



INFORMATION ONLY COUNCIL REPORT
Office of the CAO
For the March 24, 2020 Council Meeting

DATE: March 20, 2020
TO: Mayor and Council
FROM: Paul Gipps
RE: Rose Valley Water Treatment Plant

EXECUTIVE SUMMARY:

The City is in final preparations to move forward with Council's number one priority under the Investing in Infrastructure Pillar of Council's Strategic Priorities; the Rose Valley Water Treatment Plant. The first tender has been successfully awarded and preparations for the site works to begin shortly. In addition the tender came in under estimates.

In order to proceed further with the project staff are preparing additional reports and information for Council and the Rose Valley Water Treatment Plant service areas residents and property owners to update them on timing, costs and answer any questions and receive their feedback. These reports will be available in the coming weeks and months.

The City of West Kelowna is in receipt of a \$41 million Canada BC Infrastructure Grant that requires this project to be completed by 2022 so moving this project into construction phase as quickly as possible is essential. The City continues to build the reserves and has DCC's available and, like the Powers Creek Water Treatment Plant the City will need to borrow funding for the remaining costs of the Rose Valley Water Treatment Plant.

Based on current estimates calculated over a typical borrowing period, it is estimated that the cost will be approximately \$150.00 per year, and would be added to property tax notices as a parcel tax in 2023 for Rose Valley Water Treatment Plant users only. In the interim we will continue to build our reserves for this project through the quarterly utility billing from the Rose Valley Water Treatment service area properties.

Property owners who will be serviced by the Rose Valley Water Treatment Plant will have choices on how they would like to pay for a future Parcel Tax in 2023. Some options that are being explored include:

1. Automatic monthly pre-authorized payments can be set up, similar to their tax accounts, to prepay their annual taxes. Due to the timing of payments, etc., this payment gets split over 10 months (August – May), instead of 12 months. This results in the \$15 over 10 months; or,
2. Pay the \$150 annually as part of their property tax notice; or,

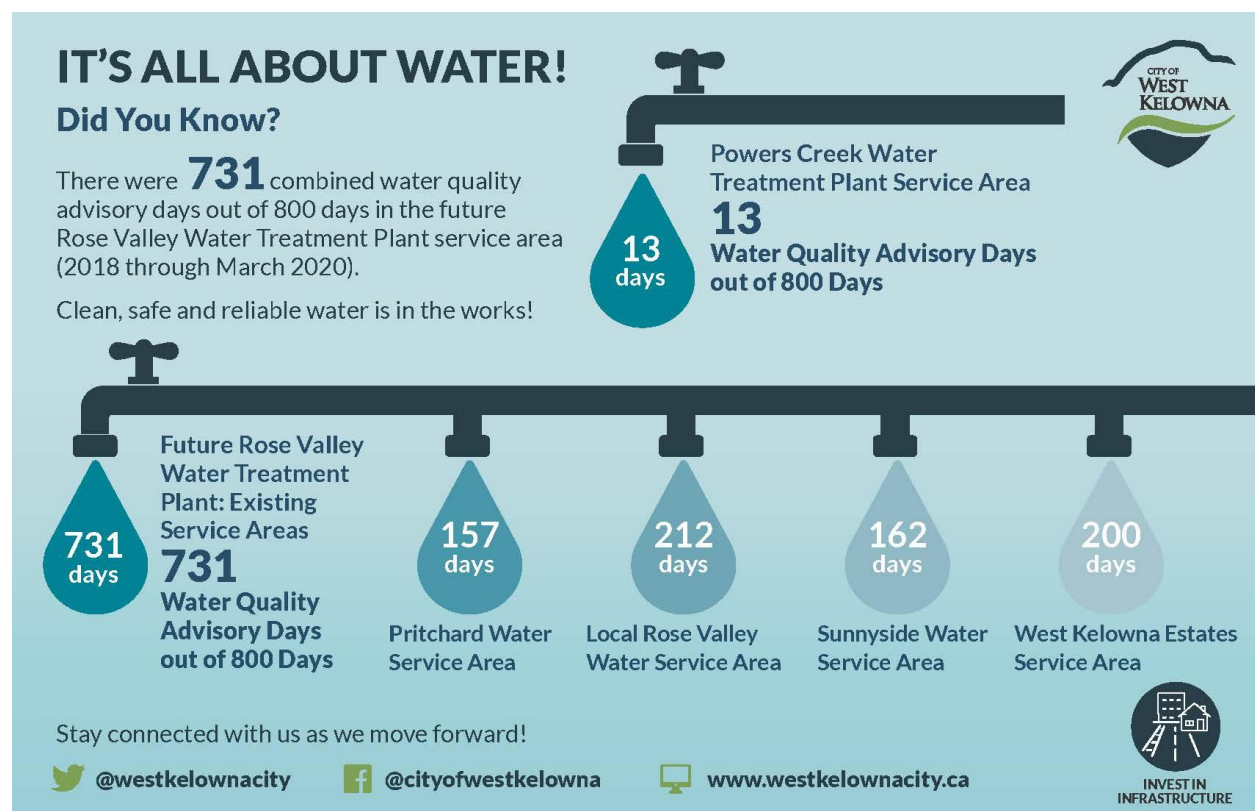
3. Make application to the City of West Kelowna to defer the Parcel Tax as part of their regular property taxes(subject to certain requirements); or,
4. Pay the one time upfront cost at the City of West Kelowna.

Customers in the Powers Creek Water Service Area will not be funding the construction of the Rose Valley Water Treatment Plant.

Since 2018, customers on the Powers Creek Water System, have experienced 13 days total of water advisories as a result of 3 different watermain breaks resulting from construction downstream of the Powers Creek Water Treatment Plant. In the same timeframe, customers on the Rose Valley Water System, whose distribution system is described above, experienced a total of 731 water advisories days over a period of 800 days (up to March 10, 2020).

Construction of the Rose Valley Water Treatment Plant should remove most of the previously issued water quality advisories as they relate to turbidity. In the future, some water quality advisories may be required due to issues (i.e. broken watermain) downstream of the water treatment plant.

In the interim while the project is being advanced efforts to improve water quality in its service delivery areas, the City will continue to make improvements to the entire water distribution system throughout the design, construction and operational stages of the Rose Valley Water Treatment Plant.



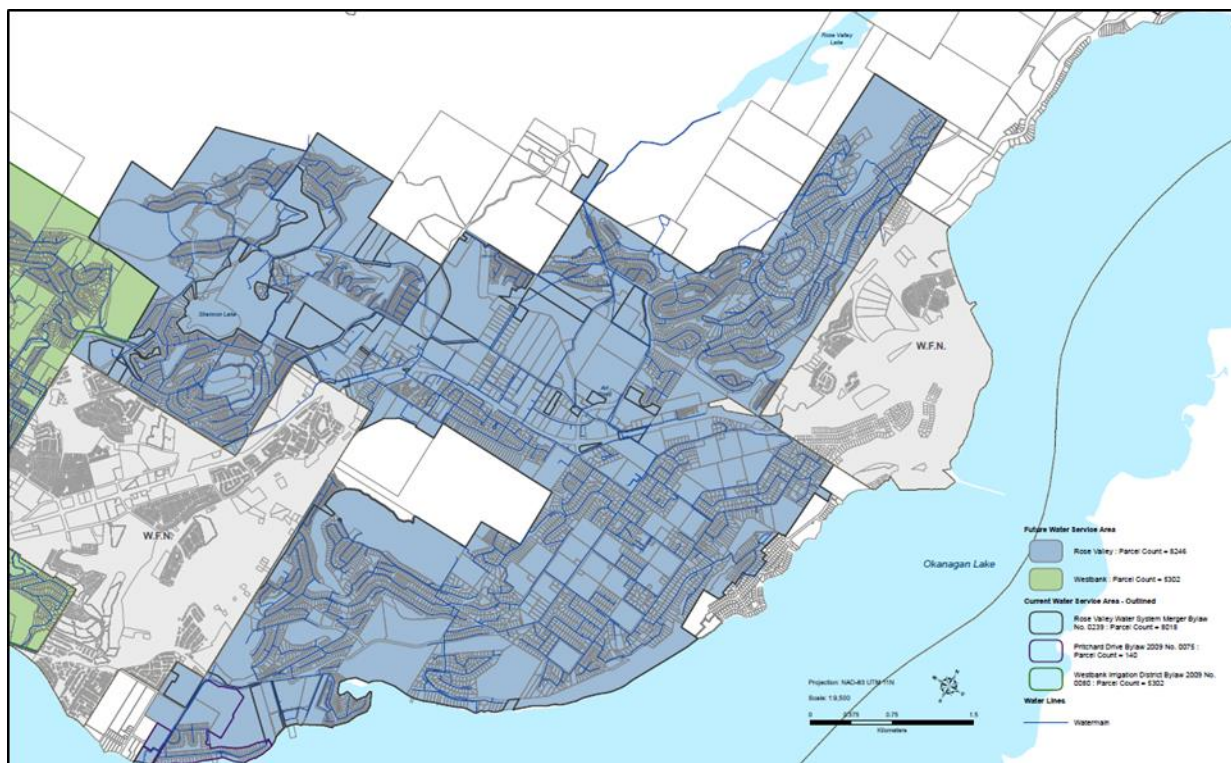
BACKGROUND:

On March 14, 2017, the City of West Kelowna entered into a Clean Water and Wastewater Fund Shared Cost Agreement. This agreement outlined a funding partnership whereby the Federal and Provincial Governments will contribute up to \$41 million dollars towards the construction of a multi-barrier water treatment plant in West Kelowna. This multi-barrier water treatment plant will satisfy Interior Health's condition of permit to operate a water system.

The City of West Kelowna must fund the remaining balance of the construction project, which per the terms and conditions of the grant award, must be completed by late spring of 2022. Should the project be delayed due to a lack of available funding, or other unforeseen circumstances, the City of West Kelowna risks losing the \$41 million dollar grant, which would result in all or part of the costs of construction being paid by the customers within that Water Service Area.

The new Rose Valley Water Treatment Plant will provide clean drinking water to all households in the proposed Rose Valley Water Service Area with a life expectancy of this facility exceeding 75 years.

This area has been established based on the ability of a parcel of land to connect to an existing water infrastructure in the Pritchard, Rose Valley (formerly Lakeview Irrigation District (LID)), Sunnyside and West Kelowna Estates Service Areas). An interactive map will be coming soon so those properties near the boundaries of the different water systems will be able to confirm which system they are being serviced by.



The Interior Health Authority has granted the City of West Kelowna a permit to purvey water to its residents. As a condition of that permit we have agreed to build a water treatment facility that

will provide a multi barrier approach to the water we deliver therefore proceeding is the only path forward.

It is anticipated that the new treatment facility will be operational by late spring/early summer of 2022 to meet the deadlines set by the Province and Federal Governments on their funding.

Due to the COVID-19 social distancing requirements, the non-statutory communications and engagement for the RVWTP will change. This means staff are looking at using more digital tools to inform and seek input from our community instead of holding public meetings, open houses and events. Service providers are extremely busy trying to meet the increased demand for online engagement and keeping up with the changing digital services required.

Staff have existing engagement tools, such as the Ask West Kelowna tab on our Home Page and using our digital survey service, and it may take a bit of time to increase our digital engagement platforms to accommodate more virtual engagement in the weeks and months ahead. Although our community can expect that changing our services will take some time, daily information and engagement remain through our existing channels:

City Telephone Line: 778-787-1000

City Website: www.westkelownacity.ca

City Facebook: @cityofwestkelowna

City Twitter: @westkelownacity

Project information will also continue to be posted on the Rose Valley Water Treatment Plant webpage located here: www.westkelownacity.ca/rvwtp.

Further reports and details around the costing, options to pay and how we will connect with the public and answer questions will be brought forward in the coming weeks and months. We are fully committed to getting this project out to the public and get their input and feedback as we move through the approval steps and into the construction phase.

Staff will also further detail in the coming reports our engagement methods for the Rose Valley Water Treatment Plant area residents and how those property owners will participate in a Council Initiative Counter Petition.

REVIEWED AND APPROVED BY:

Paul Gipps, CAO

Powerpoint: Yes ☒ No ☐