554 from RR 230 - Hwy 28A (Paving)	\$ 7,259,281	\$ -	\$ -	\$ -	\$ 7,259,281
31	RR 230 from Twp 553 - Twp 554 (Grading)	\$ 2,041,290	\$ -	\$ -	\$ -	\$ 2,041,290
32	RR 230 from Twp 553 - Twp 554 (Paving)	\$ 2,419,760	\$ -	\$ -	\$ -	\$ 2,419,760
33	Estate Way from Park Road to RR 225 (Grading and Paving)	\$ 992,731	\$ -	\$ -	\$ -	\$ 992,731
100	Transfer From Arterial Road Fee Account	\$ -	\$ -	\$ -	\$ 50,000	\$ (50,000)
		\$ 86,858,947	\$ 3,036,860	\$ -	\$ 50,000	\$ 83,772,088

B3. Year of Construction

The timing of construction is used to determine the impact of inflation on cost, the impact of forecast reserve balances, and the estimate of financial oversizing (described in the Section that follows). The County anticipates construction of offsite infrastructure as outlined in the table below. Note, if this schedule is adjusted in the future, it will be reflected in one of the County's annual rate/bylaw updates.

Forecast Year of Construction

Item	Project Description	Construction Start Year
1	Twp 552/Hwy 825 (Grading and Paving)	2012
2	Twp 552 from Hwy 825 - RR 225 (Grading)	2012
3	Twp 552 from Hwy 825 - RR 225 (Paving)	2013
4	Twp 552/RR 225 (Grading and Paving)	2027
5	RR 225 from Hwy 825 - Estates Way (Grading)	2013
6	RR 225 from Hwy 825 - Estates Way (Paving)	2027
7	Hwy 825/RR 225 (Grading and Paving)	2014
8	Hwy 825/RR 224A (Grading and Paving)	2015
9	Twp 552 from Boysdale Rd to Hwy 825 (Grading)	2020
10	Twp 552 from Boysdale Rd to Hwy 825 (Paving)	2020
11	Boysdale Road/Twp 552 (Grading and Paving)	2020
12	Twp 552 from RR 225 to RR 230 (Grading)	2037
13	Twp 552 from RR 225 to RR 230 (Paving)	2038
14	Twp 552/RR 230 (Grading and Paving)	2050
15	RR 225 from Estates Way - Twp 554 (Grading)	2034
16	RR 225 from Estates Way - Twp 554 (Paving)	2035
17	Hwy 825/Twp 553 (Grading and Paving)	2029
18	RR 230 from Twp 552 - Twp 553 (Grading)	2050
19	RR 230 from Twp 552 - Twp 553 (Paving)	2050
20	Hwy 825/Twp 554 (Grading and Paving)	2050
21	Twp 554 from RR 225 - Hwy 825 (Grading)	2050
22	Twp 554 from RR 225 - Hwy 825 (Paving)	2050
23	Twp 554/RR 225 (Grading and Paving)	2050
24	Twp 554 from RR 230 - RR 225 (Grading)	2050
25	Twp 554 from RR 230 - RR 225 (Paving)	2050
26	RR 230/Twp 554 (Grading and Paving)	2050
27	Twp 552 from RR 230 - Hwy 28A (Grading)	2043
28	Twp 552 from RR 230 - Hwy 28A (Paving)	2044
29	Twp 554 from RR 230 - Hwy 28A (Grading)	2050
30	Twp 554 from RR 230 - Hwy 28A (Paving)	2050
31	RR 230 from Twp 553 - Twp 554 (Grading)	2050
32	RR 230 from Twp 553 - Twp 554 (Paving)	2050
33	Estate Way from Park Road to RR 225 (Grading and Paving)	2023

*The share of projects constructed beyond the 25-year review period are not included in rates today (see financial oversizing in next section).

**Project costs are inflated by 3% per annum to the year of construction.

B4. Transportation Offsite Infrastructure Benefiting Parties

The transportation offsite infrastructure previously outlined will benefit various parties to varying degrees. Three potential benefiting parties were identified including:

1. Sturgeon County – a portion of the transportation infrastructure which is required to service existing residents. This residual benefit is determined at the point in time when the project is added to the bylaw (i.e., it does not fluctuate from year-to-year).
2. Other Stakeholders – other municipalities that benefit from the infrastructure.
3. Future Development:
 - o Financial Oversizing – that portion of cost (i.e., levyable transportation

infrastructure costs) which benefits future development beyond the 25-year review period.

- **In Rates – that portion of cost (i.e., levyable transportation infrastructure costs) which benefits future development within the 25-year review period.**

The table below outlines the allocation of transportation offsite levy infrastructure costs to benefiting parties.

Allocation of Transportation Infrastructure to Benefiting Parties

Item	Project Description	Reduced Project Cost	Muni Share %	Other Stakeholder Share	Developer Share Beyond 25 Yrs (Financial Oversizing %)	OSL / Developer Share %
1	Twp 552/Hwy 825 (Grading and Paving)	\$ 1,219,147	20.0%		0.0%	80.0%
2	Twp 552 from Hwy 825 - RR 225 (Grading)	\$ 1,384,151	20.0%		0.0%	80.0%
3	Twp 552 from Hwy 825 - RR 225 (Paving)	\$ 2,512,919	20.0%		0.0%	80.0%
4	Twp 552/RR 225 (Grading and Paving)	\$ 606,802	20.0%		6.4%	73.6%
5	RR 225 from Hwy 825 - Estates Way (Grading)	\$ 2,139,961	20.0%		0.0%	80.0%
6	RR 225 from Hwy 825 - Estates Way (Paving)	\$ 4,839,521	20.0%		6.4%	73.6%
7	Hwy 825/RR 225 (Grading and Paving)	\$ 2,376,447	20.0%		0.0%	80.0%
8	Hwy 825/RR 224A (Grading and Paving)	\$ 1,349,079	20.0%		0.0%	80.0%
9	Twp 552 from Boysdale Rd to Hwy 825 (Grading)	\$ -	20.0%		0.0%	80.0%
10	Twp 552 from Boysdale Rd to Hwy 825 (Paving)	\$ -	20.0%		0.0%	80.0%
11	Boysdale Road/Twp 552 (Grading and Paving)	\$ -	20.0%		0.0%	80.0%
12	Twp 552 from RR 225 to RR 230 (Grading)	\$ 2,041,290	20.0%		38.4%	41.6%
13	Twp 552 from RR 225 to RR 230 (Paving)	\$ 2,419,760	20.0%		41.6%	38.4%
14	Twp 552/RR 230 (Grading and Paving)	\$ 606,802	20.0%		80.0%	0.0%
15	RR 225 from Estates Way - Twp 554 (Grading)	\$ 2,347,866	20.0%		28.8%	51.2%
16	RR 225 from Estates Way - Twp 554 (Paving)	\$ 3,629,640	20.0%		32.0%	48.0%
17	Hwy 825/Twp 553 (Grading and Paving)	\$ 4,726,435	20.0%		12.8%	67.2%
18	RR 230 from Twp 552 - Twp 553 (Grading)	\$ 2,041,290	20.0%		80.0%	0.0%
19	RR 230 from Twp 552 - Twp 553 (Paving)	\$ 2,419,760	20.0%		80.0%	0.0%
20	Hwy 825/Twp 554 (Grading and Paving)	\$ 4,805,435	20.0%		80.0%	0.0%
21	Twp 554 from RR 225 - Hwy 825 (Grading)	\$ 2,041,290	20.0%		80.0%	0.0%
22	Twp 554 from RR 225 - Hwy 825 (Paving)	\$ 2,419,760	20.0%		80.0%	0.0%
23	Twp 554/RR 225 (Grading and Paving)	\$ 606,802	20.0%		80.0%	0.0%
24	Twp 554 from RR 230 - RR 225 (Grading)	\$ 2,041,290	20.0%		80.0%	0.0%
25	Twp 554 from RR 230 - RR 225 (Paving)	\$ 2,419,760	20.0%		80.0%	0.0%
26	RR 230/Twp 554 (Grading and Paving)	\$ 606,802	20.0%		80.0%	0.0%
27	Twp 552 from RR 230 - Hwy 28A (Grading)	\$ 6,123,869	20.0%		57.6%	22.4%
28	Twp 552 from RR 230 - Hwy 28A (Paving)	\$ 7,259,281	20.0%		60.8%	19.2%
29	Twp 554 from RR 230 - Hwy 28A (Grading)	\$ 6,123,869	20.0%		80.0%	0.0%
30	Twp 554 from RR 230 - Hwy 28A (Paving)	\$ 7,259,281	20.0%		80.0%	0.0%
31	RR 230 from Twp 553 - Twp 554 (Grading)	\$ 2,041,290	20.0%		80.0%	0.0%
32	RR 230 from Twp 553 - Twp 554 (Paving)	\$ 2,419,760	20.0%		80.0%	0.0%
33	Estate Way from Park Road to RR 225 (Grading and Paving)	\$ 992,731	20.0%		0.0%	80.0%
100	Transfer From Arterial Road Fee Account	\$ (50,000)			0.0%	100.0%
		\$ 83,772,088				

*Allocations were determined by County staff.

**Financial oversizing is determined by separating out the pro rata portion of developer cost beyond the 25-year review period, in comparison with the anticipated year of construction. As the years move forward and rates are updated, these additional developer costs will be included in rate calculations. For example, a project which is slated to be constructed in year 20 of the 25-year review period will have 20% (5/25) of its costs in rates today, and 80% (20/25) of its costs will sit beyond the 25-year review period.

B5. Existing Receipts & Adjusted Levy Cost

Using the offsite levy share percentages shown in the previous section and applying those percentages to project costs results in an offsite levy cost of approximately **\$24.20 million**. However, prior to allocating these costs to benefiting areas, existing offsite levy receipts collected from developers (if any) need to be considered in determining the residual/net costs to developers. County staff have advised that **\$5.90 million** in transportation levies have been applied/collected as shown in the table below. This results in an adjusted offsite

levy cost of approximately **\$18.30 million**.

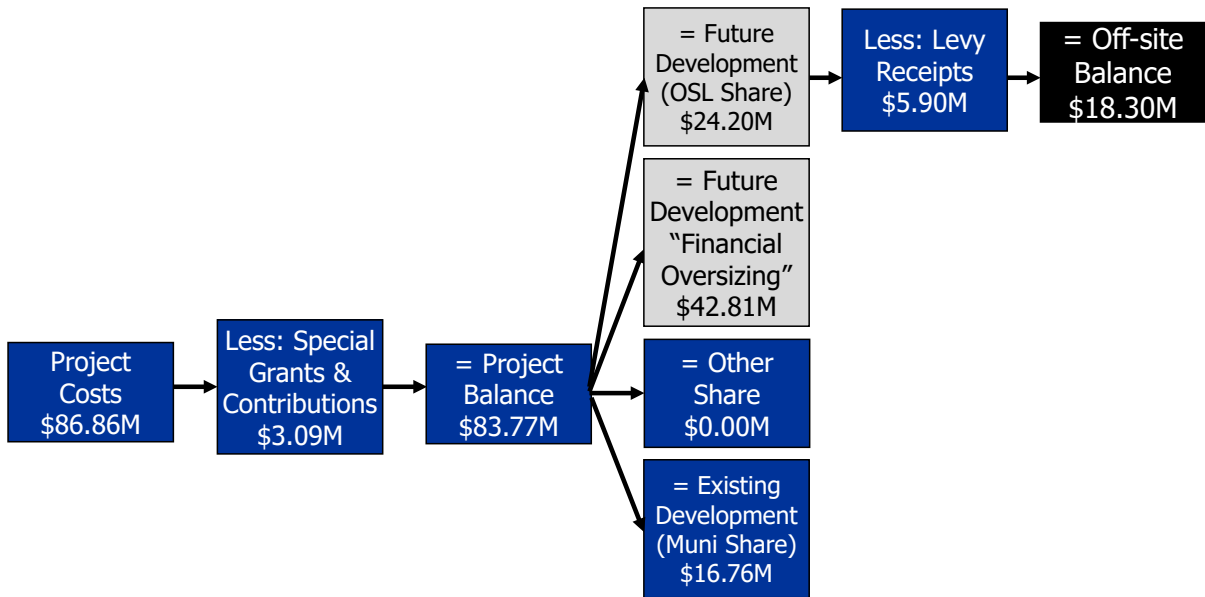
Offsite Levy Funds Applied to Date

Item	Project Description	OSL / Developer Cost	Offsite Levy Funds Collected	Adjusted Developer (Levy) Cost
1	Twp 552/Hwy 825 (Grading and Paving)	\$ 975,318	\$ 18,637	\$ 956,681
2	Twp 552 from Hwy 825 - RR 225 (Grading)	\$ 1,107,321	\$ 130,137	\$ 977,184
3	Twp 552 from Hwy 825 - RR 225 (Paving)	\$ 2,010,336	\$ 358,860	\$ 1,651,476
4	Twp 552/RR 225 (Grading and Paving)	\$ 446,606	\$ 86,609	\$ 359,997
5	RR 225 from Hwy 825 - Estates Way (Grading)	\$ 1,711,969	\$ 462,075	\$ 1,249,893
6	RR 225 from Hwy 825 - Estates Way (Paving)	\$ 3,561,887	\$ 677,098	\$ 2,884,789
7	Hwy 825/RR 225 (Grading and Paving)	\$ 1,901,157	\$ 554,431	\$ 1,346,726
8	Hwy 825/RR 224A (Grading and Paving)	\$ 1,079,263	\$ 458,049	\$ 621,214
9	Twp 552 from Boysdale Rd to Hwy 825 (Grading)	\$ -	\$ 11,588	\$ (11,588)
10	Twp 552 from Boysdale Rd to Hwy 825 (Paving)	\$ -	\$ 22,899	\$ (22,899)
11	Boysdale Road/Twp 552 (Grading and Paving)	\$ -	\$ 32,430	\$ (32,430)
12	Twp 552 from RR 225 to RR 230 (Grading)	\$ 849,176	\$ 177,224	\$ 671,952
13	Twp 552 from RR 225 to RR 230 (Paving)	\$ 929,188	\$ 195,112	\$ 734,076
14	Twp 552/RR 230 (Grading and Paving)	\$ -	\$ 12,745	\$ (12,745)
15	RR 225 from Estates Way - Twp 554 (Grading)	\$ 1,202,107	\$ 164,473	\$ 1,037,634
16	RR 225 from Estates Way - Twp 554 (Paving)	\$ 1,742,227	\$ 244,622	\$ 1,497,606
17	Hwy 825/Twp 553 (Grading and Paving)	\$ 3,176,164	\$ 723,480	\$ 2,452,684
18	RR 230 from Twp 552 - Twp 553 (Grading)	\$ -	\$ 43,697	\$ (43,697)
19	RR 230 from Twp 552 - Twp 553 (Paving)	\$ -	\$ 50,494	\$ (50,494)
20	Hwy 825/Twp 554 (Grading and Paving)	\$ -	\$ 100,441	\$ (100,441)
21	Twp 554 from RR 225 - Hwy 825 (Grading)	\$ -	\$ 43,697	\$ (43,697)
22	Twp 554 from RR 225 - Hwy 825 (Paving)	\$ -	\$ 50,494	\$ (50,494)
23	Twp 554/RR 225 (Grading and Paving)	\$ -	\$ 12,745	\$ (12,745)
24	Twp 554 from RR 230 - RR 225 (Grading)	\$ -	\$ 43,697	\$ (43,697)
25	Twp 554 from RR 230 - RR 225 (Paving)	\$ -	\$ 50,494	\$ (50,494)
26	RR 230/Twp 554 (Grading and Paving)	\$ -	\$ 12,745	\$ (12,745)
27	Twp 552 from RR 230 - Hwy 28A (Grading)	\$ 1,371,747	\$ 302,733	\$ 1,069,013
28	Twp 552 from RR 230 - Hwy 28A (Paving)	\$ 1,393,782	\$ 315,046	\$ 1,078,736
29	Twp 554 from RR 230 - Hwy 28A (Grading)	\$ -	\$ 131,090	\$ (131,090)
30	Twp 554 from RR 230 - Hwy 28A (Paving)	\$ -	\$ 151,481	\$ (151,481)
31	RR 230 from Twp 553 - Twp 554 (Grading)	\$ -	\$ 43,697	\$ (43,697)
32	RR 230 from Twp 553 - Twp 554 (Paving)	\$ -	\$ 50,494	\$ (50,494)
33	Estate Way from Park Road to RR 225 (Grading and Paving)	\$ 794,185	\$ 168,307	\$ 625,877
100	Transfer From Arterial Road Fee Account	\$ (50,000)	\$ -	\$ (50,000)
		\$ 24,202,433	\$ 5,901,818	\$ 18,300,615

B6. Summary of Transportation Offsite Levy Cost Flow-through

As shown in the figure below, the total cost for transportation infrastructure that forms the basis of the rate is approximately **\$18.30 million**. The cost allocations to each benefitting party are based on the benefitting percentages shown in previous section. The offsite levy balance (due from developers) is allocated to various benefitting areas (as described in the next section).

Total Transportation Offsite Levy Costs



B7. Transportation Infrastructure Benefiting Areas

Net developer costs for each project have been allocated to multiple benefiting offsite levy area (see tables below). Allocations are denoted with a “1” below applicable area numbers. Benefiting areas were determined by County staff. The lands anticipated to develop over the 25-years in each offsite levy benefiting area are used to determine rates.

Transportation Allocations to Benefiting Areas

Item	Project Description	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0	23.0	24.0	25.0	26.0	27.0	28.0	29.0
1	Twp 552/Hwy 825 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2	Twp 552 from Hwy 825 - RR 225 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
3	Twp 552 from Hwy 825 - RR 225 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
4	Twp 552/RR 225 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
5	RR 225 from Hwy 825 - Estates Way (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
6	RR 225 from Hwy 825 - Estates Way (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
7	Hwy 825/RR 225 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
8	Hwy 825/RR 224A (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
9	Twp 552 from Boysdale Rd to Hwy 825 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
10	Twp 552 from Boysdale Rd to Hwy 825 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
11	Boysdale Road/Twp 552 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
12	Twp 552 from RR 225 to RR 230 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
13	Twp 552 from RR 225 to RR 230 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
14	Twp 552/RR 230 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
15	RR 225 from Estates Way - Twp 554 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
16	RR 225 from Estates Way - Twp 554 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
17	Hwy 825/Twp 553 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
18	RR 230 from Twp 552 - Twp 553 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
19	RR 230 from Twp 552 - Twp 553 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
20	Hwy 825/Twp 554 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
21	Twp 554 from RR 225 - Hwy 825 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
22	Twp 554 from RR 225 - Hwy 825 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
23	Twp 554/RR 225 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
24	Twp 554 from RR 230 - RR 225 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
25	Twp 554 from RR 230 - RR 225 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
26	RR 230/Twp 554 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
27	Twp 552 from RR 230 - Hwy 28A (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
28	Twp 552 from RR 230 - Hwy 28A (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
29	Twp 554 from RR 230 - Hwy 28A (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
30	Twp 554 from RR 230 - Hwy 28A (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
31	RR 230 from Twp 553 - Twp 554 (Grading)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
32	RR 230 from Twp 553 - Twp 554 (Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
33	Estate Way from Park Road to RR 225 (Grading and Paving)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
100	Transfer From Arterial Road Fee Account	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

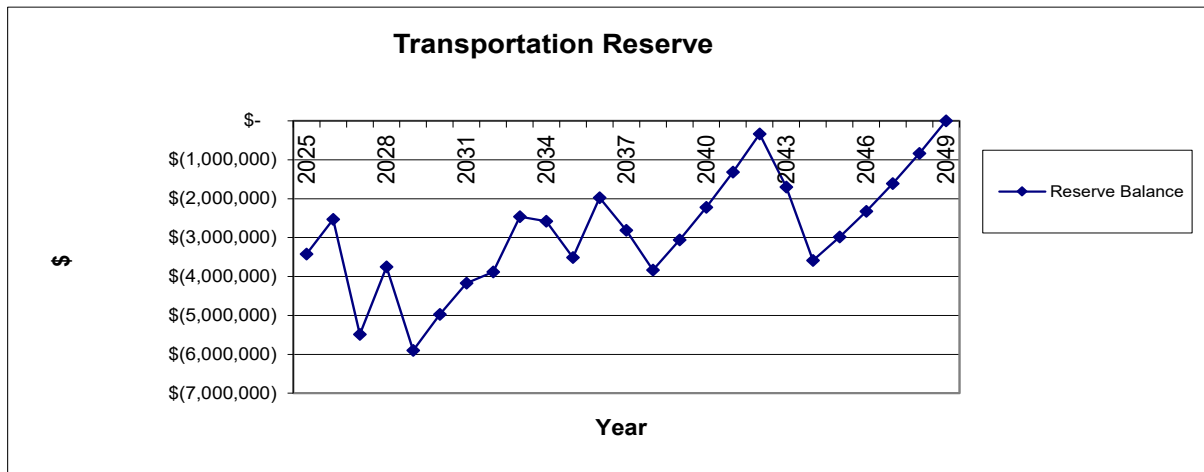
B9. Development and Transportation Infrastructure Staging Impacts

Transportation offsite infrastructure will be constructed in staged fashion over the 25-year review period. We have reviewed the availability of offsite levy funds to meet these construction requirements and found that offsite levy reserve funds will not be sufficient to pay for construction of transportation infrastructure from time to time—front ending of infrastructure will be required. A front-ender is the party that constructs and pays up front for infrastructure that benefits other parties.

To compensate parties for capital they provide in front-ending offsite infrastructure construction, a **4.72%**⁶ interest allowance has been charged to the reserve when it is forecast to be in a negative balance. Further, a **5.10%**⁷ interest credit has been provided to the reserve when it is forecast to be in a positive balance. The graph and table below outline the forecast transportation levy reserve balances over the 25-year development period.

If necessary, an interest staging adjustment has been applied to rates (slightly positive or slightly negative) to ensure that the forecast reserve balance at the end of the 25-year review period always returns to break-even (i.e., developers are not charged too much thereby providing a windfall to the County, nor are they charged too little thereby placing an unequitable burden on taxpayers).

Anticipated Transportation Offsite Levy Reserve Balances



⁶ The 15-year debenture rate at the Alberta Treasury Board and Finance at the time of writing was ~4.72%. Historic charge rates used in the model are 3.00% (2013-2018), 3.25% (2019-2020), 2.09% (2021-2023), 5.18% (2024).

⁷ Historic earning rates used in the model are 2.00% (2013-2014), 1.00% (2015-2024).

Anticipated Transportation Offsite Levy Reserve Balances

			Reserve Balance	\$ (4,158,705)
Year	Receipts	Expenditure	Interest	Balance
2025	\$ 888,544	\$ 204	\$ (154,361)	\$ (3,424,726)
2026	\$ 1,010,035	\$ -	\$ (113,973)	\$ (2,528,665)
2027	\$ 1,807,864	\$ 4,518,183	\$ (247,280)	\$ (5,486,264)
2028	\$ 1,903,451	\$ -	\$ (169,109)	\$ (3,751,922)
2029	\$ 1,695,531	\$ 3,574,801	\$ (265,792)	\$ (5,896,984)
2030	\$ 1,149,498	\$ -	\$ (224,081)	\$ (4,971,568)
2031	\$ 987,408	\$ -	\$ (188,052)	\$ (4,172,212)
2032	\$ 468,158	\$ -	\$ (174,831)	\$ (3,878,885)
2033	\$ 1,525,120	\$ -	\$ (111,098)	\$ (2,464,862)
2034	\$ 1,570,874	\$ 1,568,478	\$ (116,228)	\$ (2,578,694)
2035	\$ 1,568,545	\$ 2,341,408	\$ (158,193)	\$ (3,509,751)
2036	\$ 1,625,501	\$ -	\$ (88,937)	\$ (1,973,187)
2037	\$ 500,453	\$ 1,210,723	\$ (126,659)	\$ (2,810,115)
2038	\$ 515,029	\$ 1,364,544	\$ (172,735)	\$ (3,832,365)
2039	\$ 910,199	\$ -	\$ (137,926)	\$ (3,060,092)
2040	\$ 937,505	\$ -	\$ (100,186)	\$ (2,222,774)
2041	\$ 965,630	\$ -	\$ (59,337)	\$ (1,316,481)
2042	\$ 994,845	\$ -	\$ (15,181)	\$ (336,817)
2043	\$ 1,047,264	\$ 2,335,307	\$ (76,693)	\$ (1,701,553)
2044	\$ 719,208	\$ 2,444,005	\$ (161,724)	\$ (3,588,074)
2045	\$ 740,785	\$ -	\$ (134,392)	\$ (2,981,681)
2046	\$ 763,008	\$ -	\$ (104,721)	\$ (2,323,395)
2047	\$ 787,326	\$ -	\$ (72,502)	\$ (1,608,571)
2048	\$ 810,945	\$ -	\$ (37,648)	\$ (835,274)
2049	\$ 835,274	\$ -	\$ (0)	\$ (0)

APPENDIX C: WATER

C1. Water Offsite Infrastructure

In order to support future growth, water offsite infrastructure is required. The estimated cost of this infrastructure is based upon: (a) actual construction costs to the cut-off date, (b) future debenture interest associated with financing, and (c) future cost estimates. Total cost is approximately **\$37.24 million** as outlined in the table below. Actual costs, debenture interest (if any), and cost estimates were provided by County staff. It is important to note that these costs represent “gross” costs, of which only a portion will go to support development during the 25-year review period. The remainder of this section outlines how the “net” costs for development are determined.

Summary of Water Offsite Infrastructure

Item	Project Description	Cost of Completed Work	Future Debenture Interest	Estimated Cost of Work Yet to be Completed	Total Project Estimated Cost
1	SIP Pumpstation Improvement	\$ 1,508,467	\$ -	\$ -	\$ 1,508,467
2	SIP Reservoir Expansion 3000m3	\$ 2,107,272	\$ -	\$ -	\$ 2,107,272
3	Twp Road 552 350mm Boundary (Hwy 825-RR225)	\$ 1,980,100	\$ -	\$ -	\$ 1,980,100
4	South Of Hwy 825 350mm Pipe (SIP Reservoir to RR224A)	\$ 267,426	\$ 7,832	\$ -	\$ 275,258
5	South of Hwy 825 350mm Pipe (RR224A to Rail Crossing)	\$ 202,593	\$ 5,935	\$ -	\$ 208,529
6	South of Hwy 825 350mm Pipe (Railcrossing to CN Lands)	\$ 89,142	\$ 2,611	\$ -	\$ 91,753
7	South of Hwy 825 350mm Pipe (CN Lands to Existing Pipe)	\$ 162,070	\$ 4,752	\$ -	\$ 166,823
8	RR225 350mm Pipe (South of Twp Rd 552 to Existing Pipe)	\$ 416,685	\$ -	\$ -	\$ 416,685
9	RR225 350mm Pipe (North of Twp Rd 552 to Estate Way)	\$ 416,685	\$ -	\$ -	\$ 416,685
10	RR225 350mm Pipe (North of Estate Way to Twp 553)	\$ -	\$ -	\$ 957,104	\$ 957,104
11	Highway 825 350mm Pipe (North of Estate Way to Twp 553)	\$ -	\$ -	\$ 957,104	\$ 957,104
12	Twp 553 350mm Pipe (Highway 825 to Park Road)	\$ -	\$ -	\$ 1,435,658	\$ 1,435,658
13	Twp 553 350mm Pipe (Park Road to RR225)	\$ -	\$ -	\$ 478,552	\$ 478,552
14	RR225 400mm Pipe (Twp 553 North 0.5 mile)	\$ -	\$ -	\$ 957,104	\$ 957,104
15	RR225 400mm Pipe Twp 553 (North 0.5 to 1 mile)	\$ -	\$ -	\$ 957,104	\$ 957,104
16	Twp 553 400mm Pipe (RR225 West 0.5 miles)	\$ -	\$ -	\$ 957,104	\$ 957,104
17	Twp 553 400mm Pipe (West 0.5-1.0 mile)	\$ -	\$ -	\$ 957,104	\$ 957,104
18	Twp 552 150mm Pipe (RR225 to RR230)	\$ -	\$ -	\$ 957,104	\$ 957,104
19	RR225 350mm Pipe(South replacing Herder Co-op Line)	\$ -	\$ -	\$ 2,153,485	\$ 2,153,485
20	SIP Reservoir Expansion	\$ -	\$ -	\$ 6,990,419	\$ 6,990,419
21	Replace CRNWSC Line Projects 4-7 Oversizing	\$ -	\$ -	\$ 5,323,894	\$ 5,323,894
22	SIP Reservoir Expansion - Stage 3	\$ -	\$ -	\$ 6,990,419	\$ 6,990,419
100	Contributions collected under old development agreements	\$ -	\$ -	\$ -	\$ -
		\$ 7,150,442	\$ 21,130	\$ 30,072,155	\$ 37,243,726

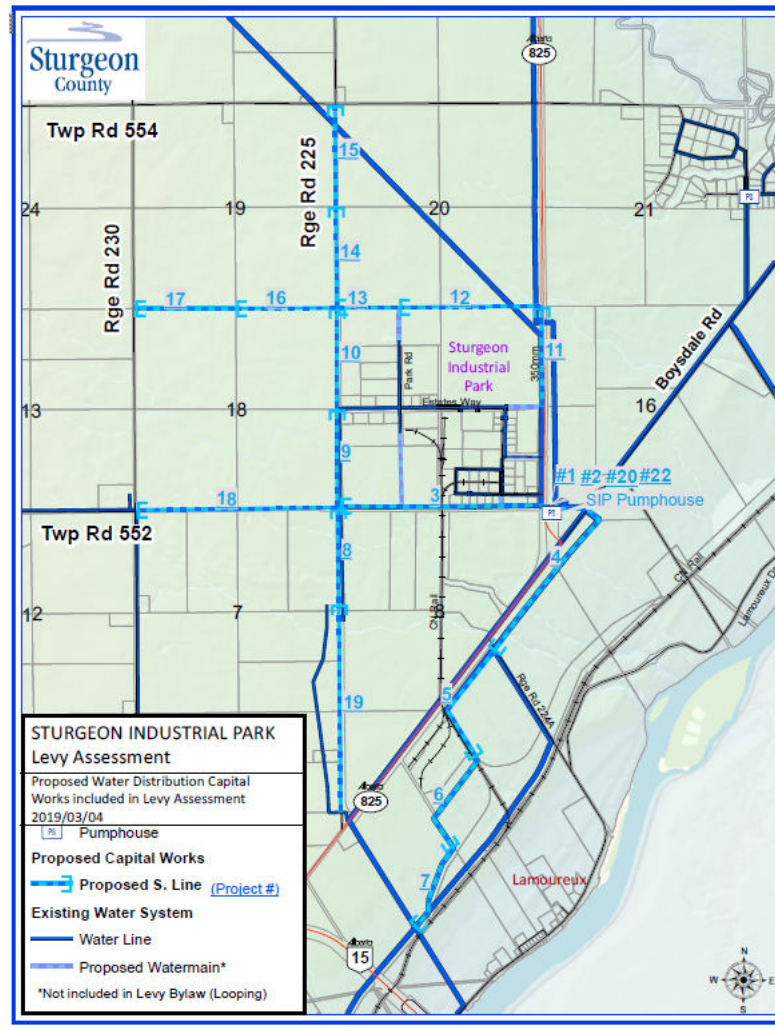
*Past expenditures include past financing expenditures (interest) if any.

**Costs estimates provided by County staff.

***Estimates include engineering and contingencies.

****Transfers or contributions stemming from Development Agreements were set-up as an individual project (#100) and credited 100% to future development and to all offsite levy areas (see Section C5).

*****Offsite infrastructure definitions are contained in Appendix F.



C2. Water Offsite Infrastructure Grants & Contributions to Date

The MGA enables the County to allocate the costs of offsite infrastructure to development, other than those costs that have been provided by way of special ear-marked grant or contribution (i.e., contributed infrastructure). The County has/will receive approximately **\$0.03** in special ear-marked grants and contributions for water offsite levy infrastructure as shown in the table below (note, if the County receives other ear-marked grants or contributions in the future, it will be reflected in one of the annual updates and rates adjusted accordingly). The result is that the total reduced project estimated cost is **\$37.21 million**.

Special Grants and Contributions for Water Offsite Infrastructure

Item	Project Description	Total Project Estimated Cost	Special Provincial Grants (Historic & Future)	Developer Agreement Contributions (Historic & Future)	Other Contributions (Historic & Future)	Reduced Project Estimated Cost
1	SIP Pumpstation Improvement	\$ 1,508,467	\$ -	\$ 30,000	\$ -	\$ 1,478,467
2	SIP Reservoir Expansion 3000m3	\$ 2,107,272	\$ -	\$ -	\$ -	\$ 2,107,272
3	Twp Road 552 350mm Boundary (Hwy 825-RR225)	\$ 1,980,100	\$ -	\$ -	\$ -	\$ 1,980,100
4	South Of Hwy 825 350mm Pipe (SIP Reservoir to RR224A)	\$ 275,258	\$ -	\$ -	\$ -	\$ 275,258
5	South of Hwy 825 350mm Pipe (RR224A to Rail Crossing)	\$ 208,529	\$ -	\$ -	\$ -	\$ 208,529
6	South of Hwy 825 350mm Pipe (Railcrossing to CN Lands)	\$ 91,753	\$ -	\$ -	\$ -	\$ 91,753
7	South of Hwy 825 350mm Pipe (CN Lands to Existing Pipe)	\$ 166,823	\$ -	\$ -	\$ -	\$ 166,823
8	RR225 350mm Pipe (South of Twp Rd 552 to Existing Pipe)	\$ 416,685	\$ -	\$ -	\$ -	\$ 416,685
9	RR225 350mm Pipe (North of Twp Rd 552 to Estate Way)	\$ 416,685	\$ -	\$ -	\$ -	\$ 416,685
10	RR225 350mm Pipe (North of Estate Way to Twp 553)	\$ 957,104	\$ -	\$ -	\$ -	\$ 957,104
11	Highway 825 350mm Pipe (North of Estate Way to Twp 553)	\$ 957,104	\$ -	\$ -	\$ -	\$ 957,104
12	Twp 553 350mm Pipe (Highway 825 to Park Road)	\$ 1,435,658	\$ -	\$ -	\$ -	\$ 1,435,658
13	Twp 553 350mm Pipe (Park Road to RR225)	\$ 478,552	\$ -	\$ -	\$ -	\$ 478,552
14	RR225 400mm Pipe (Twp 553 North 0.5 mile)	\$ 957,104	\$ -	\$ -	\$ -	\$ 957,104
15	RR225 400mm Pipe Twp 553 (North 0.5 to 1 mile)	\$ 957,104	\$ -	\$ -	\$ -	\$ 957,104
16	Twp 553 400mm Pipe (RR225 West 0.5 miles)	\$ 957,104	\$ -	\$ -	\$ -	\$ 957,104
17	Twp 553 400mm Pipe (West 0.5-1.0 mile)	\$ 957,104	\$ -	\$ -	\$ -	\$ 957,104
18	Twp 552 150mm Pipe (RR225 to RR230)	\$ 957,104	\$ -	\$ -	\$ -	\$ 957,104
19	RR225 350mm Pipe(South replacing Herder Co-op Line)	\$ 2,153,485	\$ -	\$ -	\$ -	\$ 2,153,485
20	SIP Reservoir Expansion	\$ 6,990,419	\$ -	\$ -	\$ -	\$ 6,990,419
21	Replace CRNWSC Line Projects 4-7 Oversizing	\$ 5,323,894	\$ -	\$ -	\$ -	\$ 5,323,894
22	SIP Reservoir Expansion - Stage 3	\$ 6,990,419	\$ -	\$ -	\$ -	\$ 6,990,419
100	Contributions collected under old development agreements	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ 37,243,726	\$ -	\$ 30,000	\$ -	\$ 37,213,726

C3. Year of Construction

The timing of construction is used to determine the impact of inflation on cost, the impact of forecast reserve balances, and the estimate of financial oversizing (described in the Section that follows). The County anticipates construction of offsite infrastructure as outlined in the table below. Note, if this schedule is adjusted in the future, it will be reflected in one of the County's annual rate/bylaw updates.

Forecast Year of Construction

Item	Project Description	Construction Start Year
1	SIP Pumpstation Improvement	2012
2	SIP Reservoir Expansion 3000m3	2012
3	Twp Road 552 350mm Boundary (Hwy 825-RR225)	2012
4	South Of Hwy 825 350mm Pipe (SIP Reservoir to RR224A)	2013
5	South of Hwy 825 350mm Pipe (RR224A to Rail Crossing)	2013
6	South of Hwy 825 350mm Pipe (Railcrossing to CN Lands)	2013
7	South of Hwy 825 350mm Pipe (CN Lands to Existing Pipe)	2013
8	RR225 350mm Pipe (South of Twp Rd 552 to Existing Pipe)	2013
9	RR225 350mm Pipe (North of Twp Rd 552 to Estate Way)	2013
10	RR225 350mm Pipe (North of Estate Way to Twp 553)	2037
11	Highway 825 350mm Pipe (North of Estate Way to Twp 553)	2030
12	Twp 553 350mm Pipe (Highway 825 to Park Road)	2030
13	Twp 553 350mm Pipe (Park Road to RR225)	2037
14	RR225 400mm Pipe (Twp 553 North 0.5 mile)	2041
15	RR225 400mm Pipe Twp 553 (North 0.5 to 1 mile)	2050
16	Twp 553 400mm Pipe (RR225 West 0.5 miles)	2050
17	Twp 553 400mm Pipe (West 0.5-1.0 mile)	2050
18	Twp 552 150mm Pipe (RR225 to RR230)	2036
19	RR225 350mm Pipe(South replacing Herder Co-op Line)	2029
20	SIP Reservoir Expansion	2037
21	Replace CRNWSC Line Projects 4-7 Oversizing	2033
22	SIP Reservoir Expansion - Stage 3	2050

*The share of projects constructed beyond the 25-year review period are not included in rates today (see financial oversizing in next section).

**Project costs are inflated by 3% per annum to the year of construction.

C4. Water Offsite Infrastructure Benefiting Parties

The water offsite infrastructure previously outlined will benefit various parties to varying degrees. Three potential benefiting parties were identified including:

1. Sturgeon County – a portion of the water infrastructure which is required to service existing residents. This residual benefit is determined at the point in time when the project is added to the bylaw (i.e., it does not fluctuate from year-to-year).
2. Other Stakeholders – other municipalities that benefit from the infrastructure.
3. Future Development:
 - Financial Oversizing – that portion of cost (i.e., levyable water infrastructure costs) which benefits future development beyond the 25-year review period.
 - **In Rates – that portion of cost (i.e., levyable water infrastructure costs) which benefits future development within the 25-year review period.**

The table below outlines the allocation of water offsite levy infrastructure costs to benefiting parties.

Allocation of Water Infrastructure to Benefiting Parties

Item	Project Description	Reduced Project Estimated Cost	Muni Share %	Other Stakeholder Share	Developer Share Beyond 25 Yrs (Financial Oversizing %)	OSL / Developer Share %
1	SIP Pumpstation Improvement	\$ 1,478,467	20.0%		0.0%	80.0%
2	SIP Reservoir Expansion 3000m3	\$ 2,107,272	20.0%		0.0%	80.0%
3	Twp Road 552 350mm Boundary (Hwy 825-RR225)	\$ 1,980,100	20.0%		0.0%	80.0%
4	South Of Hwy 825 350mm Pipe (SIP Reservoir to RR224A)	\$ 275,258	39.0%		0.0%	61.0%
5	South of Hwy 825 350mm Pipe (RR224A to Rail Crossing)	\$ 208,529	39.0%		0.0%	61.0%
6	South of Hwy 825 350mm Pipe (Railcrossing to CN Lands)	\$ 91,753	39.0%		0.0%	61.0%
7	South of Hwy 825 350mm Pipe (CN Lands to Existing Pipe)	\$ 166,823	39.0%		0.0%	61.0%
8	RR225 350mm Pipe (South of Twp Rd 552 to Existing Pipe)	\$ 416,685	39.0%		0.0%	61.0%
9	RR225 350mm Pipe (North of Twp Rd 552 to Estate Way)	\$ 416,685	12.0%		0.0%	88.0%
10	RR225 350mm Pipe (North of Estate Way to Twp 553)	\$ 957,104	12.0%		42.2%	45.8%
11	Highway 825 350mm Pipe (North of Estate Way to Twp 553)	\$ 957,104	12.0%		17.6%	70.4%
12	Twp 553 350mm Pipe (Highway 825 to Park Road)	\$ 1,435,658	12.0%		17.6%	70.4%
13	Twp 553 350mm Pipe (Park Road to RR225)	\$ 478,552	12.0%		42.2%	45.8%
14	RR225 400mm Pipe (Twp 553 North 0.5 mile)	\$ 957,104	4.0%		61.4%	34.6%
15	RR225 400mm Pipe Twp 553 (North 0.5 to 1 mile)	\$ 957,104	4.0%		96.0%	0.0%
16	Twp 553 400mm Pipe (RR225 West 0.5 miles)	\$ 957,104	3.0%		97.0%	0.0%
17	Twp 553 400mm Pipe (West 0.5-1.0 mile)	\$ 957,104	3.0%		97.0%	0.0%
18	Twp 552 150mm Pipe (RR225 to RR230)	\$ 957,104	3.0%		42.7%	54.3%
19	RR225 350mm Pipe(South replacing Herder Co-op Line)	\$ 2,153,485	39.0%		9.8%	51.2%
20	SIP Reservoir Expansion	\$ 6,990,419	20.0%		38.4%	41.6%
21	Replace CRNWSC Line Projects 4-7 Oversizing	\$ 5,323,894	39.0%		19.5%	41.5%
22	SIP Reservoir Expansion - Stage 3	\$ 6,990,419			100.0%	0.0%
100	Contributions collected under old development agreements	\$ -			0.0%	100.0%
		\$ 37,213,726				

*Allocations were determined by County staff.

**Financial oversizing is determined by separating out the pro rata portion of developer cost beyond the 25-year review period, in comparison with the anticipated year of construction. As the years move forward and rates are updated, these additional developer costs will be included in rate calculations. For example, a project which is slated to be constructed in year 20 of the 25-year review period will have 20% (5/25) of its costs in rates today, and 80% (20/25) of its costs will sit beyond the 25-year review period.

C5. Existing Receipts & Adjusted Levy Cost

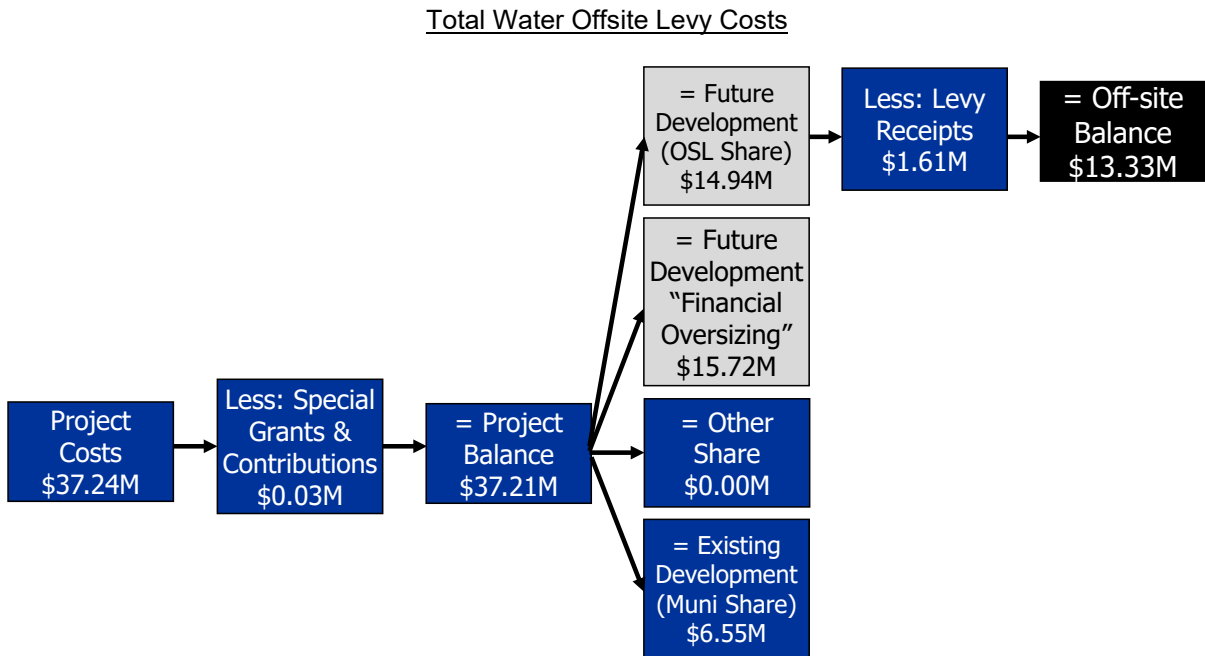
Using the offsite levy share percentages shown in the previous section and applying those percentages to project costs results in an offsite levy cost of approximately **\$14.94 million**. However, prior to allocating these costs to benefiting areas, existing offsite levy receipts collected from developers need to be considered in determining the residual/net costs to developers. County staff have advised that approximately **\$1.61 million** in water levies have been applied/collected as shown in the table below. This results in an adjusted offsite levy cost of approximately **\$13.33 million**.

Offsite Levy Funds Applied to Date

Item	Project Description	OSL / Developer Cost	Offsite Levy Funds Collected	Adjusted Developer (Levy) Cost
1	SIP Pumpstation Improvement	\$ 1,182,774	\$ 100,769	\$ 1,082,005
2	SIP Reservoir Expansion 3000m3	\$ 1,685,818	\$ 142,757	\$ 1,543,061
3	Twp Road 552 350mm Boundary (Hwy 825-RR225)	\$ 1,584,080	\$ 135,813	\$ 1,448,267
4	South Of Hwy 825 350mm Pipe (SIP Reservoir to RR224A)	\$ 167,907	\$ 40,199	\$ 127,709
5	South of Hwy 825 350mm Pipe (RR224A to Rail Crossing)	\$ 127,202	\$ 30,453	\$ 96,749
6	South of Hwy 825 350mm Pipe (Railcrossing to CN Lands)	\$ 55,969	\$ 13,400	\$ 42,570
7	South of Hwy 825 350mm Pipe (CN Lands to Existing Pipe)	\$ 101,762	\$ 24,363	\$ 77,399
8	RR225 350mm Pipe (South of Twp Rd 552 to Existing Pipe)	\$ 254,178	\$ 67,014	\$ 187,163
9	RR225 350mm Pipe (North of Twp Rd 552 to Estate Way)	\$ 366,683	\$ 12,275	\$ 354,408
10	RR225 350mm Pipe (North of Estate Way to Twp 553)	\$ 437,971	\$ 11,750	\$ 426,221
11	Highway 825 350mm Pipe (North of Estate Way to Twp 553)	\$ 673,801	\$ 17,721	\$ 656,081
12	Twp 553 350mm Pipe (Highway 825 to Park Road)	\$ 1,010,703	\$ 26,581	\$ 984,122
13	Twp 553 350mm Pipe (Park Road to RR225)	\$ 218,985	\$ 5,875	\$ 213,110
14	RR225 400mm Pipe (Twp 553 North 0.5 mile)	\$ 330,775	\$ -	\$ 330,775
15	RR225 400mm Pipe Twp 553 (North 0.5 to 1 mile)	\$ -	\$ -	\$ -
16	Twp 553 400mm Pipe (RR225 West 0.5 miles)	\$ -	\$ -	\$ -
17	Twp 553 400mm Pipe (West 0.5-1.0 mile)	\$ -	\$ -	\$ -
18	Twp 552 150mm Pipe (RR225 to RR230)	\$ 519,899	\$ -	\$ 519,899
19	RR225 350mm Pipe(South replacing Herder Co-op Line)	\$ 1,103,446	\$ 225,932	\$ 877,514
20	SIP Reservoir Expansion	\$ 2,908,014	\$ 257,157	\$ 2,650,857
21	Replace CRNWSC Line Projects 4-7 Oversizing	\$ 2,208,351	\$ 435,820	\$ 1,772,531
22	SIP Reservoir Expansion - Stage 3	\$ -	\$ 56,829	\$ (56,829)
100	Contributions collected under old development agreements	\$ -	\$ -	\$ -
		\$ 14,938,319	\$ 1,604,708	\$ 13,333,611

C6. Summary of Water Offsite Levy Cost Flow-through

As shown in the figure below, the total cost for water infrastructure that forms the basis of the rate is approximately **\$13.33 million**. The cost allocations to each benefitting party are based on the benefitting percentages shown in previous section. The offsite levy balance (due from developers) is allocated to various benefitting areas (as described in the next section).



C7. Water Infrastructure Benefiting Areas

Net developer costs for each project have been allocated to multiple benefiting offsite levy area (see tables below). Allocations are denoted with a “1” below applicable area numbers. Benefiting areas were determined by County staff. The lands anticipated to develop over the 25-years in each offsite levy benefiting area are used to determine rates.

Water Allocations to Benefiting Areas

Item	Project Description	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0	23.0	24.0	25.0	26.0	27.0	28.0	29.0
1	SIP Pumpstation Improvement	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
2	SIP Reservoir Expansion 3000m3	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
3	Twp Road 552 350mm Boundary (Hwy 825-RR225)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
4	South Of Hwy 825 350mm Pipe (SIP Reservoir to RR224A)																			1	1	1	1	1	1	1	1	1	1	
5	South of Hwy 825 350mm Pipe (RR224A to Rail Crossing)																			1	1	1	1	1	1	1	1	1	1	
6	South of Hwy 825 350mm Pipe (Railcrossing to CN Lands)																			1	1	1	1	1	1	1	1	1	1	
7	South of Hwy 825 350mm Pipe (CN Lands to Existing Pipe)																				1	1	1	1	1	1	1	1	1	
8	RR225 350mm Pipe (South of Twp Rd 552 to Existing Pipe)																				1	1	1	1	1	1	1	1	1	
9	RR225 350mm Pipe (North of Twp Rd 552 to Estate Way)	1	1	1	1	1	1	1	1	1	1	1	1	1	1															
10	RR225 350mm Pipe (North of Estate Way to Twp 553)	1	1	1	1	1	1	1	1	1	1	1	1	1	1															
11	Highway 825 350mm Pipe (North of Estate Way to Twp 553)	1	1	1	1	1	1	1	1	1	1	1	1	1	1															
12	Twp 553 350mm Pipe (Highway 825 to Park Road)	1	1	1	1	1	1	1	1	1	1	1	1	1	1															
13	Twp 553 350mm Pipe (Park Road to RR225)	1	1	1	1	1	1	1	1	1	1	1	1	1	1															
14	RR225 400mm Pipe (Twp 553 North 0.5 mile)	1	1	1	1	1	1	1	1	1																				
15	RR225 400mm Pipe Twp 553 (North 0.5 to 1 mile)	1	1	1	1	1	1	1	1	1																				
16	Twp 553 400mm Pipe (RR225 West 0.5 miles)	1	1							1	1	1	1				1	1												
17	Twp 553 400mm Pipe (West 0.5-1.0 mile)	1	1							1	1	1	1				1	1												
18	Twp 552 150mm Pipe (RR225 to RR230)										1	1					1	1												
19	RR225 350mm Pipe(South replacing Herder Co-op Line)																				1	1	1	1	1	1	1	1	1	
20	SIP Reservoir Expansion	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
21	Replace CRNWSC Line Projects 4-7 Oversizing																				1	1	1	1	1	1	1	1	1	
22	SIP Reservoir Expansion - Stage 3	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
100	Contributions collected under old development agreements	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	

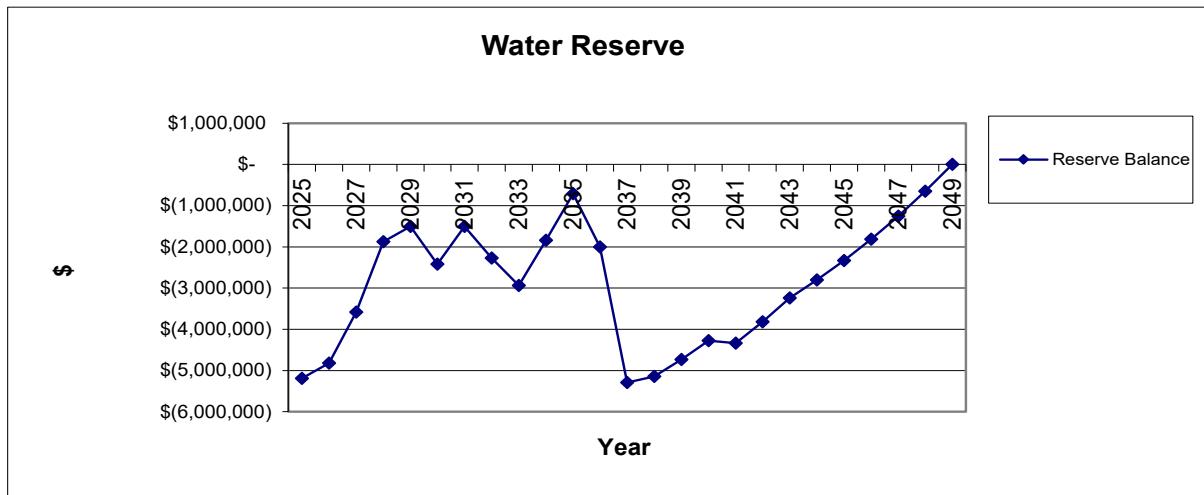
C9. Development and Water Infrastructure Staging Impacts

Water offsite infrastructure will be constructed in staged fashion over the 25-year review period. We have reviewed the availability of offsite levy funds to meet these construction requirements and found that offsite levy reserve funds will not be sufficient to pay for construction of water infrastructure from time to time—front ending of infrastructure will be required. A front-ender is the party that constructs and pays up front for infrastructure that benefits other parties.

To compensate parties for capital they provide in front-ending offsite infrastructure construction, a **4.72%**⁸ interest allowance has been charged to the reserve when it is forecast to be in a negative balance. Further, a **5.10%**⁹ interest credit has been provided to the reserve when it is forecast to be in a positive balance. The graph and table below outline the forecast water levy reserve balances over the 25-year development period.

If necessary, an interest staging adjustment has been applied to rates (slightly positive or slightly negative) to ensure that the forecast reserve balance at the end of the 25-year review period always returns to break-even (i.e., developers are not charged too much thereby providing a windfall to the County, nor are they charged too little thereby placing an unequitable burden on taxpayers).

Anticipated Water Offsite Levy Reserve Balances



⁸ The 15-year debenture rate at the Alberta Treasury Board and Finance at the time of writing was ~4.72%. Historic charge rates used in the model are 3.00% (2013-2018), 3.25% (2019-2020), 2.09% (2021-2023), 5.18% (2024).

⁹ Historic earning rates used in the model are 2.00% (2013-2014), 1.00% (2015-2024).

Anticipated Water Offsite Levy Reserve Balances

			Opening Balance	\$ (5,455,282)
Year	Receipts	Expenditure	Interest	Balance
2025	\$ 505,171	\$ 4,528	\$ (233,859)	\$ (5,188,499)
2026	\$ 588,132	\$ 4,664	\$ (217,357)	\$ (4,822,388)
2027	\$ 1,406,152	\$ 4,804	\$ (161,473)	\$ (3,582,514)
2028	\$ 1,796,325	\$ 4,948	\$ (84,542)	\$ (1,875,678)
2029	\$ 1,687,708	\$ 1,247,035	\$ (67,732)	\$ (1,502,737)
2030	\$ 1,148,552	\$ 1,952,802	\$ (108,890)	\$ (2,415,878)
2031	\$ 977,995	\$ -	\$ (67,868)	\$ (1,505,751)
2032	\$ 424,505	\$ 1,086,397	\$ (102,313)	\$ (2,269,956)
2033	\$ 1,144,441	\$ 1,678,484	\$ (132,349)	\$ (2,936,348)
2034	\$ 1,178,774	\$ -	\$ (82,957)	\$ (1,840,531)
2035	\$ 1,162,559	\$ -	\$ (32,000)	\$ (709,972)
2036	\$ 1,130,585	\$ 2,329,810	\$ (90,114)	\$ (1,999,312)
2037	\$ 368,542	\$ 3,424,342	\$ (238,601)	\$ (5,293,713)
2038	\$ 379,142	\$ -	\$ (231,968)	\$ (5,146,539)
2039	\$ 629,311	\$ -	\$ (213,213)	\$ (4,730,441)
2040	\$ 648,190	\$ -	\$ (192,682)	\$ (4,274,933)
2041	\$ 667,636	\$ 530,797	\$ (195,318)	\$ (4,333,412)
2042	\$ 687,857	\$ -	\$ (172,070)	\$ (3,817,625)
2043	\$ 726,122	\$ -	\$ (145,919)	\$ (3,237,422)
2044	\$ 561,657	\$ -	\$ (126,296)	\$ (2,802,061)
2045	\$ 578,506	\$ -	\$ (104,952)	\$ (2,328,507)
2046	\$ 595,862	\$ -	\$ (81,781)	\$ (1,814,426)
2047	\$ 614,852	\$ -	\$ (56,620)	\$ (1,256,194)
2048	\$ 633,298	\$ -	\$ (29,401)	\$ (652,297)
2049	\$ 652,297	\$ -	\$ 0	\$ 0

APPENDIX D: SANITARY

D1. Sanitary Offsite Infrastructure

In order to support future growth, sanitary offsite infrastructure is required. The estimated cost of this infrastructure is based upon: (a) actual construction costs to the cut-off date, (b) future debenture interest associated with financing, and (c) future cost estimates. Total cost is approximately **\$13.08 million** as outlined in the table below. Actual costs, debenture interest (if any), and cost estimates were provided by County staff. It is important to note that these costs represent “gross” costs, of which only a portion will go to support development during the 25-year review period. The remainder of this section outlines how the “net” costs for development are determined.

Summary of Sanitary Offsite Infrastructure

Item	Project Description	Cost of Completed Work	Future Debenture Interest	Estimated Cost of Work Yet to be Completed	Total Project Estimated Cost
1	300mm Twp Rd 552 (1)	\$ 642,704	\$ -	\$ -	\$ 642,704
2	250mm South of Hwy 825 (2)	\$ 786,108	\$ 10,451	\$ -	\$ 796,558
3	250mm South of Hwy 825 (3)	\$ 463,620	\$ 6,363	\$ -	\$ 469,982
4	250mm South of Hwy 825 (4)	\$ 512,487	\$ 7,078	\$ -	\$ 519,565
5	600mm Estate Way across RR225	\$ 848,580	\$ -	\$ -	\$ 848,580
6	375mm West of Estate Way	\$ -	\$ -	\$ 1,098,198	\$ 1,098,198
7	375mm North 3-10 to 3-09	\$ -	\$ -	\$ 1,098,198	\$ 1,098,198
8	250mm West	\$ -	\$ -	\$ 906,013	\$ 906,013
9	250mm NorthWest	\$ -	\$ -	\$ 919,741	\$ 919,741
10	Forcemain North	\$ -	\$ -	\$ 1,742,748	\$ 1,742,748
11	250mm Gravity North of Forcemain	\$ -	\$ -	\$ 1,394,198	\$ 1,394,198
12	250mm Gravity Far North	\$ -	\$ -	\$ 823,649	\$ 823,649
13	Lift Station along Highway 825	\$ -	\$ -	\$ 1,818,207	\$ 1,818,207
100	Contributions collected under old development agreements	\$ -	\$ -	\$ -	\$ -
		\$ 3,253,499	\$ 23,891	\$ 9,800,953	\$ 13,078,343

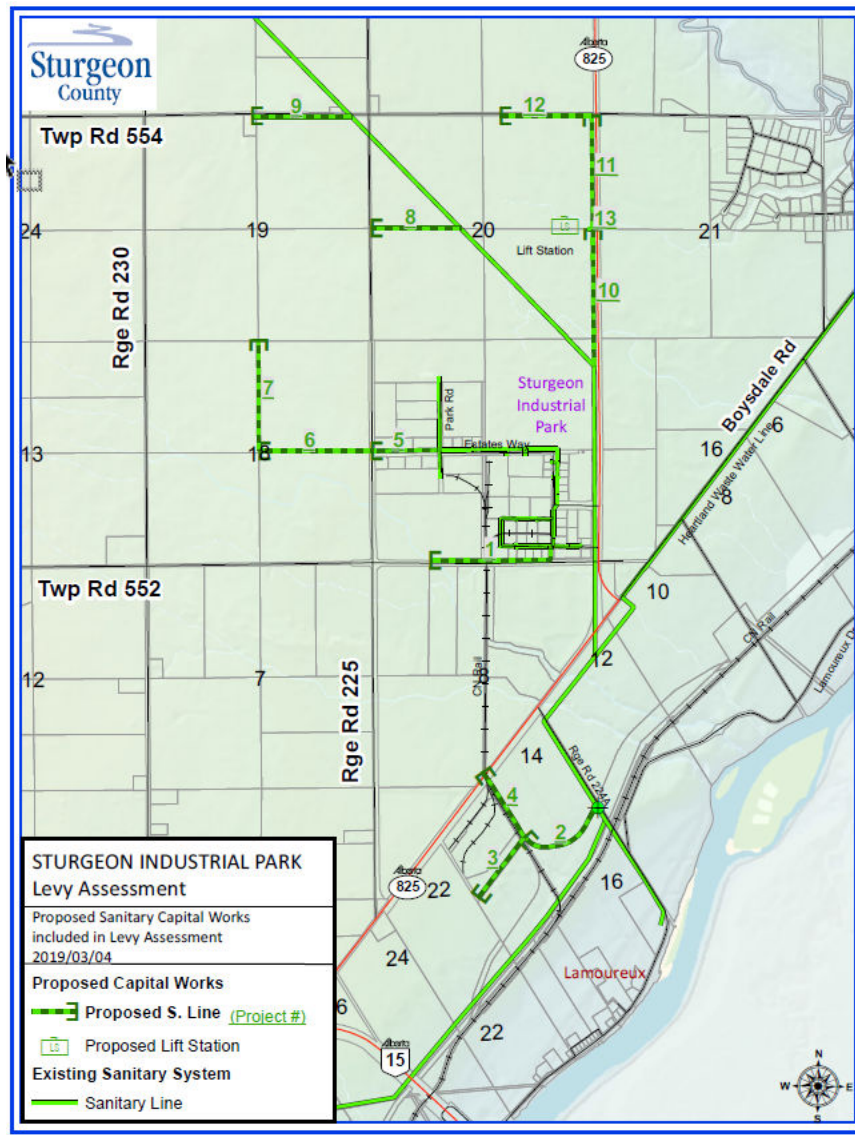
*Past expenditures include past financing expenditures (interest) if any.

**Costs estimates provided by County staff.

***Estimates include engineering and contingencies.

****Transfers or contributions stemming from Development Agreements were set-up as an individual project (#100) and credited 100% to future development and to all offsite levy areas (see *Section D5*).

*****Offsite infrastructure definitions are contained in Appendix F.



D2. Sanitary Offsite Infrastructure Grants & Contributions to Date

The MGA enables the County to allocate the costs of offsite infrastructure to development, other than those costs that have been provided by way of special ear-marked grant or contribution (i.e., contributed infrastructure). Sturgeon County has/will receive approximately **\$0.48 million** in special ear-marked grants and contributions for sanitary offsite levy infrastructure as shown in the table below (note, if the County receives additional ear-marked grants or contributions in the future, it will be reflected in one of the annual updates and rates adjusted accordingly). The result is that the total reduced project estimated cost is **\$12.60 million**.

Special Grants and Contributions for Sanitary Offsite Infrastructure

Item	Project Description	Total Project Estimated Cost	Special Provincial Grants (Historic & Future)	Developer Agreement Contributions (Historic & Future)	Other Contributions (Historic & Future)	Reduced Project Estimated Cost
1	300mm Twp Rd 552 (1)	\$ 642,704	\$ -	\$ -	\$ -	\$ 642,704
2	250mm South of Hwy 825 (2)	\$ 796,558	\$ -	\$ -	\$ -	\$ 796,558
3	250mm South of Hwy 825 (3)	\$ 469,982	\$ -	\$ -	\$ -	\$ 469,982
4	250mm South of Hwy 825 (4)	\$ 519,565	\$ -	\$ -	\$ -	\$ 519,565
5	600mm Estate Way across RR225	\$ 848,580	\$ -	\$ -	\$ -	\$ 848,580
6	375mm West of Estate Way	\$ 1,098,198	\$ -	\$ -	\$ -	\$ 1,098,198
7	375mm North 3-10 to 3-09	\$ 1,098,198	\$ -	\$ -	\$ -	\$ 1,098,198
8	250mm West	\$ 906,013	\$ -	\$ -	\$ -	\$ 906,013
9	250mm NorthWest	\$ 919,741	\$ -	\$ -	\$ -	\$ 919,741
10	Forcemain North	\$ 1,742,748	\$ -	\$ -	\$ -	\$ 1,742,748
11	250mm Gravity North of Forcemain	\$ 1,394,198	\$ -	\$ -	\$ -	\$ 1,394,198
12	250mm Gravity Far North	\$ 823,649	\$ -	\$ -	\$ -	\$ 823,649
13	Lift Station along Highway 825	\$ 1,818,207	\$ -	\$ -	\$ -	\$ 1,818,207
100	Contributions collected under old development agreements	\$ -	\$ -	\$ -	\$ 475,680	\$ (475,680)
		\$ 13,078,343	\$ -	\$ -	\$ 475,680	\$ 12,602,663

D3. Year of Construction

The timing of construction is used to determine the impact of inflation on cost, the impact of forecast reserve balances, and the estimate of financial oversizing (described in the Section that follows). The County anticipates construction of offsite infrastructure as outlined in the table below. Note, if this schedule is adjusted in the future, it will be reflected in one of the County's annual rate/bylaw updates.

Forecast Year of Construction

Item	Project Description	Construction Start Year
1	300mm Twp Rd 552 (1)	2013
2	250mm South of Hwy 825 (2)	2013
3	250mm South of Hwy 825 (3)	2013
4	250mm South of Hwy 825 (4)	2013
5	600mm Estate Way across RR225	2014
6	375mm West of Estate Way	2034
7	375mm North 3-10 to 3-09	2050
8	250mm West	2040
9	250mm NorthWest	2050
10	Forcemain North	2050
11	250mm Gravity North of Forcemain	2050
12	250mm Gravity Far North	2050
13	Lift Station along Highway 825	2050

*The share of projects constructed beyond the 25-year review period are not included in rates today (see financial oversizing in next section).

**Project costs are inflated by 3% per annum to the year of construction.

D4. Sanitary Offsite Infrastructure Benefiting Parties

The sanitary offsite infrastructure previously outlined will benefit various parties to varying degrees. Three potential benefiting parties were identified including:

1. Sturgeon County – a portion of the sanitary infrastructure which is required to service

existing residents. This residual benefit is determined at the point in time when the project is added to the bylaw (i.e., it does not fluctuate from year-to-year).

2. Other Stakeholders – other municipalities that benefit from the infrastructure.
3. Future Development:
 - Financial Oversizing – that portion of cost (i.e., levyable sanitary infrastructure costs) which benefits future development beyond the 25-year review period.
 - **In Rates – that portion of cost (i.e., levyable sanitary infrastructure costs) which benefits future development within the 25-year review period.**

The table below outlines the allocation of sanitary offsite levy infrastructure costs to benefiting parties.

Allocation of Sanitary Infrastructure to Benefiting Parties

Item	Project Description	Reduced Project Estimated Cost	Muni Share %	Other Stakeholder Share	Developer Share Beyond 25 Yrs (Financial Oversizing %)	OSL / Developer Share %
1	300mm Twp Rd 552 (1)	\$ 642,704			0.0%	100.0%
2	250mm South of Hwy 825 (2)	\$ 796,558			0.0%	100.0%
3	250mm South of Hwy 825 (3)	\$ 469,982			0.0%	100.0%
4	250mm South of Hwy 825 (4)	\$ 519,565			0.0%	100.0%
5	600mm Estate Way across RR225	\$ 848,580			0.0%	100.0%
6	375mm West of Estate Way	\$ 1,098,198			36.0%	64.0%
7	375mm North 3-10 to 3-09	\$ 1,098,198			100.0%	0.0%
8	250mm West	\$ 906,013			60.0%	40.0%
9	250mm NorthWest	\$ 919,741			100.0%	0.0%
10	Forcemain North	\$ 1,742,748			100.0%	0.0%
11	250mm Gravity North of Forcemain	\$ 1,394,198			100.0%	0.0%
12	250mm Gravity Far North	\$ 823,649			100.0%	0.0%
13	Lift Station along Highway 825	\$ 1,818,207			100.0%	0.0%
100	Contributions collected under old development agreements	\$ (475,680)			0.0%	100.0%
		\$ 12,602,663				

*Allocations were determined by County staff.

**Financial oversizing is determined by separating out the pro rata portion of developer cost beyond the 25-year review period, in comparison with the anticipated year of construction. As the years move forward and rates are updated, these additional developer costs will be included in rate calculations. For example, a project which is slated to be constructed in year 20 of the 25-year review period will have 20% (5/25) of its costs in rates today, and 80% (20/25) of its costs will sit beyond the 25-year review period.

D5. Existing Receipts & Adjusted Levy Cost

Using the offsite levy share percentages shown in the previous section and applying those percentages to project costs results in an offsite levy cost of approximately **\$3.87 million**. However, prior to allocating these costs to benefiting areas, existing offsite levy receipts collected from developers need to be considered in determining the residual/net costs to developers. County staff have advised that approximately **\$0.69 million** in sanitary levies have been applied/collected as shown in the table below. This results in an adjusted offsite levy cost of approximately **\$3.18 million**.

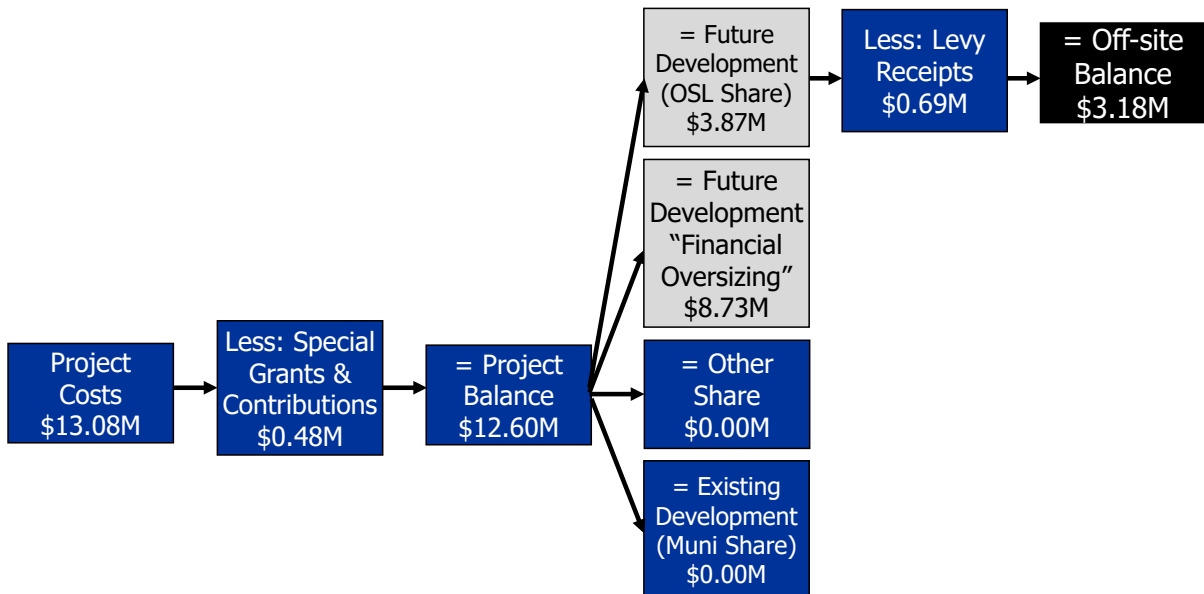
Offsite Levy Funds Applied to Date

Item	Project Description	OSL / Developer Cost	Offsite Levy Funds Collected	Adjusted Developer (Levy) Cost
1	300mm Twp Rd 552 (1)	\$ 642,704	\$ 459,485	\$ 183,220
2	250mm South of Hwy 825 (2)	\$ 796,558	\$ 91,473	\$ 705,085
3	250mm South of Hwy 825 (3)	\$ 469,982	\$ 80,517	\$ 389,465
4	250mm South of Hwy 825 (4)	\$ 519,565	\$ -	\$ 519,565
5	600mm Estate Way across RR225	\$ 848,580	\$ 53,840	\$ 794,741
6	375mm West of Estate Way	\$ 702,847	\$ -	\$ 702,847
7	375mm North 3-10 to 3-09	\$ -	\$ -	\$ -
8	250mm West	\$ 362,405	\$ -	\$ 362,405
9	250mm NorthWest	\$ -	\$ -	\$ -
10	Forcemain North	\$ -	\$ -	\$ -
11	250mm Gravity North of Forcemain	\$ -	\$ -	\$ -
12	250mm Gravity Far North	\$ -	\$ -	\$ -
13	Lift Station along Highway 825	\$ -	\$ -	\$ -
100	Contributions collected under old development agreements	\$ (475,680)	\$ -	\$ (475,680)
		\$ 3,866,962	\$ 685,314	\$ 3,181,648

D6. Summary of Sanitary Offsite Levy Cost Flow-through

As shown in the figure below, the total costs for sanitary infrastructure that forms the basis of the rate is approximately **\$3.18 million**. The cost allocations to each benefitting party are based on the benefitting percentages shown in the previous section. The offsite levy balance (due from developers) is allocated to various benefitting areas (as described in the next section).

Total Sanitary Offsite Levy Costs



D7. Sanitary Infrastructure Benefiting Areas

Net developer costs for each project have been allocated to multiple benefiting offsite levy area (see tables below). Allocations are denoted with a “1” below applicable area numbers. Benefiting areas were determined by County staff. The lands anticipated to develop over the 25-years in each offsite levy benefiting area are used to determine rates.

Sanitary Allocations to Benefitting Areas

Item	Project Description	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0	23.0	24.0	25.0	26.0	27.0	28.0	29.0	
1	300mm Twp Rd 552 (1)																		1	1											
2	250mm South of Hwy 825 (2)																				1	1	1	1	1	1	1	1	1	1	
3	250mm South of Hwy 825 (3)																									1	1	1	1	1	
4	250mm South of Hwy 825 (4)																					1	1	1	1					1	
5	600mm Estate Way across RR225								1	1	1	1	1			1	1	1													
6	375mm West of Estate Way								1	1	1	1				1	1														
7	375mm North 3-10 to 3-09								1	1	1	1																			
8	250mm West		1	1				1	1																						
9	250mm NorthWest	1	1																												
10	Forcemain North			1	1	1																									
11	250mm Gravity North of Forcemain			1	1																										
12	250mm Gravity Far North			1	1																										
13	Lift Station along Highway 825			1	1	1																									
100	Contributions collected under old development agreements	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

D8. Reserve Balance

At December 31st, 2024 the sanitary reserve balance was at a deficit of **\$(2,849,523.58)**. This amount takes into consideration expenditures and front-ending repayments up to end-2024. A negative balance indicates the presence of front-ending—i.e., this amount is owed to the County from the levy account via future collections.

Sanitary Offsite Levy Reserve Balance

2021			\$ (2,530,708.89)
Interest on Opening Balance		\$ 52,891.82	\$ (2,583,600.70)
Withdrawal Applied to Project Expenditures		\$ 2,916,590.13	\$ (5,500,190.83)
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ (2,897,566.79)	\$ (2,602,624.05)
Offsite Levy Receipts	\$ 18,939.37		\$ (2,583,684.68)
Interest on Other Receipts	\$ -		\$ (2,583,684.68)
Debenture Interest Expenditure		\$ -	\$ (2,583,684.68)
Interest on Project Expenditure		\$ 99.40	\$ (2,583,784.08)
Interest on Offsite Levy Receipts	\$ 94.70		\$ (2,583,689.38)
Interest on Other Receipts	\$ -		\$ (2,583,689.38)
Interest on Debenture Accrual		\$ -	\$ (2,583,689.38)
2022			\$ (2,583,689.38)
Interest on Opening Balance		\$ 53,999.11	\$ (2,637,688.49)
Withdrawal Applied to Project Expenditures		\$ -	\$ (2,637,688.49)
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ 16,830.51	\$ (2,654,518.99)
Offsite Levy Receipts	\$ 19,581.97		\$ (2,634,937.02)
Other Receipts	\$ -		\$ (2,634,937.02)
Debenture Interest Expenditure		\$ -	\$ (2,634,937.02)
Interest on Project Expenditure		\$ 87.94	\$ (2,635,024.96)
Interest on Offsite Levy Receipts	\$ 97.91		\$ (2,634,927.05)
Interest on Other Receipts	\$ -		\$ (2,634,927.05)
Interest on Debenture Accrual		\$ -	\$ (2,634,927.05)
2023			\$ (2,634,927.05)
Interest on Opening Balance		\$ 55,069.98	\$ (2,689,997.03)
Withdrawal Applied to Project Expenditures		\$ -	\$ (2,689,997.03)
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ 14,564.82	\$ (2,704,561.85)
Offsite Levy Receipts	\$ -		\$ (2,704,561.85)
Other Receipts	\$ -		\$ (2,704,561.85)
Debenture Interest Expenditure		\$ -	\$ (2,704,561.85)
Interest on Project Expenditure		\$ 76.10	\$ (2,704,637.95)
Interest on Offsite Levy Receipts	\$ -		\$ (2,704,637.95)
Interest on Other Receipts	\$ -		\$ (2,704,637.95)
Interest on Debenture Accrual		\$ -	\$ (2,704,637.95)
2024			\$ (2,704,637.95)
Interest on Opening Balance		\$ 140,100.25	\$ (2,844,738.20)
Withdrawal Applied to Project Expenditures		\$ -	\$ (2,844,738.20)
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ 12,223.87	\$ (2,856,962.06)
Offsite Levy Receipts	\$ 7,558.95		\$ (2,849,403.11)
Other Receipts	\$ -		\$ (2,849,403.11)
Debenture Interest Expenditure		\$ -	\$ (2,849,403.11)
Interest on Project Expenditure		\$ 158.30	\$ (2,849,561.41)
Interest on Offsite Levy Receipts	\$ 37.79		\$ (2,849,523.62)
Interest on Other Receipts	\$ -		\$ (2,849,523.62)
Interest on Debenture Accrual		\$ -	\$ (2,849,523.62)
Rounding Adjustment to match County GL	\$ 0.04		\$ (2,849,523.58)

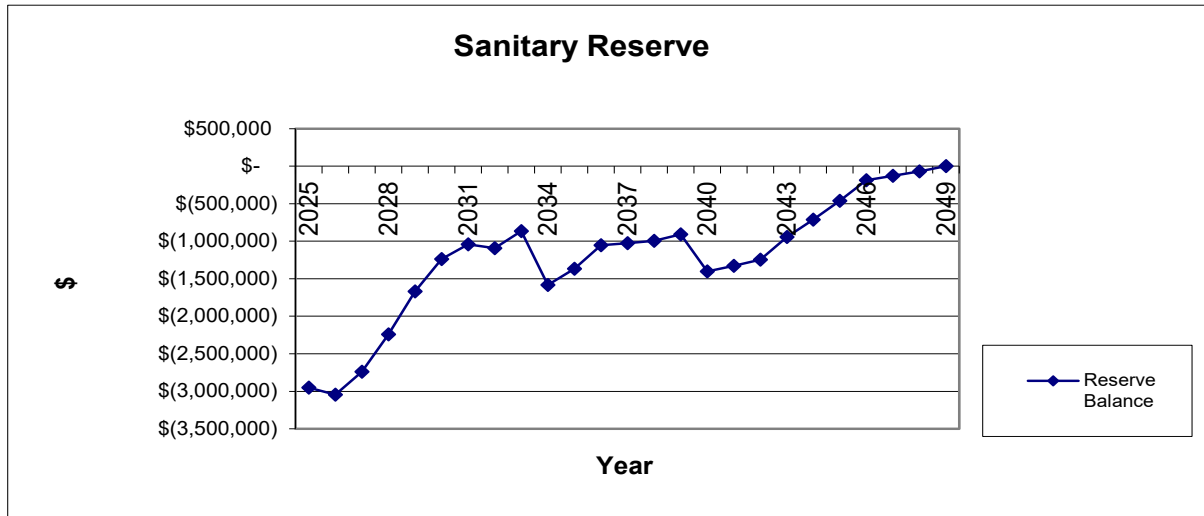
D9. Development and Sanitary Infrastructure Staging Impacts

Sanitary offsite infrastructure will be constructed in staged fashion over the 25-year development period. We have reviewed the availability of offsite levy funds to meet these construction requirements and found that offsite levy reserve funds will not be sufficient to pay for construction of sanitary infrastructure from time to time—front ending of infrastructure will be required. A front-ender is the party that constructs and pays up front for infrastructure that benefits other parties.

To compensate parties for capital they provide in front-ending offsite infrastructure construction, a **4.72%**¹⁰ interest allowance has been charged to the reserve when it is forecast to be in a negative balance. Further, a **5.10%**¹¹ interest credit has been provided to the reserve when it is forecast to be in a positive balance. The graph and table below outline the forecast sanitary levy reserve balances over the 25-year development period.

If necessary, an interest staging adjustment has been applied to rates (slightly positive or slightly negative) to ensure that the forecast reserve balance at the end of the 25-year review period always returns to break-even (i.e., developers are not charged too much thereby providing a windfall to the County, nor are they charged too little thereby placing an unequitable burden on taxpayers).

Anticipated Sanitary Offsite Levy Reserve Balances



¹⁰ The 15-year debenture rate at the Alberta Treasury Board and Finance at the time of writing was ~4.72%. Historic charge rates used in the model are 3.00% (2013-2018), 3.25% (2019-2020), 2.09% (2021-2023), 5.18% (2024).

¹¹ Historic earning rates used in the model are 2.00% (2013-2014), 1.00% (2015-2024).

Anticipated Sanitary Offsite Levy Reserve Balances

Year	Receipts	Expenditure	Opening Balance		Balance
					\$ (2,849,524)
2025	\$ 50,520	\$ 17,861	\$ (132,956)		\$ (2,949,821)
2026	\$ 61,745	\$ 18,397	\$ (137,186)		\$ (3,043,658)
2027	\$ 446,602	\$ 18,949	\$ (123,475)		\$ (2,739,481)
2028	\$ 608,080	\$ 9,759	\$ (101,063)		\$ (2,242,222)
2029	\$ 657,728	\$ 10,051	\$ (75,263)		\$ (1,669,808)
2030	\$ 487,303	\$ -	\$ (55,814)		\$ (1,238,320)
2031	\$ 242,539	\$ -	\$ (47,001)		\$ (1,042,782)
2032	\$ -	\$ -	\$ (49,219)		\$ (1,092,001)
2033	\$ 263,959	\$ -	\$ (39,084)		\$ (867,126)
2034	\$ 271,878	\$ 917,056	\$ (71,381)		\$ (1,583,685)
2035	\$ 280,034	\$ -	\$ (61,532)		\$ (1,365,183)
2036	\$ 360,257	\$ -	\$ (47,433)		\$ (1,052,358)
2037	\$ 73,976	\$ -	\$ (46,180)		\$ (1,024,562)
2038	\$ 76,196	\$ -	\$ (44,763)		\$ (993,129)
2039	\$ 127,048	\$ -	\$ (40,879)		\$ (906,960)
2040	\$ 130,859	\$ 564,615	\$ (63,282)		\$ (1,403,998)
2041	\$ 134,785	\$ -	\$ (59,907)		\$ (1,329,120)
2042	\$ 138,849	\$ -	\$ (56,181)		\$ (1,246,452)
2043	\$ 345,029	\$ -	\$ (42,547)		\$ (943,970)
2044	\$ 264,398	\$ -	\$ (32,076)		\$ (711,648)
2045	\$ 272,330	\$ -	\$ (20,736)		\$ (460,054)
2046	\$ 280,500	\$ -	\$ (8,475)		\$ (188,029)
2047	\$ 63,717	\$ -	\$ (5,868)		\$ (130,179)
2048	\$ 65,629	\$ -	\$ (3,047)		\$ (67,598)
2049	\$ 67,598	\$ -	\$ 0		\$ 0

APPENDIX E: STORMWATER

E1. Stormwater Offsite Infrastructure

In order to support future growth, stormwater offsite infrastructure is required. The estimated cost of this infrastructure is based upon: (a) actual construction costs to the cut-off date, (b) future debenture interest associated with financing, and (c) future cost estimates. Total cost is approximately **\$4.68 million** as outlined in the table below. Actual costs, debenture interest (if any), and cost estimates were provided by County staff. It is important to note that these costs represent “gross” costs, of which only a portion will go to support development during the 25-year review period. The remainder of this section outlines how the “net” costs for development are determined.

Summary of Stormwater Offsite Infrastructure

Item	Project Description	Cost of Completed Work	Future Debenture Interest	Estimated Cost of Work Yet to be Completed	Total Project Estimated Cost
1	Storm Ditch Twp 552 (1)	\$ 292,938	\$ -	\$ -	\$ 292,938
2	Storm Ditch RR 225 (2)	\$ 86,119	\$ -	\$ 87,575	\$ 173,694
3	Storm Ditch Twp 552A (3)	\$ -	\$ -	\$ 350,420	\$ 350,420
4	Storm Ditch Twp 552A (4)	\$ -	\$ -	\$ 525,630	\$ 525,630
5	Storm Ditch Twp 553A (5)	\$ -	\$ -	\$ 525,630	\$ 525,630
6	Storm Ditch Twp 553 (6)	\$ -	\$ -	\$ 525,630	\$ 525,630
7	Storm Ditch Twp 553 (7)	\$ -	\$ -	\$ 350,420	\$ 350,420
8	Storm Ditch Twp 553 (8)	\$ -	\$ -	\$ 350,420	\$ 350,420
9	Storm Ditch Hwy 825 (9)	\$ -	\$ -	\$ 218,185	\$ 218,185
10	Storm Ditch Twp 554 (10)	\$ -	\$ -	\$ 218,185	\$ 218,185
11	Storm Ditch Twp 554 (11)	\$ -	\$ -	\$ 218,185	\$ 218,185
12	Storm Ditch Twp 554 (12)	\$ -	\$ -	\$ 218,185	\$ 218,185
13	Storm Ditch Twp 554 (13)	\$ -	\$ -	\$ 218,185	\$ 218,185
14	Storm Ditch RR 230 (14)	\$ -	\$ -	\$ 104,856	\$ 104,856
15	Storm Ditch Hwy 825 (15)	\$ -	\$ -	\$ 393,211	\$ 393,211
100	Contributions collected under old development agreements	\$ -	\$ -	\$ -	\$ -
		\$ 379,057	\$ -	\$ 4,304,715	\$ 4,683,772

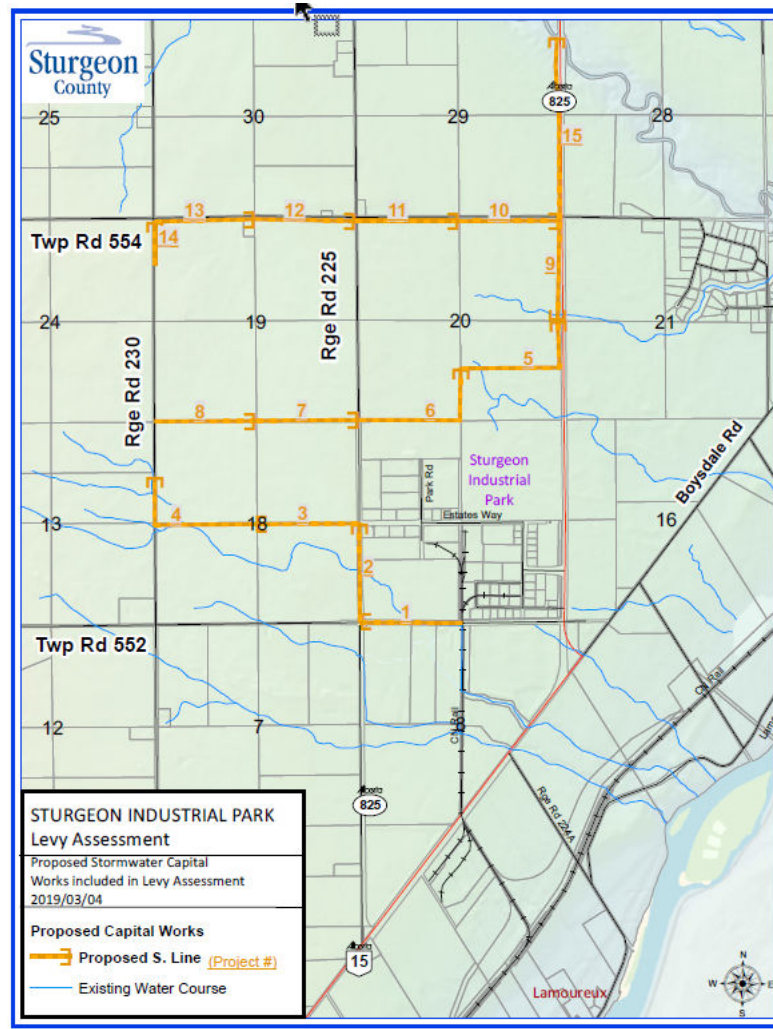
*Past expenditures include past financing expenditures (interest) if any.

**Costs estimates provided by County staff.

***Estimates include engineering and contingencies.

****Transfers or contributions stemming from Development Agreements were set-up as an individual project (#100) and credited 100% to future development and to all offsite levy areas (see *Section E5*).

*****Offsite infrastructure definitions are contained in Appendix F.



E2. Stormwater Offsite Infrastructure Grants & Contributions to Date

The MGA enables the County to allocate the costs of offsite infrastructure to development, other than those costs that have been provided by way of special ear-marked grant or contribution (i.e., contributed infrastructure). Sturgeon County has/will receive approximately **\$0.29 million** in special ear-marked grants and contributions for stormwater offsite levy infrastructure as shown in the table below (note, if the County receives other ear-marked grants or contributions in the future, it will be reflected in one of the annual updates and rates adjusted accordingly). The result is that the total reduced project estimated cost is **\$4.39 million**.

Special Grants and Contributions for Stormwater Offsite Infrastructure

Item	Project Description	Total Project Estimated Cost	Special Provincial Grants (Historic & Future)	Developer Agreement Contributions (Historic & Future)	Other Contributions (Historic & Future)	Reduced Project Estimated Cost
1	Storm Ditch Twp 552 (1)	\$ 292,938	\$ -	\$ -	\$ -	\$ 292,938
2	Storm Ditch RR 225 (2)	\$ 173,694	\$ -	\$ -	\$ -	\$ 173,694
3	Storm Ditch Twp 552A (3)	\$ 350,420	\$ -	\$ -	\$ -	\$ 350,420
4	Storm Ditch Twp 552A (4)	\$ 525,630	\$ -	\$ -	\$ -	\$ 525,630
5	Storm Ditch Twp 553A (5)	\$ 525,630	\$ -	\$ -	\$ -	\$ 525,630
6	Storm Ditch Twp 553 (6)	\$ 525,630	\$ -	\$ -	\$ -	\$ 525,630
7	Storm Ditch Twp 553 (7)	\$ 350,420	\$ -	\$ -	\$ -	\$ 350,420
8	Storm Ditch Twp 553 (8)	\$ 350,420	\$ -	\$ -	\$ -	\$ 350,420
9	Storm Ditch Hwy 825 (9)	\$ 218,185	\$ -	\$ -	\$ -	\$ 218,185
10	Storm Ditch Twp 554 (10)	\$ 218,185	\$ -	\$ -	\$ -	\$ 218,185
11	Storm Ditch Twp 554 (11)	\$ 218,185	\$ -	\$ -	\$ -	\$ 218,185
12	Storm Ditch Twp 554 (12)	\$ 218,185	\$ -	\$ -	\$ -	\$ 218,185
13	Storm Ditch Twp 554 (13)	\$ 218,185	\$ -	\$ -	\$ -	\$ 218,185
14	Storm Ditch RR 230 (14)	\$ 104,856	\$ -	\$ -	\$ -	\$ 104,856
15	Storm Ditch Hwy 825 (15)	\$ 393,211	\$ -	\$ -	\$ -	\$ 393,211
100	Contributions collected under old development agreements	\$ -	\$ -	\$ -	\$ 286,965	\$ (286,965)
		\$ 4,683,772	\$ -	\$ -	\$ 286,965	\$ 4,396,807

E3. Year of Construction

The timing of construction is used to determine the impact of inflation on cost, the impact of forecast reserve balances, and the estimate of financial oversizing (described in the Section that follows). The County anticipates construction of offsite infrastructure as outlined in the table below. Note, if this schedule is adjusted in the future, it will be reflected in one of the County’s annual rate/bylaw updates.

Forecast Year of Construction

Item	Project Description	Construction Start Year
1	Storm Ditch Twp 552 (1)	2012
2	Storm Ditch RR 225 (2)	2013
3	Storm Ditch Twp 552A (3)	2033
4	Storm Ditch Twp 552A (4)	2038
5	Storm Ditch Twp 553A (5)	2029
6	Storm Ditch Twp 553 (6)	2029
7	Storm Ditch Twp 553 (7)	2050
8	Storm Ditch Twp 553 (8)	2050
9	Storm Ditch Hwy 825 (9)	2050
10	Storm Ditch Twp 554 (10)	2050
11	Storm Ditch Twp 554 (11)	2050
12	Storm Ditch Twp 554 (12)	2050
13	Storm Ditch Twp 554 (13)	2050
14	Storm Ditch RR 230 (14)	2050
15	Storm Ditch Hwy 825 (15)	2050

*The share of projects constructed beyond the 25-year review period are not included in rates today (see financial oversizing in next section).

**Project costs are inflated by 3% per annum to the year of construction.

E4. Stormwater Offsite Infrastructure Benefiting Parties

The stormwater offsite infrastructure previously outlined will benefit various parties to varying degrees. Three potential benefiting parties were identified including:

1. Sturgeon County – a portion of the stormwater infrastructure which is required to service existing residents. This residual benefit is determined at the point in time when the project is added to the bylaw (i.e., it does not fluctuate from year-to-year).
2. Other Stakeholders – other municipalities that benefit from the infrastructure.
3. Future Development:
 - Financial Oversizing – that portion of cost (i.e., levyable stormwater infrastructure costs) which benefits future development beyond the 25-year review period.
 - **In Rates – that portion of cost (i.e., levyable stormwater infrastructure costs) which benefits future development within the 25-year review period.**

The table below outlines the allocation of stormwater offsite levy infrastructure costs to benefiting parties.

Allocation of Stormwater Infrastructure to Benefiting Parties

Item	Project Description	Reduced Project Estimated Cost	Muni Share %	Other Stakeholder Share	Developer Share Beyond 25 Yrs (Financial Oversizing %)	OSL / Developer Share %
1	Storm Ditch Twp 552 (1)	\$ 292,938			0.0%	100.0%
2	Storm Ditch RR 225 (2)	\$ 173,694			0.0%	100.0%
3	Storm Ditch Twp 552A (3)	\$ 350,420			32.0%	68.0%
4	Storm Ditch Twp 552A (4)	\$ 525,630			52.0%	48.0%
5	Storm Ditch Twp 553A (5)	\$ 525,630			16.0%	84.0%
6	Storm Ditch Twp 553 (6)	\$ 525,630			16.0%	84.0%
7	Storm Ditch Twp 553 (7)	\$ 350,420			100.0%	0.0%
8	Storm Ditch Twp 553 (8)	\$ 350,420			100.0%	0.0%
9	Storm Ditch Hwy 825 (9)	\$ 218,185			100.0%	0.0%
10	Storm Ditch Twp 554 (10)	\$ 218,185			100.0%	0.0%
11	Storm Ditch Twp 554 (11)	\$ 218,185			100.0%	0.0%
12	Storm Ditch Twp 554 (12)	\$ 218,185			100.0%	0.0%
13	Storm Ditch Twp 554 (13)	\$ 218,185			100.0%	0.0%
14	Storm Ditch RR 230 (14)	\$ 104,856			100.0%	0.0%
15	Storm Ditch Hwy 825 (15)	\$ 393,211			100.0%	0.0%
100	Contributions collected under old development agreements	\$ (286,965)			0.0%	100.0%
		\$ 4,396,807				

*Allocations were determined by County staff.

**Financial oversizing is determined by separating out the pro rata portion of developer cost beyond the 25-year review period, in comparison with the anticipated year of construction. As the years move forward and rates are updated, these additional developer costs will be included in rate calculations. For example, a project which is slated to be constructed in year 20 of the 25-year review period will have 20% (5/25) of its costs in rates today, and 80% (20/25) of its costs will sit beyond the 25-year review period.

E5. Existing Receipts & Adjusted Levy Cost

Using the offsite levy share percentages shown in the previous section and applying those percentages to project costs results in an offsite levy cost of **\$1.55 million**. However, prior to allocating these costs to benefiting areas, existing offsite levy receipts collected from developers need to be considered in determining the residual/net costs to developers. County staff have advised that **\$0.31 million** in stormwater levies have been applied/collected as shown in the table below. This results in an adjusted offsite levy cost of **\$1.24 million**.

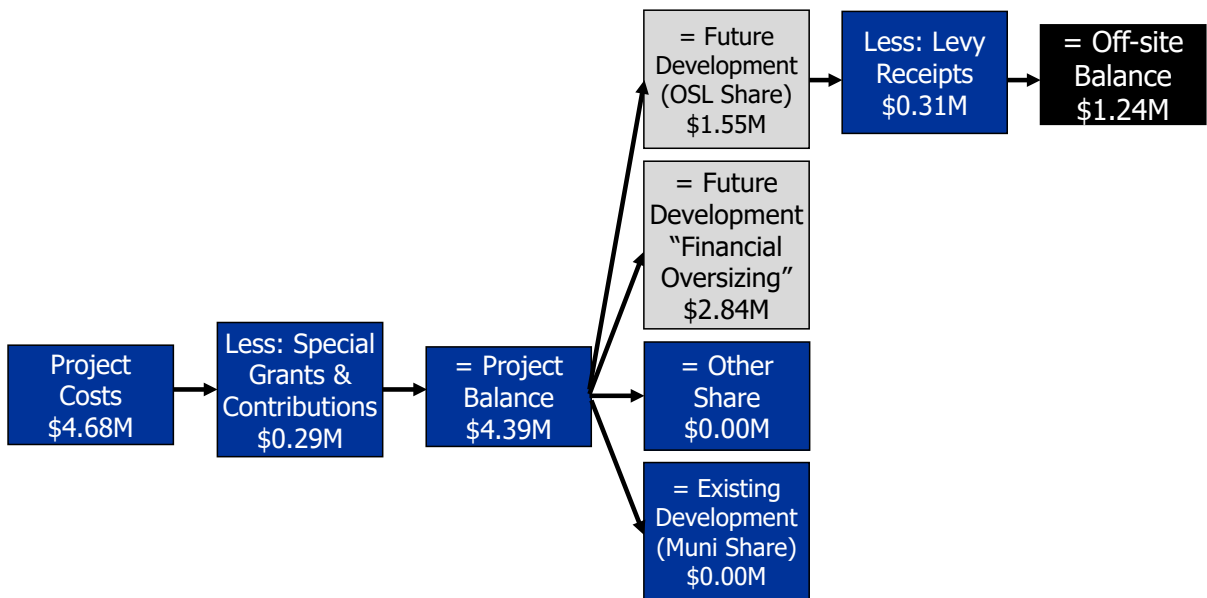
Offsite Levy Funds Applied to Date

Item	Project Description	OSL / Developer Cost	Offsite Levy Funds Collected	Adjusted Developer (Levy) Cost
1	Storm Ditch Twp 552 (1)	\$ 292,938	\$ (133,171)	\$ 426,109
2	Storm Ditch RR 225 (2)	\$ 173,694	\$ 517,680	\$ (343,986)
3	Storm Ditch Twp 552A (3)	\$ 238,285	\$ 162,822	\$ 75,463
4	Storm Ditch Twp 552A (4)	\$ 252,302	\$ (239,917)	\$ 492,219
5	Storm Ditch Twp 553A (5)	\$ 441,529	\$ -	\$ 441,529
6	Storm Ditch Twp 553 (6)	\$ 441,529	\$ -	\$ 441,529
7	Storm Ditch Twp 553 (7)	\$ -	\$ -	\$ -
8	Storm Ditch Twp 553 (8)	\$ -	\$ -	\$ -
9	Storm Ditch Hwy 825 (9)	\$ -	\$ -	\$ -
10	Storm Ditch Twp 554 (10)	\$ -	\$ -	\$ -
11	Storm Ditch Twp 554 (11)	\$ -	\$ -	\$ -
12	Storm Ditch Twp 554 (12)	\$ -	\$ -	\$ -
13	Storm Ditch Twp 554 (13)	\$ -	\$ -	\$ -
14	Storm Ditch RR 230 (14)	\$ -	\$ -	\$ -
15	Storm Ditch Hwy 825 (15)	\$ -	\$ -	\$ -
100	Contributions collected under old development agreements	\$ (286,965)	\$ -	\$ (286,965)
		\$ 1,553,312	\$ 307,414	\$ 1,245,898

E6. Summary of Stormwater Offsite Levy Cost Flow-through

As shown in the figure below, the total cost for stormwater infrastructure that forms the basis of the rate is **\$1.24 million**. The cost allocations to each benefitting party are based on the benefitting percentages shown in the previous section. The offsite levy balance (due from developers) is allocated to various benefitting areas (as described in the next section).

Total Stormwater Offsite Levy Costs



E7. Stormwater Infrastructure Benefiting Areas

Net developer costs for each project have been allocated to multiple benefiting offsite levy area (see tables below). Allocations are denoted with a “1” below applicable area numbers. Benefiting areas were determined by County staff. The lands anticipated to develop over the 25-years in each offsite levy benefiting area are used to determine rates.

Stormwater Allocations to Benefiting Areas

Item	Project Description	Developer Cost	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0	23.0	24.0	25.0	26.0	27.0	28.0	29.0
1	Storm Ditch Twp 552 (1)	\$ 426,109										1	1	1			1	1	1	1											
2	Storm Ditch RR 225 (2)	\$ (343,986)										1	1	1			1	1	1	1											
3	Storm Ditch Twp 552A (3)	\$ 75,463										1	1	1			1	1	1	1											
4	Storm Ditch Twp 552A (4)	\$ 492,219										1	1	1			1	1	1	1											
5	Storm Ditch Twp 553A (5)	\$ 441,529	1	1	1	1	1		1	1	1																				
6	Storm Ditch Twp 553 (6)	\$ 441,529	1	1	1	1	1		1	1	1																				
7	Storm Ditch Twp 553 (7)	\$ -	1	1	1	1	1		1	1	1																				
8	Storm Ditch Twp 553 (8)	\$ -	1	1	1	1	1		1	1	1																				
9	Storm Ditch Hwy 825 (9)	\$ -	1	1	1	1	1		1	1	1																				
10	Storm Ditch Twp 554 (10)	\$ -	1	1	1	1	1		1	1	1																				
11	Storm Ditch Twp 554 (11)	\$ -	1	1	1	1	1		1	1	1																				
12	Storm Ditch Twp 554 (12)	\$ -	1	1	1	1	1		1	1	1																				
13	Storm Ditch Twp 554 (13)	\$ -	1	1	1	1	1		1	1	1																				
14	Storm Ditch RR 230 (14)	\$ -	1	1	1	1	1		1	1	1																				
15	Storm Ditch Hwy 825 (15)	\$ -	1	1	1	1	1		1	1	1																				
100	Contributions collected under old development agreements	\$ (286,965)	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

E8. Reserve Balance

At December 31st, 2024 the stormwater reserve balance was in a surplus of **\$246,613.34**. This amount takes into consideration expenditures and front-ending repayments up to end-2024.

Stormwater Offsite Levy Reserve Balance

2021			\$ 232,505.10
Interest on Opening Balance	\$ 2,325.05		\$ 234,830.15
Withdrawal Applied to Project Expenditures		\$ 0.50	\$ 234,829.65
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ (0.50)	\$ 234,830.15
Offsite Levy Receipts	\$ -		\$ 234,830.15
Interest on Other Receipts	\$ -		\$ 234,830.15
Debenture Interest Expenditure		\$ -	\$ 234,830.15
Interest on Project Expenditure		\$ -	\$ 234,830.15
Interest on Offsite Levy Receipts	\$ -		\$ 234,830.15
Interest on Other Receipts	\$ -		\$ 234,830.15
Interest on Debenture Accrual		\$ -	\$ 234,830.15
2022			\$ 234,830.15
Interest on Opening Balance	\$ 2,348.30		\$ 237,178.45
Withdrawal Applied to Project Expenditures		\$ -	\$ 237,178.45
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ -	\$ 237,178.45
Offsite Levy Receipts	\$ -		\$ 237,178.45
Other Receipts	\$ -		\$ 237,178.45
Debenture Interest Expenditure		\$ -	\$ 237,178.45
Interest on Project Expenditure		\$ -	\$ 237,178.45
Interest on Offsite Levy Receipts	\$ -		\$ 237,178.45
Interest on Other Receipts	\$ -		\$ 237,178.45
Interest on Debenture Accrual		\$ -	\$ 237,178.45
2023			\$ 237,178.45
Interest on Opening Balance	\$ 2,371.78		\$ 239,550.23
Withdrawal Applied to Project Expenditures		\$ -	\$ 239,550.23
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ -	\$ 239,550.23
Offsite Levy Receipts	\$ -		\$ 239,550.23
Other Receipts	\$ -		\$ 239,550.23
Debenture Interest Expenditure		\$ -	\$ 239,550.23
Interest on Project Expenditure		\$ -	\$ 239,550.23
Interest on Offsite Levy Receipts	\$ -		\$ 239,550.23
Interest on Other Receipts	\$ -		\$ 239,550.23
Interest on Debenture Accrual		\$ -	\$ 239,550.23
2024			\$ 239,550.23
Interest on Opening Balance	\$ 2,395.50		\$ 241,945.74
Withdrawal Applied to Project Expenditures		\$ -	\$ 241,945.74
OSL Share of Expenditures in Addition to Allocations (Front-ending)		\$ -	\$ 241,945.74
Offsite Levy Receipts	\$ 4,644.92		\$ 246,590.66
Other Receipts	\$ -		\$ 246,590.66
Debenture Interest Expenditure		\$ -	\$ 246,590.66
Interest on Project Expenditure		\$ -	\$ 246,590.66
Interest on Offsite Levy Receipts	\$ 23.22		\$ 246,613.88
Interest on Other Receipts	\$ -		\$ 246,613.88
Interest on Debenture Accrual		\$ -	\$ 246,613.88
Rounding Adjustment to match County GL		\$ 0.54	\$ 246,613.34

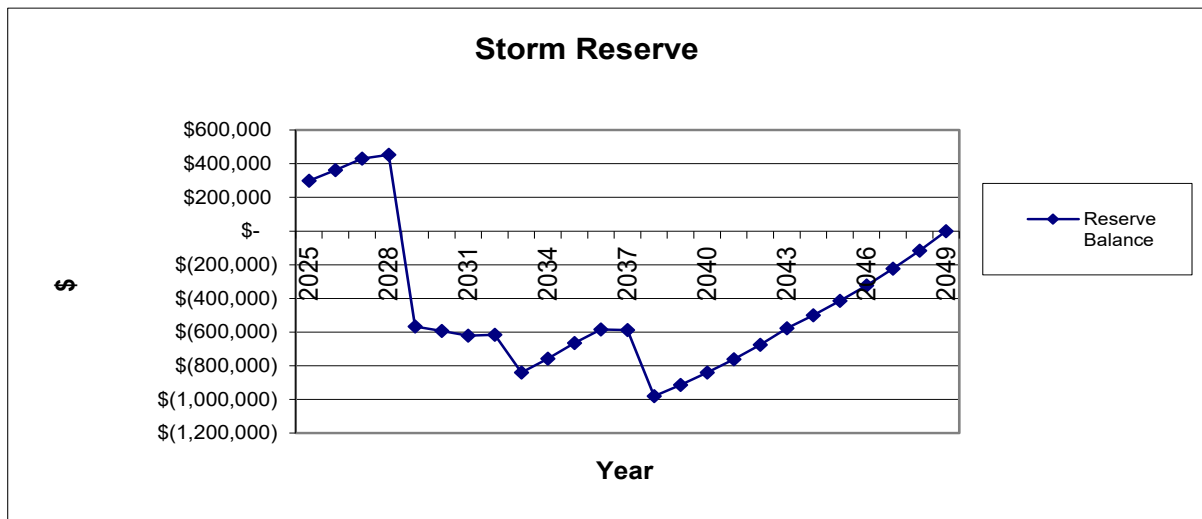
E9. Development and Stormwater Infrastructure Staging Impacts

Stormwater offsite infrastructure will be constructed in staged fashion over the 25-year development period.

To compensate parties for capital they provide in front-ending offsite infrastructure construction, a **4.72%**¹² interest allowance has been charged to the reserve when it is forecast to be in a negative balance. Further, a **5.10%**¹³ interest credit has been provided to the reserve when it is forecast to be in a positive balance. The graph and table below outline the forecast stormwater levy reserve balances over the 25-year development period.

If necessary, an interest staging adjustment has been applied to rates (slightly positive or slightly negative) to ensure that the forecast reserve balance at the end of the 25-year review period always returns to break-even (i.e., developers are not charged too much thereby providing a windfall to the County, nor are they charged too little thereby placing an unequitable burden on taxpayers).

Anticipated Stormwater Offsite Levy Reserve Balances



¹² The 15-year debenture rate at the Alberta Treasury Board and Finance at the time of writing was ~4.72%. Historic charge rates used in the model are 3.00% (2013-2018), 3.25% (2019-2020), 2.09% (2021-2023), 5.18% (2024).

¹³ Historic earning rates used in the model are 2.00% (2013-2014), 1.00% (2015-2024).

Anticipated Stormwater Offsite Levy Reserve Balances

	Opening Balance			\$ 246,613
Year	Receipts	Expenditure	Interest	Balance
2025	\$ 37,596	\$ -	\$ 14,495	\$ 298,704
2026	\$ 45,949	\$ -	\$ 17,577	\$ 362,231
2027	\$ 47,352	\$ -	\$ 20,889	\$ 430,471
2028	\$ -	\$ -	\$ 21,954	\$ 452,425
2029	\$ -	\$ 993,889	\$ (25,557)	\$ (567,021)
2030	\$ -	\$ -	\$ (26,763)	\$ (593,785)
2031	\$ -	\$ -	\$ (28,027)	\$ (621,811)
2032	\$ 33,893	\$ -	\$ (27,750)	\$ (615,668)
2033	\$ 114,372	\$ 301,853	\$ (37,909)	\$ (841,058)
2034	\$ 117,803	\$ -	\$ (34,138)	\$ (757,392)
2035	\$ 121,337	\$ -	\$ (30,022)	\$ (666,077)
2036	\$ 108,451	\$ -	\$ (26,320)	\$ (583,946)
2037	\$ 22,270	\$ -	\$ (26,511)	\$ (588,187)
2038	\$ 22,938	\$ 370,514	\$ (44,168)	\$ (979,932)
2039	\$ 107,214	\$ -	\$ (41,192)	\$ (913,910)
2040	\$ 110,431	\$ -	\$ (37,924)	\$ (841,403)
2041	\$ 113,744	\$ -	\$ (34,346)	\$ (762,005)
2042	\$ 117,190	\$ -	\$ (30,435)	\$ (675,250)
2043	\$ 123,850	\$ -	\$ (26,026)	\$ (577,426)
2044	\$ 100,177	\$ -	\$ (22,526)	\$ (499,775)
2045	\$ 103,182	\$ -	\$ (18,719)	\$ (415,312)
2046	\$ 106,278	\$ -	\$ (14,586)	\$ (323,620)
2047	\$ 109,665	\$ -	\$ (10,099)	\$ (224,054)
2048	\$ 112,955	\$ -	\$ (5,244)	\$ (116,343)
2049	\$ 116,343	\$ -	\$ 0	\$ 0

APPENDIX F: OFFSITE INFRASTRUCTURE DEFINITIONS

F1. Roadways

Sturgeon County maintains a roadway classification system consistent with the definition of arterial, collector, and local roads contained in the Transportation Association of Canada's Manual of Geometric Design Standards for Canadian Roads.

Arterial Roadways are typically designed as free flowing, with controlled intersection spacing and providing connectivity to the Provincial highway network therefore, Arterials are considered a benefit to the County at large. The cost of such facilities is then assessed proportionately against all benefiting lands through an offsite levy charge.

Collector roads are intended to address interregional travel demands, as secondary connections to the Provincial highway network and origin – destinations. These roadways are typically the second highest volume of traffic which is usually between 200 vehicles per day and 500 vehicles per day and are typically paved. Collectors are considered a benefit to the County at large. The cost of such facilities is then assessed proportionately against all benefiting lands through an offsite levy charge.

Local roads are any roadway which is not classified as either an Arterial, or Collector. Local roads within new development area are constructed by developers, at their cost, in conjunction with the developments.

F2. Water

Sturgeon County's philosophy regarding its waterworks system improvements is that development is responsible, at their cost, for the construction of all new distribution mains up to and including 300 mm diameter in size. Primary feeder mains (water mains larger than 300 mm diameter), treated water, storage reservoirs, pumping facilities and water quality monitoring stations benefit the entire water distribution system and thus, the cost of such facilities is then assessed proportionately against all benefiting lands through an offsite levy charge.

Capital improvements to the water supply system are the responsibility of EPCOR. The cost of such improvements is assessed proportionately against the County through the Commission's water utility rate structure and these costs are not included in the County's offsite levy charge.

F3. Sanitary

The sanitary sewage collection system in Sturgeon County provides wastewater servicing to its residential and non-residential customers through local collection, conveyance, and treatment via wastewater lagoons, or through the Alberta Capital Region Wastewater Commission (ACRWC) infrastructure. The communities / locations serviced by the ACRWC include: Cardiff, Sturgeon Valley, Sturgeon Industrial Park, and the Alberta Industrial Heartland.

Sanitary Sewer systems typically have a hierarchical classification based primarily upon the

size of diameter of pipe and the area they serve. In the case of the sanitary sewer system in Sturgeon County, laterals (locals) are typically 200 mm and 250 mm diameter in size, collectors are 300 mm and 375 mm diameter in size, and trunks are sewer pipe systems greater than 375 mm in diameter.

Trunks, forcemains, and lift stations, benefit the entire sanitary collection system. The cost of such facilities is then assessed proportionately against all benefiting lands through an offsite levy charge.

Development shall be fully responsible for the construction of lateral and collectors for the sanitary sewer system at their entire cost.

Capital improvements to the Regional Treatment Plant and Transmission Line are the responsibility of the ACRWC of which Sturgeon County is a member. The cost of such capital improvements are assessed proportionately against Sturgeon County through the ACRWC sewage utility rate structure and are not included in the Sturgeon County offsite levy charge.

F4. Stormwater

Sturgeon County's storm drainage networks primarily consists of a system of drainage ditches, swales and culverts. The networks also includes sewer pipes in some residential subdivisions, and a few stormwater management facilities. Most drainage from the Sturgeon Valley flows into the Sturgeon River, and the majority of the existing residential developments rely on road ditches, drainage channels and natural swales to convey runoff to the River.

Storm drainage networks have a hierarchical classification based primarily upon the size of diameter of pipe. Sturgeon County storm drainage networks consist of laterals between 300 mm and 1050 mm diameter in size which discharges into a trunk line. Trunk lines are greater than 1200 mm in diameter (or equivalent to in capacity, e.g. 2 x 600 mm) and discharge into an outfall. Outfalls can be any structure (man-made or natural) where stormwater is discharged into a river.

Trunks, forcemains, lift stations, and outfalls benefit the entire collection system and the cost of such facilities are assessed proportionately against all benefiting land through an offsite levy charge.

Development shall be fully responsible for the construction of laterals for the storm sewer system at their entire cost.

For rural cross-sections that utilize overland ditching, drainage corridors will be established and the cost of certain rural ditches will be funded by offsite levy charge. Development shall be fully responsible for the construction of other ditches, ponds, etc for the storm sewer system at their entire cost.

APPENDIX G: COMPARISON OF RATES

The table below compares the new Sturgeon Industrial Park offsite levy rates to non-residential rates in other municipalities.

Municipality / Area	Average Per Ha.
Strathcona County – Industrial Area 1* (roads, water, sewer, storm)	\$46,000 - \$56,000 (2024)
Sturgeon Industrial Park* (roads, water, sewer, storm)	\$61,643 (2025 – proposed)
City of Fort Saskatchewan – LMI* (roads, water, sewer, storm)	\$74,000 (2019)
City of Beaumont Industrial* (roads, water, sewer)	\$81,000 - \$116,000 (2019)
Leduc County - Nisku (roads, water, sewer)	\$127,000 (2025 - proposed)
City of Spruce Grove* (roads, water, sewer, recreation, library)	\$129,000 (2023)
Parkland County – Acheson/Fifth Meridian* (roads, water, sewer, storm)	\$178,000 (2024)
Red Deer County (Gasoline Alley) (roads, water, sewer, storm)	\$220,000 (2017)
City of St. Albert – Campbell Business Park* (roads, water, sewer, storm)	\$335,000 (2024)
Strathcona County – North of Yellowhead* (roads, water, sewer)	\$391,000 (2024)
City of Edmonton (roads, water, sewer, storm)	+\$400,000 (2024)
City of Calgary Green Field (roads, water, sewer, rec, stabilization)	+\$600,000 (2024)

*CORVUS clients

**Information adapted from online sources as of Feb 25th, 2025.