

THE CITY OF EDMONTON
SANITARY SERVICING STRATEGY FUND



2015 ANNUAL REPORT

June 2016

Prepared by:

City of Edmonton
Infrastructure Planning, Drainage Planning & Engineering
City Planning Branch, Sustainable Development Department

MESSAGE FROM THE CHAIR OF THE MANAGEMENT COMMITTEE

Since its inception in 1999, the Sanitary Servicing Strategy (SSS) has been remarkably successful in its mandate to encourage growth and facilitate new developments within the City limits through the Sanitary Servicing Strategy Fund (SSSF). The objectives of this strategy are to meet the challenges of providing sanitary servicing to the new development areas through long term planning and constructing sanitary sewer trunks that will bring sewage from the new development into the existing trunk system, and eventually to the wastewater treatment plant.

This is the seventeenth annual report of the SSSF. The SSSF activities in 2015 included; construction of Stages SA1a and SW4 tunnels in the South Edmonton Sanitary Sewer (SESS) system; preliminary and detailed design works for segments NC2/NC3 and N1 RTC Gate in the North Edmonton Sanitary Trunk (NEST) system; and remaining post construction works for segments W1, W13 and W14 in the West Edmonton Sanitary Sewer (WESS) system.

The SSSF Management and Operational Committees met four times this year as a combined committee to approve design, construction schedules and budgets for various segments to be constructed, approve revenue rates for 2016, monitor construction progress, and review the financial status of the Fund.

Since the start of the program, about 37.0 km of offsite tunnels have been constructed to support new developments including single family, multi-family residential, commercial and industrial lots.

In 2015, the SSSF recorded revenue of \$27.8 million and a total expenditure of about \$14.0 million resulting an addition of \$13.8 million to the fund. The closing balance at the end of 2015 was \$60.9 million as compared to the 2014 year-end balance of \$47.1 million. The actual revenue collected this year was higher than anticipated revenue of \$24.8 million because of increased development activities which put SSSF in a better financial position to meet the upcoming developments needs within the City, despite the downturn of the economy. In contrast, this year the expenditure was \$14.0 million which was less as compared to the forecast of \$23.0 million, and this was mainly due to some delays in two major projects SA1a and SW4.

In the next ten years, the cash flow model shows that the balance will remain positive. However, after that it starts decreasing and will reach to a negative balance of approximately \$40 million by year 2035; after which the revenue starts recovering again and will be back into positive by year 2042.

The focus in 2016 will be to finish the remaining construction work of SESS Stage SA1a, start construction of SESS Stage SW4, and NEST Stage NC2/NC3, complete the detailed design and construction of N1 RTC Gate at downstream end of existing NEST N1 storage tunnel, and carry out all the proposed planning studies for the current year which includes the SSSF Integrated Planning Study.

Mikaela Hanley, M. Eng., P. Eng.
Acting Chair, SSSF Management Committee

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1.0 PLANNING & CONSTRUCTION ACTIVITIES IN 2015

The following is a summary of the planning and construction activities completed under the Sanitary Servicing Strategy (SSS) in 2015 with some construction photos shown:

North Edmonton Sanitary Trunk (NEST) - Stage NC2/NC3

This project evolved from the NEST NC1 pump station and force main project as reported in the 2014 SSSF Annual Report. The NEST NC1 pump station and force main project was a temporary solution to defer high capital investment. The SSSF Committees decided that the updated cost estimate for the temporary solution was too high. In order to address the hydraulic capacity issues and mitigate flooding risk in the NC1 tunnel, the NEST NC2/NC3 tunnel project was proposed as a permanent solution.

The NEST NC2/NC3 project consists of a 2.7 km long 2,340 mm diameter tunnel to provide sanitary servicing to new neighborhoods north of 153 Avenue between

Castledowns Road and 88 Street. The NEST NC2/NC3 tunnel will be connecting to the existing NC1 tunnel at Castledowns Road and the NL1 tunnel at 88 Street along 153 Avenue. The project will be constructed in two phases so that a portion of the tunnel can be in-service to address the immediate storage deficit. Phase 1 consists of 0.4 km of tunnel from the existing manhole at NC1 pump station while Phase 2 is the construction of the remaining 2.3 km of tunnel.

In 2015, the design for Phase 1 started and a revised budget for the whole project was developed. Construction for Phase 1 will start in 2016 while construction for Phase 2 could start in 2017 as soon as Phase 1 gets commissioned, and upon approval from the SSSF Committees.

South Edmonton Sanitary Sewer (SESS) – Stage SA1a

SESS Stage SA1a will connect the SW1 pump station at Ellerslie Road and Parsons Road to Stage SA1b at 91 Street and 9 Avenue N.W. This segment will allow the SESS flow to bypass the South East Regional Trunk Sewer (SERTS) so that it is no longer limited by SERTS available capacity. Construction of the 2.3 km long SA1a sanitary sewer started in 2014. City tunneling crews mobilized in June 2014 to start the 1 km long tunneling portion while the remaining 1.3 km section was awarded to Shanghai Construction Group Canada. In 2015, both in-house City tunneling crews and the external contractor completed the majority of the tunneling works. Some photos of the construction activities for the SA1a tunnel project are shown on pages 5-8.

South Edmonton Sanitary Sewer (SESS) – Stage SW4

Following the design stage of the SESS SW4/SW5 project (as reported in the 2014 SSSF Annual Report), construction of SESS SW4 was approved to proceed in 2015, (the SW5 portion was deferred). This project involves the construction of

1.6 km of 2,940 mm diameter tunnel which extends from Ellerslie Road S.W. at Whitemud Creek to Windermere Boulevard west of the Anthony Henday/Rabbit Hill Road interchange. Construction of SW4 will be completed through in-house tunneling and the project started in August 2015, scheduled to be completed in 2018. In 2015, the construction site was established and construction on the working shaft started. Some of the construction photos are shown on pages 9-11.

Post Construction Work for W1, W13, W14, SE4A

All segments have been completed earlier than 2015; however, remaining post construction activities were completed in 2015.

WESS Planning Update Study

The WESS Planning update study was carried out in 2015 to update the West Edmonton Sanitary Sewer (WESS) implementation plan for the remaining WESS system, together with developing a detailed concept for the Terwillegar University Farms Sewer (TUFS) sanitary sewer implementation plan.

As of December 2015, major works have been completed. The City has received and reviewed the draft report submitted by the Consultants and currently working with them on some additional details to finalize the report.

SSSF Program Review

The SSSF program was initially based on a specific development scenario with associated construction and revenue forecasts. However, the rate of development in recent years has been much higher than anticipated, resulting in increased revenue and an increased demand for projects. This has been a major challenge for the SSSF Committee to come up with immediate solution moving forward. Earlier in 2015, two proposed planning solutions were initiated such as the

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following:

- a) To engage a consultant to review the overall program of the SSSF;
- b) To update the Financial Model based on new validated information.

The City has identified the need to review and update the SSSF Program to evaluate where the program has gone so far; to examine various components forming the strategy in order to assess whether the SSS funds will be sufficient to complete the proposed construction program. The overall program analysis is expected to assess and evaluate revenues and rates projections against available land to be developed. Further, the SSSF program review will assess the applicability of the program (in terms of its original intent), and recommend appropriate amendments to ensure sustainability of the fund.

The study was awarded in August 2015 and final report is scheduled to be completed by January 15, 2016.

SSSF Financial Model Update

The SSSF Financial model has been updated over the course of the SSSF Program review with the final version expected to be completed by March 2016. The updated model was developed with some additional functional and logical improvements.

One of the primary changes from previous version is in the calculation of projected revenue. Previous version of the model used was based on assumptions linked to population growth projections; however, these growth projections do not take into account the developable land inventory remaining in the City. Originally, the program is projected to be completed by 2075; however, with the incorporation of land inventory into the model and with the updated growth rates, full build out of the City is expected to occur by 2059.



Figure 1a: SESS Stage SA1a- Pipe Jacking station

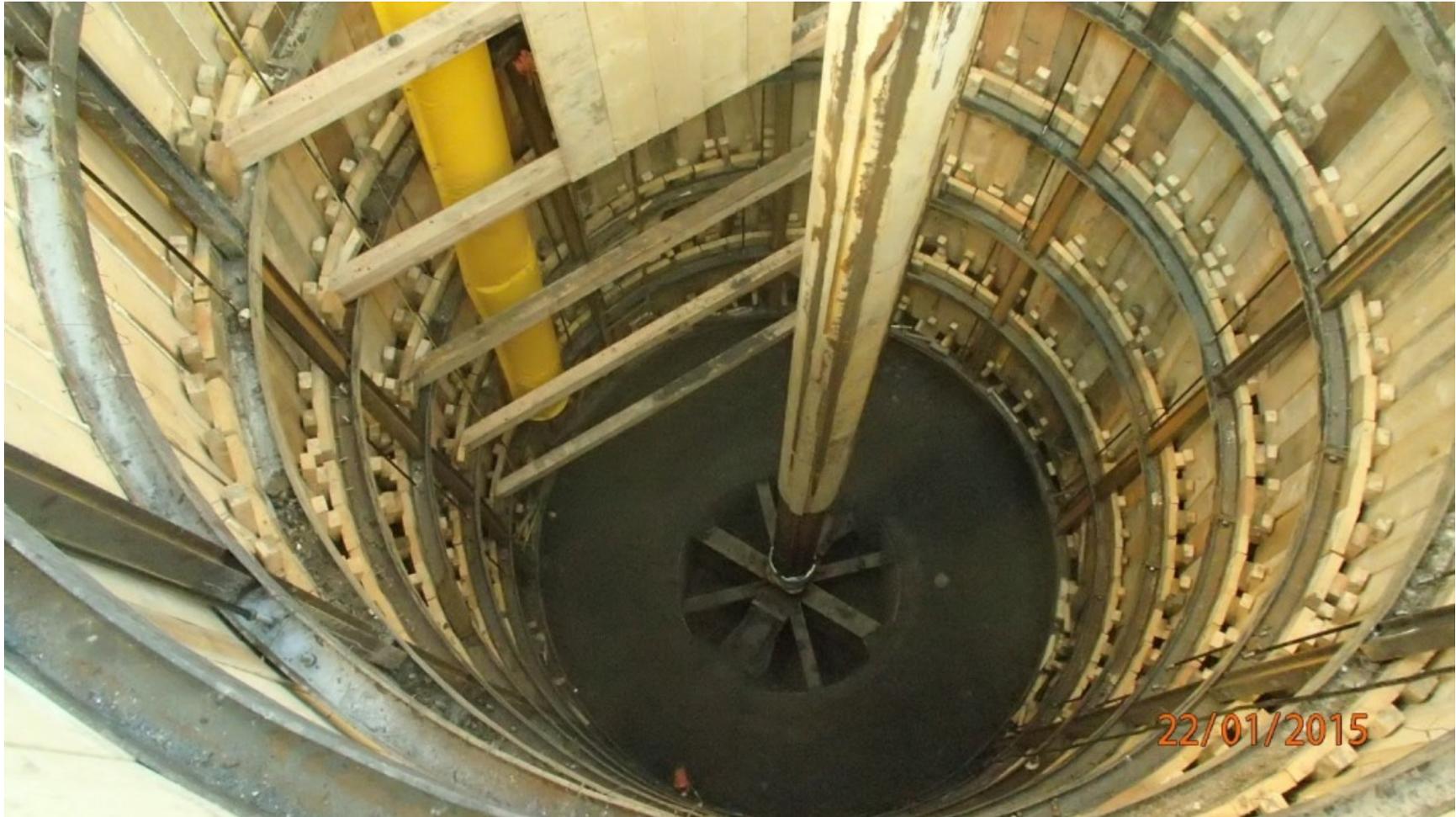


Figure 1b: SESS Stage SA1a- Shaft removal



Figure 1c: SESS Stage SA1a- Shaft & Force main Riser Installation



Figure 1d: SESS Stage SA1a- TBM removal



Figure 1e: SESS Stage SW4- Shaft Excavation

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Figure 1f: SESS Stage SW4- Working Shaft Construction



Figure 1g: SESS Stage SW4- Working Shaft Construction

2.0 MANAGEMENT AND OPERATIONAL COMMITTEES

The role of the **SSSF Management Committee** is to make decisions regarding revenues and expenditures that best meet the long-range plan of all the stakeholders. The Committee has six members:

Chair: Director, Drainage System Planning – Todd Wyman
Members: Director, Drainage Client Services – Clement Yong
UDI Representative – Dave Kinders
UDI Representative – Wade Zwicker
Senior Planner, Current Planning – Tim Ford
General Supervisor, Infrastructure Planning- Fernando Sacluti
(Secretary & Non-voting Member)

The Management Committee met four times in 2015 at joint sessions with the SSSF Operational Committee. Some of the major decisions made are listed below:

- Approved the five planned consultant works with a total amount of \$761K consisting of the following; \$240K for WESS Planning Update Study, \$36K for NEST Control Philosophy, \$275K for SSSF Program Review, \$10K for Financial Model Update, and \$200K for Integrated NEST/SESS/WESS/TUFS planning studies.
- Approved construction of the SW4/SW5 trunk in two stages; to construct SW4 in 2017 and delay construction of SW5 until 2021 or 2022.
- Approved construction of the NC2/NC3 tunnel as part of a permanent solution to address storage and wet weather flow issues in the NC1 area instead of the temporary NC1 Pump station and force main which will be of high throwaway cost.

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- Approved to proceed with the preliminary and detailed design of the NC2/NC3 project with initial budget of \$1.7M; and once detailed design is further advanced, total budget will be presented to the committee for approval.
- Approved the preliminary and detailed design for the construction of N1 RTC with initial budget of \$100,000; and once detailed budget becomes available, the total budget will be presented to the committee for approval.
- Approved the recommended 2016 SSSF rates for a total of 9.5% increase (i.e. 1.08% increase based on what the model generates and additional 8.42% based on the 2009 program review recommendation of 20% increase over a ten year period on top of inflation).
- Approved the new recommended timelines for SSSF annual reporting to be by end of first quarter.

The **SSSF Operational Committee** provides recommendations to the Management Committee regarding the timing and capacity requirements for new trunk construction, and flags relevant issues for consideration by the Management Committee. The Committee is composed of seven members:

Chair: General Supervisor, Infrastructure Planning – Fernando Sacluti
Members: Construction Manager – James Tan
Land Development Engineer, Sustainable Development – Jim Wood
UDI Representative – Leo Levasseur
UDI Representative – Dylan Hunchak
Drainage Financial Coordinator – Steve Chung/Ralph Gallace
Program Manager, Infrastructure Planning– Khalid Aziz
(Secretary & Member)

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The Operational Committee met four times in 2015 at joint sessions with the Management Committee and achieved the following major accomplishments:

- Recommended the WESS planning update study to review implementation plan of the remaining WESS system; and the SSSF Integrated planning study to assess the need of various segments based on the most current growth projections and timelines.
- Recommended the construction of SW4/SW5 in two stages based on the result of the financial model forecast regarding possible impact to other projects; SW4 to start construction in 2017 and SW5 to be deferred until 2021 or 2022.
- Recommended the total 9.5% increase for the 2016 SSSF rates which is equivalent to 1.08 % annual inflationary increase plus 8.42% additional increase based from the recommendation in the 2009 program review of 20% increase to SSSF rates over ten (10) years.
- Recommended an update of the SSSF Financial model to examine its validity and introduce a new approach/methodology in setting annual revenue rates.
- Recommended the SSSF Program Review to examine various components of the strategy and evaluate overall health of the Program funding.
- Recommended construction of the N1 RTC to control storage and release of flow from the interim NEST discharge into the CST trunk.

3.0 FIVE YEAR CONSTRUCTION PLAN

The following section outlines the proposed major SSSF construction program for the next five years (2016-2020). This proposed program is developed to support orderly development throughout the City of Edmonton in a cost effective manner, using latest population and employment projections available to the City, as well as input from the development industry. It also strives to meet the important objective of maintaining a positive balance for the Fund. The locations of the construction projects are shown in Figure 2 on page 21.

2016 – North Edmonton Sanitary Trunk (NEST) Stage N1 RTC

This project involves the design and construction of a Real Time Control (RTC) gate at 153 Avenue and Manning Drive. This gate will engage the storage capacity in the NL1/NL2/NL3/N1 tunnel segments. This gate will also control flow into the Clareview Sanitary Trunk (CST) system en route to Capital Region treatment facility. The schedule is to install this gate in 2016/2017.

2016 to 2020 – North Edmonton Sanitary Trunk (NEST) Stages NC2 & NC3

This project includes the design and construction of 2.7 km of 2,340 mm tunnel from Castledowns Road to 88 Street along 153 Avenue to connect the existing NC1 tunnel with the existing NL1 tunnel. As a result of the risk assessment, the project will be completed in two phases. Phase 1 is to construct and commission an initial 360 m section of the tunnel to alleviate the immediate flood risk. Phase 2 is to construct the remaining 2.3 km of

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tunnel. The SSSF Management Committee approved the design phase of this project with a budget of \$1.7 million. Construction for Phase 1 is expected to start in 2016 and the whole project will be completed in 2020.

2016 – South Edmonton Sanitary Sewer (SESS) Stage SA1a

Construction of this 2.3 km long sanitary sewer, comprising both of TBM tunnel and micro-tunneling sections, started in 2014 and will be completed in 2016. The City in-house tunneling crews undertake the 1 km long TBM tunnel construction while an external contractor constructs the remaining 1.3 km of work. It is anticipated the project will be completed within its \$27.5 million budget.

2017 to 2018 – South Edmonton Sanitary Sewer (SESS) Stage SA10a

This section of SESS will be constructed along 34 Street south of 76 Avenue to approximately 68 Ave. It will provide sanitary servicing and wet weather storage to allow continued development in Southeast Industrial areas including Maple Ridge Industrial and Pylypow Industrial. Concept design consists of 750 m long, 2920 mm diameter storage tunnel.

Preliminary/detailed design work started in 2012 and is 95% completed. The construction is on hold, subject to the signing of the servicing agreement by the developer. Also, neighborhood design drawings need to be circulated in the City. Once servicing agreement is signed, the project is for approval of the SSSF committee.

2018 - South Edmonton Sanitary Sewer (SESS) Stage SA10a Pump Station & Force main

The SESS-Stage SA10a project will include a pump station and a force main at 76 Avenue and 34 Street, with an interim discharge to the existing 74 Avenue sanitary sewer.

2016 to 2018 – South Edmonton Sanitary Sewer (SESS) Stages SW4

This portion of SESS, a westerly extension of the existing SW tunnel, will be constructed south of Anthony Henday Drive along Ellerslie Road S.W. from Whitemud Creek to Windermere Boulevard west of the Anthony Henday/Rabbit Hill Road interchange. This stage will service additional development in the Windermere area. The total length for the 2,950 mm diameter tunnel is 1.6 km. Construction started in 2015 and will be completed in 2018. The total budget approved for this project was \$29.7 million.

2019 to 2021 – West Edmonton Sanitary Sewer (WESS) Stage W3,4,5

These segments when connected together would ultimately increase the conveyance capacity of the sewer network from West Edmonton, through downtown and to the Gold Bar Waste Water Treatment Plant (GBWWTP). Construction of a 2340 mm, 2.6 km long tunnel along 142 Street to 125 Street is recommended to begin in 2022; however, constructing them sooner will help relieve a bottleneck found in the combined trunk between 142 Street and 125 Street. The combined segments are expected to provide sufficient storage to serve new developments.

**2019 to 2021 – West Edmonton Sanitary Sewer (WESS) Stage W3,4,5
Connection Structure to Combined trunk**

The connection structure is proposed to connect Stages W3,4,5 segment to the combined 1500 to 1650 mm combined trunk between 142 Street and 125 Street to help relieve an existing bottleneck issue.

2020- South Edmonton Sanitary Sewer (SESS) Stages SW1 PS (1st Upgrading)

This is part of the recommended pump station capacity increases proposed under the recent SESS Planning Update Study. The first stage of SW1 pump station upgrading is expected by 2020. The existing SW1 pump station is to be upgraded to 500 L/s capacity to meet the projected increases in dry weather flow and storage drawdown requirements over time.

2016 – South Edmonton Sanitary Sewer (SESS) Stage SA1c RTC Gate/SW1 Pump Station Functional Planning

This functional study is required to review and refine storage optimization in SA1 segment by defining control logics at SA1c RTC gate and SW1 pump station. This project is planned to be carried out in 2016 with estimated budget of \$75K. The Terms of Reference (TOR) and Request for Proposal (RFP) are underway. This project is targeted for completion in 2016.

2016- CST Planning Update & Condition Assessment

NEST is dependent on CST at the downstream side; however, CST is not in a good shape. The objective of CST Planning and condition Assessment study is to assess the current physical condition of CST, to come up with an upgrading plan and refine the NEST servicing concepts accordingly. The Terms of Reference (TOR) and Request for Proposal (RFP) are underway.

2016- SESS SW6-SW7 Functional Planning

Early than projected developments at Riverview neighborhoods has resulted

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to a need to review and redefine the staging and storage concept for SESS segments (SW6-SW7). Functional planning study will evaluate the timelines and storage requirements based on updated growth projections and river-crossing options including cost benefit analysis. This project is targeted to be completed in 2016 with estimated budget of \$75 K. The Terms of Reference (TOR) and Request for Proposal (RFP) are underway.

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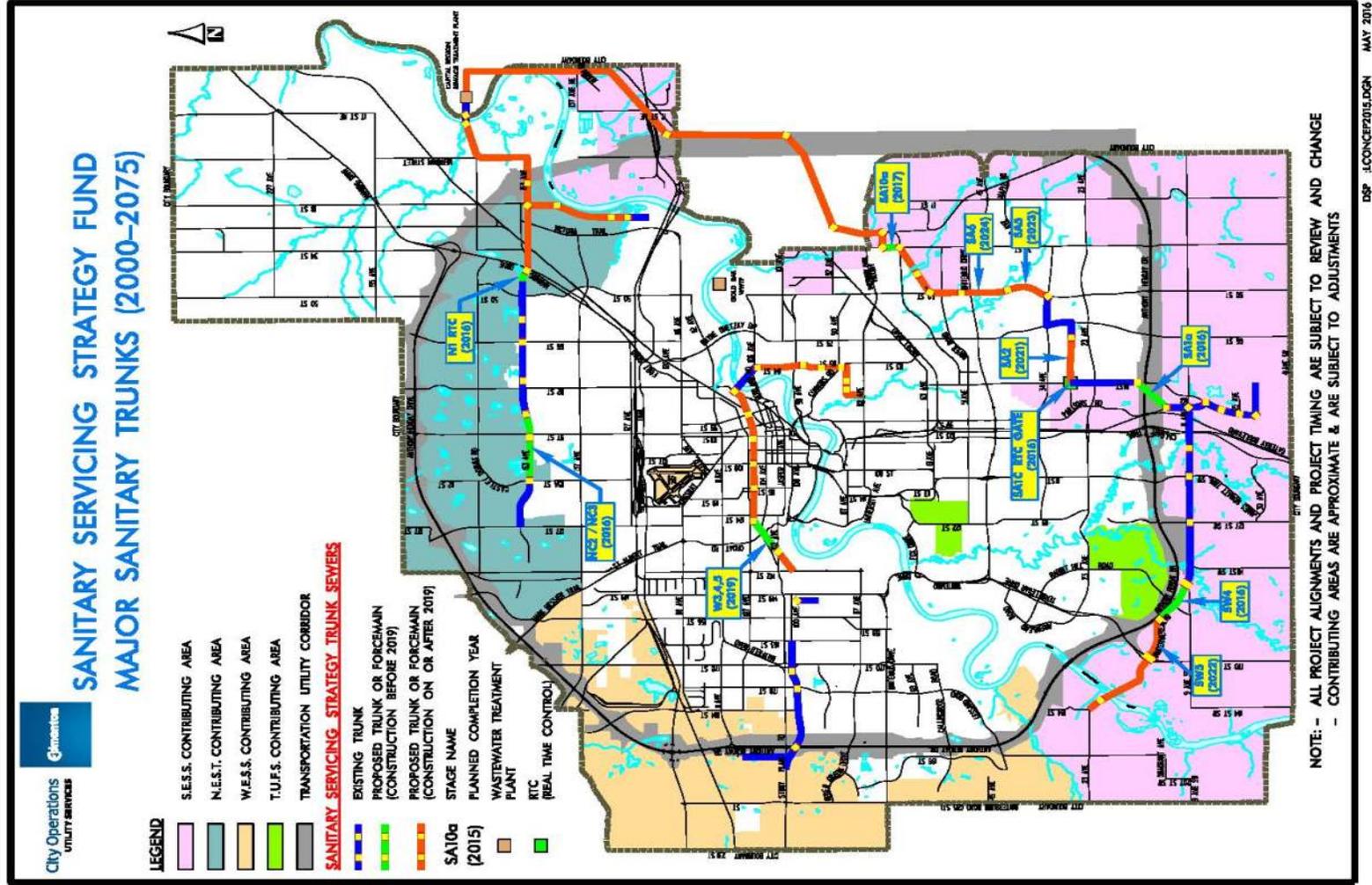


Figure 2

4.0 FUND BALANCE

4.1 TWENTY FIVE YEAR HISTORY & PROJECTION

The SSSF Financial Model was updated in 2015 to reflect updated project information associated with the changing economic situation, particularly with the current development growth projections and developable land inventory remaining in the City. As part of the SSSF program review 2015-2016, the segment cost estimates were updated to current dollars and were input into the model. With the incorporation of land inventory into the model and with the updated growth rates, the projected full build out of the City is expected to occur by 2059.

The latest projection in the financial model shows that the fund balance will remain positive at least throughout the next ten years before it drops to approximately \$40 million around 2035, and recovers back into positive within approximately 6 years. Figure 3 on page 24 shows the twenty five year fund balance history and projection (2016-2041).

The following list of assumptions have been adopted in the current version of the Model as provided by the City of Edmonton Sustainable Department and Finance Department:

- a) Population projections were based on the 2012-2047 CRB Traffic population and employment forecasting data.
- b) City of Edmonton Land Supply reports for low density residential and industrial.
- c) City of Edmonton Employment and Population forecasts by traffic zone.
- d) City of Edmonton NSP/NASP statistics
- e) Expenditure Inflation Rate of 3% compounded annually.

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- f) Economic inflation rate of 3%
- g) Interest earning rate of 1% per annum.

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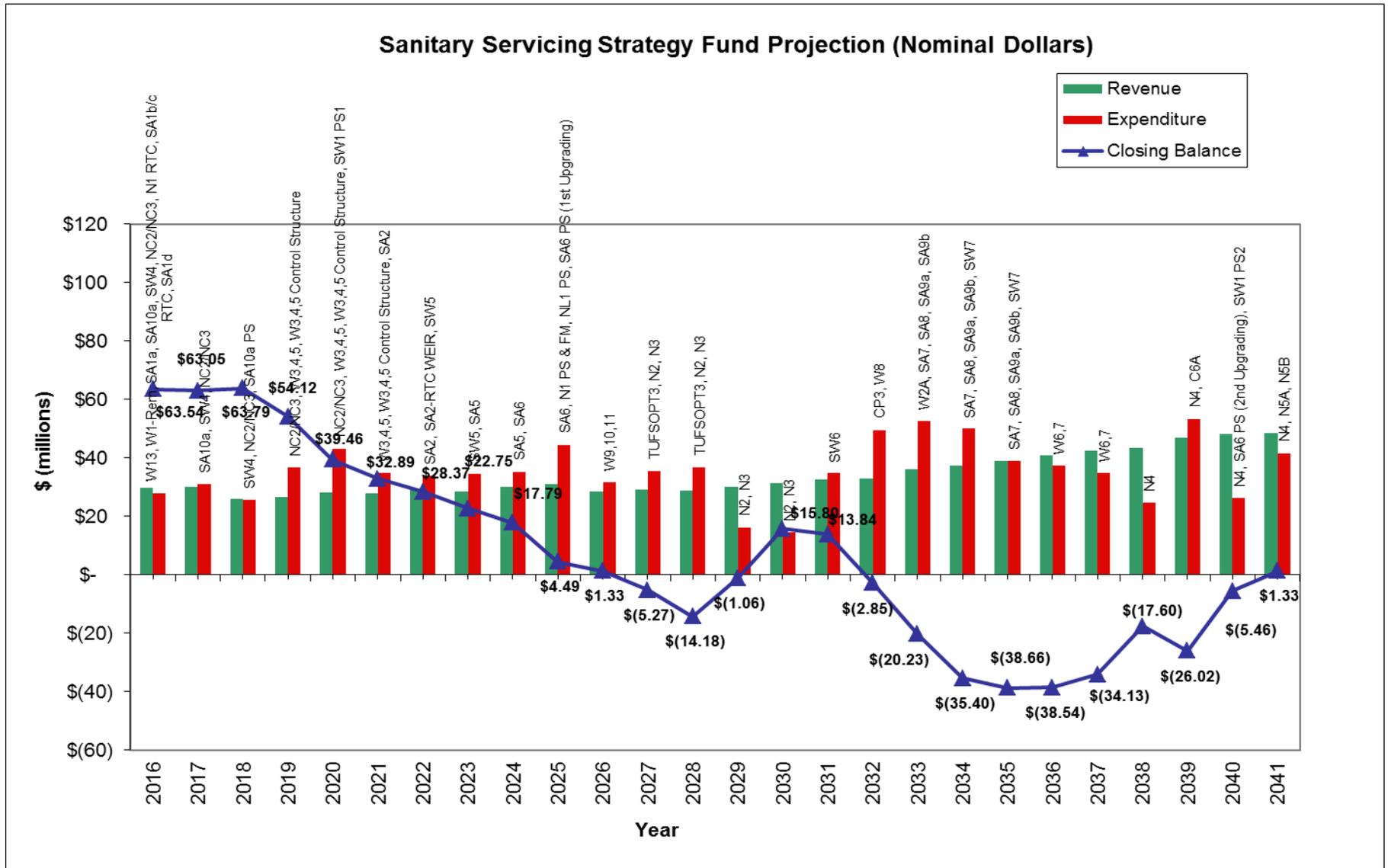


Figure 3

4.2 FIVE YEAR PROJECTION

Table 1 on page 27 shows the five year revenues and expenditures (2016-2020) projections for the Sanitary Servicing Strategy Fund based on the latest information available.

REVENUES

Opening Balance for 2016 – The SSSF cash balance as of December 31, 2015.

Revenues and Expenditures for 2015 – These are based on actual values recorded.

Interest (2016-2020) – Interest rate assumed at 1% per annum was used.

Utility Contribution – This amount represents contributions from the Sanitary Utility for diversion of sanitary flows from serviced City lands to the new trunk system constructed under the SSSF. These lands are located in Mill Woods and in Castle Downs. The amount is calculated based on an estimate of the SSTC these lands would have to pay. Based on results of the lot counts conducted in 2000, the Sanitary Utility would make annual contributions of \$2.6 million to the SSSF until 2014. In March 2006, City Council approved the recommendation to change the Utility Contribution amount to \$1.3 million commencing on January 1, 2007.

Sanitary Sewer Trunk Charge – The SSTC is collected when an application is made for a development permit or sanitary service connection. This charge applies to all new and re-developments in the City. Rates for 2016 were increased by 9.5% from 2015. The following are the SSTC rates for 2015 and 2016:

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<u>Type of development</u>	<u>2015</u>	<u>2016</u>
Single-family/Duplex Residential	\$1,430/dwelling	1,566/dwelling*
Secondary, garage & garden suite	\$ 633/dwelling	\$ 693/dwelling
Multi-family Residential	\$1,021/dwelling	\$1,118/dwelling
Commercial, Industrial, Institutional	\$7,152/ha	\$7,832/ha

Estimated SSTC revenues from 2016 to 2020 were based on the current development growth projections provided by Sustainable Development Department.

Expansion Assessment (EA) – The EA is an area-based assessment that is collected at the time of subdivision, development permit application or sanitary service connection application. The EA applies to those areas of the City that did not have an approved Neighborhood Structure Plan (NSP) before January 1, 1999.

The 2015 EA rates were increased by 9.5% from 2015. The 2015 and 2016 rates for EA are as follows:

<u>Contributing Area</u>	<u>2015</u>	<u>2016</u>
North Edmonton Sanitary Trunk (NEST)	\$20,426/ha	\$22,367/ha
South Edmonton Sanitary Sewer (SESS)	\$20,426/ha	\$22,367/ha
Terwillegar and University Farms (TUFS)	\$20,426/ha	\$22,367/ha
West Edmonton Sanitary Sewer (WESS)	\$25,536/ha	\$27,962/ha

EXPENDITURES

Estimated Construction Costs – Construction cost estimates for the 2016 to 2020 time frame were based on the updated segment costs provided as a result of the recent program review.

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SANITARY SERVICING STRATEGY FUND-5 YEAR PROJECTION

	2015 (Actual)	2016	2017	2018	2019	2020
Opening Balance	\$ 47,114,728	\$ 60,928,997	\$ 63,535,970	\$ 63,046,477	\$ 63,790,581	\$ 54,122,707
Interest earned	466,264	619,228	629,763	631,030	586,633	465,581
Sanitary Utility Contribution	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Sanitary Sewer Trunk Charge	15,354,874	16,860,031	16,914,943	14,945,913	15,509,308	16,348,705
Expansion Assessment	10,673,208	11,761,280	11,849,639	9,604,506	9,807,590	10,490,492
Total Revenues	27,794,346	30,540,539	30,694,345	26,481,449	27,203,531	28,604,778
Estimated Construction Costs	(13,735,781)	(27,583,566)	(30,683,838)	(25,237,345)	(36,371,405)	(42,768,491)
Preliminary Studies	(244,296)	(350,000)	(500,000)	(500,000)	(500,000)	(500,000)
Total Expenditures	(13,980,077)	(27,933,566)	(31,183,838)	(25,737,345)	(36,871,405)	(43,268,491)
Closing Reserve Balance	\$ 60,928,997	\$ 63,535,970	\$ 63,046,477	\$ 63,790,581	\$ 54,122,707	\$ 39,458,994

Construction Costs (Nominal Dollars)

	Total 2016-2020	2016	2017	2018	2019	2020
W13	1,371	1,371	-	-	-	-
W1-Rem	17,704	17,704	-	-	-	-
SA1a	4,879,491	4,879,491	-	-	-	-
SW4	28,422,874	10,375,000	9,270,000	8,777,874	-	-
Sa1b/c RTC	1,510,000	1,510,000	-	-	-	-
SA1d	3,500,000	3,500,000	-	-	-	-
SA10a	11,407,376	-	11,407,376	-	-	-
SA10a PS & FM	10,092,342	-	-	10,092,342	-	-
SW1 PS (1st Upgrading)	11,386,773	-	-	-	-	11,386,773
NC2/NC3	47,483,043	6,000,000	10,006,462	6,367,129	13,424,138	11,685,314
N1 RTC	1,300,000	1,300,000	-	-	-	-
W3,4,5	35,988,964	-	-	-	19,669,086	16,319,878
W3,4,5 Control Structures	6,654,707	-	-	-	3,278,181	3,376,526
Total	\$ 162,644,645	\$ 27,583,566	\$ 30,683,838	\$ 25,237,345	\$ 36,371,405	\$ 42,768,491

Table 1- Five Year Revenues and Expenditures Projection

4.3 STATEMENT OF FUND ACTIVITIES AND BALANCE

The Statement of Fund Activities and Balance for 2015 are shown on Table 2, while Figure 4 shows each revenue component as a percentage of the total 2015 revenues. Figure 5 shows the historical SSSF revenue breakdown, whereas; Figure 6 shows the historical SSSF expenditures.

REVENUES:

Total revenues for 2015 were \$27.8 million which is lower than the amount of \$32.7 million collected in 2014.

- **Sanitary Sewer Trunk Charge (SSTC)** – For 2015, SSTC revenues totaled \$15.4 million, lower by \$2.3 million than the \$17.7 million collected in 2014. Again for this year, single-family/duplex developments contributed more than the multi-family developments, with the respective revenues being \$7.9 million versus \$ 6.4 million. The remaining SSTC revenues, \$1.03 million came from commercial, industrial, and institutional sector, way below the \$3.4 million mark in 2014.
- ♦ **Expansion Assessment (EA)** - For 2015, the total EA collected was \$10.7 million, down from the \$13.3 million collected in 2014.
- ♦ **Utility Contribution** – Total Utility contribution in 2015 was \$1.3 million.
- ♦ **Interest Earned** – Total interest earned during 2015 was \$0.50 million compared to \$0.4 million in 2014. This was due to the lower cash balance in 2014.

EXPENDITURES:

The largest expenditure item in 2015 was \$11.7 million for the construction of SESS (Stage Sa1a). Another \$1.1 million was spent in the construction of SESS (Stage SW4), while the rest were spent on NEST (Stage NC2/NC3), post construction activities for WESS (Stages W1, W13, & W14 SW3) as well as several engineering studies.

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Statement of Fund Activities and Balance
For the Period Ending December 31, 2015

	2014 Actual	2015 Actual	2,015 Budget	2015 Variance
REVENUES				
Sanitary sewer trunk charge - single/duplex revenue	8,447,473	7,934,122	6,349,021	1,585,101
Sanitary sewer trunk charge - multi family revenue	5,949,671	6,386,353	3,808,134	2,578,219
Sanitary sewer trunk charge - commercial/industrial/institutional revenue	3,363,639	1,034,399	1,797,576	(763,177)
Rebate	(18,853)	-	-	0
Expansion assessment	13,250,883	10,673,208	9,047,514	1,625,694
	30,992,813	26,028,082	21,002,245	5,025,837
Sanitary Utility Contribution	1,300,000	1,300,000	1,300,000	0
Interest earned	412,935	466,264	296,046	170,218
Total Revenues	32,705,748	27,794,346	22,598,291	5,196,055
		A		
EXPENDITURES				
NEST Stage NL2 & NL3	8,966	0	-	0
NEST NC2/NC3	0	447,099	568,000	(120,901)
NL1 PS Concept Study	0	219,829	-	219,829
NL1 PS Piping Repairs	0	137,565	-	137,565
SESS SA1a	9,574,462	11,693,491	16,170,423	(4,476,932)
SESS SA1d	0	0	3,500,000	(3,500,000)
SESS SA10a	462,872	94	40,000	(39,906)
SESS SW4	0	1,133,012	5,349,577	(4,216,565)
WESS W1-Rem	12,284	93	-	93
WESS W13	814,057	69,740	65,000	4,740
WESS W14	765,861	34,857	23,000	11,857
Preliminary Studies	376,293	244,296	792,000	(547,704)
Total Expenditures	\$12,014,795.00	\$13,980,076.00	26,508,000	\$(12,527,924.00)
		B		
Opening Balance	\$ 26,423,773.00	\$ 47,114,726.00	47,114,726	\$ -
Excess of Revenues over Expenditures	\$ 20,690,953.00	\$ 13,814,270.00	(3,909,709)	\$ 17,723,979.00
Ending Balance	\$ 47,114,726.00	\$ 60,928,996.00	43,205,017	\$ 17,723,979.00

C

Table 2-Statement of Fund Activities and Balance

Sanitary Servicing Strategy Fund
2015 Annual Report

2015 SSSF Revenues (27.8 M)

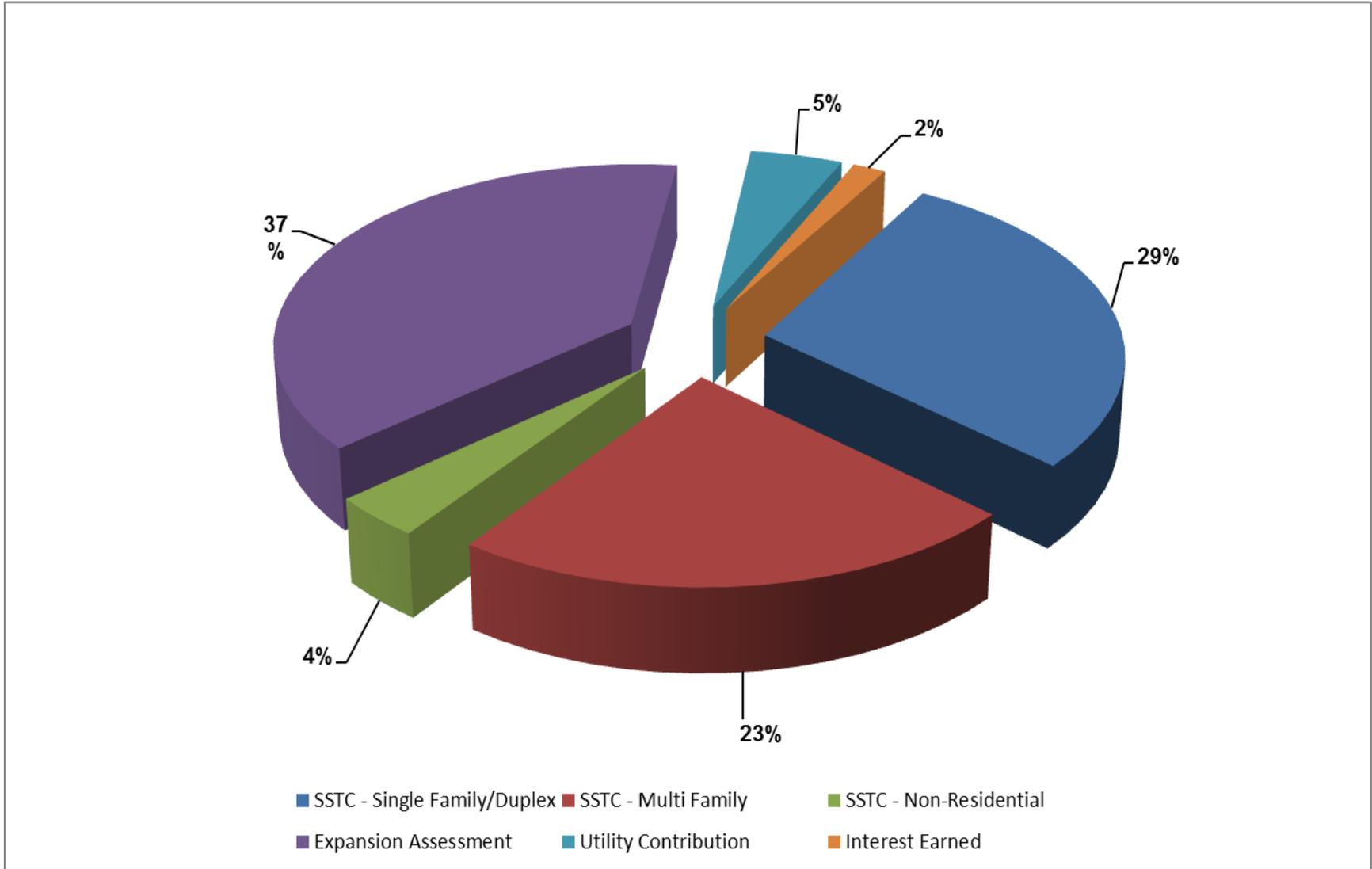


Figure 4

Sanitary Servicing Strategy Fund
2015 Annual Report

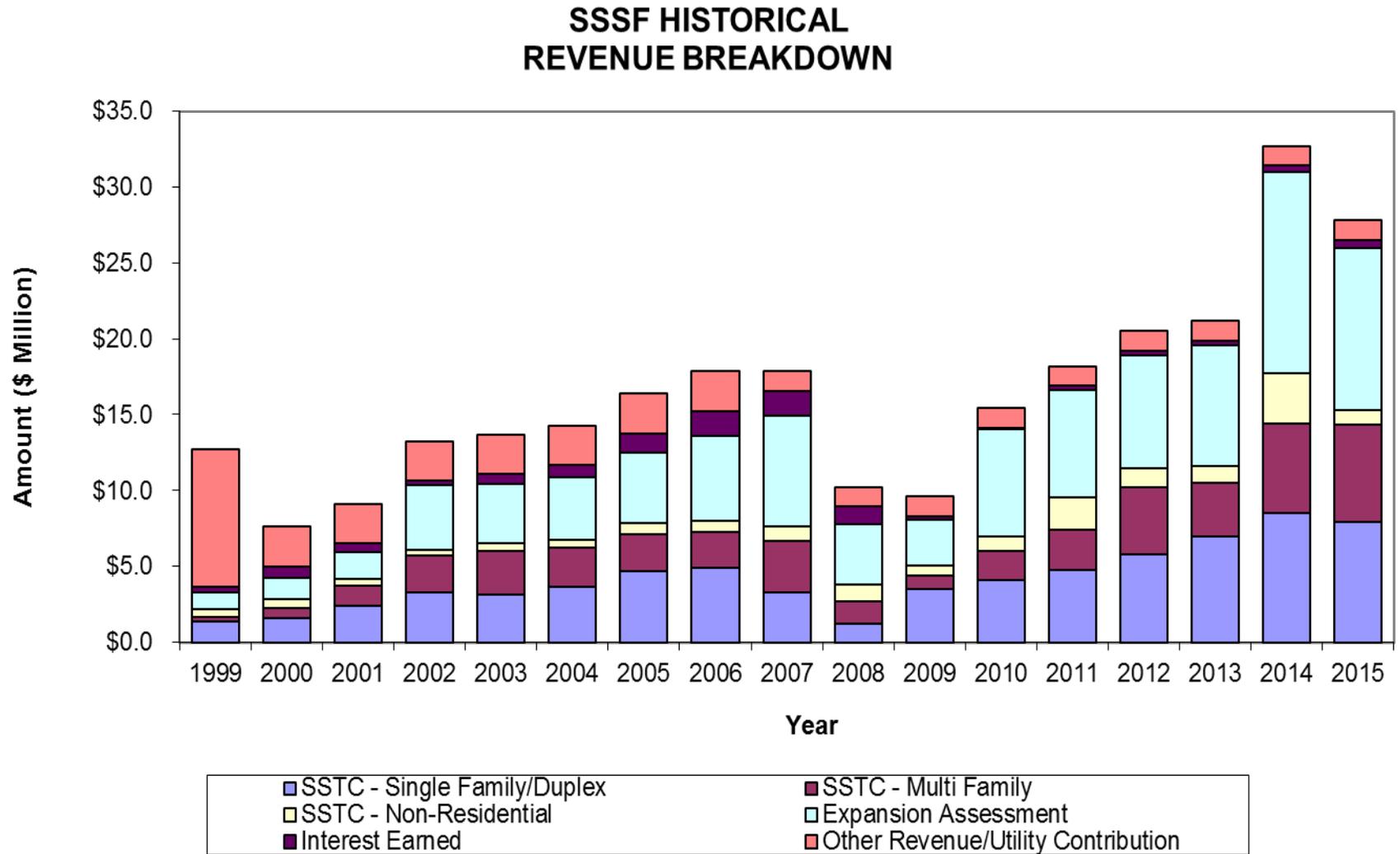


Figure 5

Sanitary Servicing Strategy Fund
2015 Annual Report



Figure 6

Sanitary Servicing Strategy Fund
2015 Annual Report

For more information, please:

Visit our website:

www.edmonton.ca/drainage

Inquiries may also be directed to:

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