Bylaw No. 32-2026
West Inter- Lake District Regional Water Services Commission

Being a By-Law of the West Inter Lake District Regional Water Services Commission in the Province of Alberta (the Commission) to Establish a Framework and Fee Structure Related to a Buy-In Charge for the Incorporation of New Members into the Commission.

WHEREAS the Commission has contemplated the ability to incorporate New Members into the Commission, as referenced in the Business Plan, generally, and the Operations and Services Bylaw, more explicitly;

AND WHEREAS Section 63 of the Commission Governance and Board Operations Bylaw, Bylaw 23-2025, provides that when contemplating the addition of a prospective new member, the Board of Directors has the discretion to agree to the addition of any new member municipalities to the Commission;

AND WHEREAS Section 64 of the Commission Governance and Board Operations Bylaw, Bylaw 23-2025, provides that any new member will be required to pay an amount, a Buy-in Charge, that is to be calculated at the time of application;

AND WHEREAS the Board of Directors wishes to ensure that a fair and equitable framework for the calculation of the Buy-In Charge is used to determine the appropriate amount due by a new member, respective of both the operating and capital cost history of Commission members, past and present;

AND WHEREAS the current capital costs for the completed phases of the transmission line system, Phases I, II, III, IV, and V(a), inclusive, are calculated to be $90,000,000;

AND WHEREAS, pursuant to the *Municipal Government Act* c. M-26, R.S.A. 2000, s. 602.09(1)(d), the Commission must pass bylaws respecting the processes for adding or removing of members;

AND WHEREAS the Commission has a Commission Governance and Board Operations Bylaw, Bylaw 23-2025, that outlines the process for adding or removing members;

NOW THEREFORE the Board of Directors of the Commission enacts as follows:

Short Title:

1. This Bylaw may be referred to as the "New Member Buy-In Charges Bylaw"

DRAFT

Definitions:

2. In this Bylaw:

    a. "Capital Costs" shall mean the infrastructure and capital asset costs incurred by the Commission, specifically those related to the transmission line installation project, Phase I, II, III, and IV, and any other capital costs borne by the Commission on behalf of its members now or in the future for which the members are directly obligated to repay;

    b. "Capital Fee" shall mean that portion of to-date Capital Costs of the Commission that the Board of Directors deems appropriate to assign as part of the New Member Buy-In Charge for new Members, as established in this Bylaw;

    c. "Commission" shall mean the West Inter- Lake District Regional Water Services Commission as incorporated under Order in Council;

    d. "Member" shall mean a municipality that is a member of the Commission

    e. "New Member" shall mean any municipal entity that is not an existing member of the Commission and that has applied for, and been approved for, membership in the West Inter Lake District Regional Water Services Commission;

    f. "New Member Buy-In Charge" shall mean the payment due by a prospective New Member to finalize their membership in the Commission, being a cumulative amount of Operating Fees and Capital Fees, calculated as established in this Bylaw;

    g. "Operating Cost" shall mean the cumulative Board, Administrative and Governance, and System Operating costs, as incurred year to year.

    h. "Operating Fee" shall mean that portion of to-date Operating Costs of the Commission that the Board of Directors deems appropriate to assign as part of the New Member Buy-In Charge for new Members, as established in this Bylaw;

    i. "System" shall mean the West Inter- Lake District Regional Water Services Commission

    j. "Twenty-five (25) year water allocation" shall mean that amount of water projected to be consumed by, or reserved for, a member in the long-term allocation forecasts of the Commission Business Plan, as updated from time to time, measured in cubic meters. This volume is determined based on 300 litres per capita per day for urban municipalities and urban areas of rural municipalities, and 120 litres per capital per day for rural municipalities more generally (with population projections as per census data adjusted by 1% per annum).

Calculation of Buy-In Charge:

3. The New Member Buy-In Charge shall be the cumulative sum of the Operating Fee and the Capital Fee, as determined in this Bylaw:

DRAFT

a. The Operating Fee shall be determined as a general appropriation based on a New Member's assigned 25-year water allocation, whereas:

   i. Annual allocations of 100,000 cubic meters or less shall pay $10,000.00

   ii. Annual allocations greater than 100,000 cubic meters but less than 200,000 cubic meters shall pay $15,000.00

   iii. Annual allocations equal to, or greater than, 200,000 cubic meters shall pay $30,000.00.

b. The Capital Fee shall be determined as a calculation of all Capital Costs related to the construction of any completed, or substantially completed, and commissioned, phases of the transmission line and system infrastructure for which the final costs of same are known, based on the adjusted twenty-five-year system allocation figures, as determined at the time of application:

   i. The formula for calculation of Capital Fee shall be:

   Fee = 10% (Capital Costs) * (New Member Allocation/Adjusted System Allocation)

   Where:

   Fee = Capital Fee of the New Member Buy-In Charge

   Capital Costs = cumulative capital costs of all existing/ known/ commissioned projects at time of application, as defined.

   New Member Allocation = Twenty-Five-Year Water Allocation assigned to new member

   Adjusted System Allocation = the total system Twenty-Five-Year Water Allocation of the Commission, inclusive of the new Member Allocation.

   ii. For capital costs that are not yet known, or works not yet completed, the New Member will be required to cover their portion of these costs in the same manner as offer to all other members at the time of repayment, rather than as part of their New Member Buy-In Fee.

c. The total New Member Buy-In Charge due by any New Member shall be the sum of the two considerations offered in Section 3(a) and 3(b), above:

   New Member Buy-In Charge = Operating Fee (Section 3(a)) + Capital Fee (Section 3(b)).

4. The New Member Buy-In Charge is a fee that is required to finalize a New Member's approval for membership by the Commission. Full and final payment of the appropriate New Member Buy-In Charge is due 30 days from the date of notice of an approval of a New Member by the Commission.

DRAFT

Use of New Member Buy-In Charges Collected:

5. On receipt of any New Member Buy-In Charges collected by the Commission, Management is hereby directed and authorized to commit these funds to the Commission's Operating and Capital Reserves such that the Operating Fee portion goes to Operating Reserves and the Capital Fee portions goes to Capital Reserves.

6. The Board of Directors, as its discretion, may reassign or redistribute the New Member Buy-In Charges collected as may be appropriate and in keeping with the Commission's overall fiscal framework and obligations, and the Municipal Government Act and provincial regulations regarding same.

Maintenance and Revision of Member Buy-In Charges:

7. Notwithstanding the authority of the Board of Directors to revise the schedule or fees or charges set forth in this bylaw through amendment or adoption of a superseding bylaw, the charges, fees, figures and rates defined in the bylaw shall be subject to a 2% annual increase (compounding), effective the first day of the new year, each year.

Bylaw in Effect:

8. This bylaw repeals and replaces bylaw 18-2023, being the previous version of the New Members Buy-In Charge Bylaw.

9. This Bylaw shall take effect on the date of third and final reading of this Bylaw, being the date it is finally passed and signed.

Read a first time this 31st day of August, 2026.

Read a second time this 31st day of August, 2026

Unanimous Consent to proceed to third reading this 31st day of August, 2026

Read a third and final time this 31st day of August, 2026

Signed this 31st day of August, 2026.

_____
CHAIR

_____
CHIEF ADMINISTRATIVE OFFICER

DRAFT