






Subject: **Village of Acme Request for Allocation**
 Meeting Date: Tuesday, June 25, 2024
 Prepared By: Mike Haugen, CAO
 Presented By: Mike Haugen, CAO

RECOMMENDED MOTION:

That Council direct Administration to inform the Village of Acme that Kneehill does not wish to transfer any of its Aqua 7 water allocation at this time.

STRATEGIC PLAN ALIGNMENT: (Check all that apply)

	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>
High Quality Infrastructure		Economic Resilience		Quality of Life		Effective Leadership		Level of Service	

RELEVANT LEGISLATION:

Provincial (cite)- N/A
 Council Bylaw/Policy (cite)- N/A

BACKGROUND/PROPOSAL:

The members of the Aqua 7 Regional Water Commission each have an allocation related to water as established by Aqua 7 Bylaw 2018-01. The allocation is as follows:

Village of Acme:	5.68%
Village of Beiseker:	6.83%
Village of Carbon:	6.83%
Village of Linden:	8.56%
Town of Irricana:	17.10%
Kneehill County:	36.24%
Rocky View County:	18.76%

With development occurring, the Village of Acme believes that they will be approaching full use of their allocation and are questioning members regarding their willingness to transfer/sell allocation to Acme. The letter of request from the Village is attached.

Aqua 7 has a diversion license for 2.35 Million cubic metres annually. Kneehill County's share, based on a 36.24% allocation, would be 855,870 cubic metres annually. Kneehill County's 2023 use was approximately 222,000 cubic metres.

The annual allocation for the Village of Acme would equal approximately 133,000 cubic metres per year.

A 1 (one) percent change would equal 23,500 cubic metres per year.



DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES/OTHER CONSIDERATIONS:

Some discussion is occurring at the Aqua 7 Board level regarding clarification of the allocations related to some Aqua 7 agreements. These discussions have yet to take place, but it has generally been viewed that these allocations are based on the Aqua 7 diversion license of 2.35 Million cubes of water per year.

Kneehill County has significant room between its allocation and actual use. Administration wished to bring this request forward following a Council discussion about the County's Economic Development plan, as those discussions may have a bearing on this discussion.

Specifically, if the County is moving towards more proactive economic development, which appears to be the case, water is a critical resource for many industries. Reducing the County's water availability may impact the future attraction of businesses. At this time, it is unknown what Kneehill County will require in the future.

FINANCIAL & STAFFING IMPLICATIONS:

If the County considers giving up some of its allocation, it is recommended that it be sold. Aqua 7 is working on a valuation, but at this time, the value of a unit of allocation is unknown.

RECOMMENDED ENGAGEMENT:

Directive Decision (Information Sharing, One-Way Communication)

Tools:

Individual Notification

Other:

ATTACHMENTS:

Letter of Request from Village of Acme

COUNCIL OPTIONS:

1. Council may opt to keep all existing allocation
2. Council may direct staff to explore the potential sale of some allocation

FOLLOW-UP ACTIONS:

Administration will inform the Village of Acme of the Council's decision.

APPROVAL(S):

Mike Haugen, Chief Administrative Officer

Approved-

