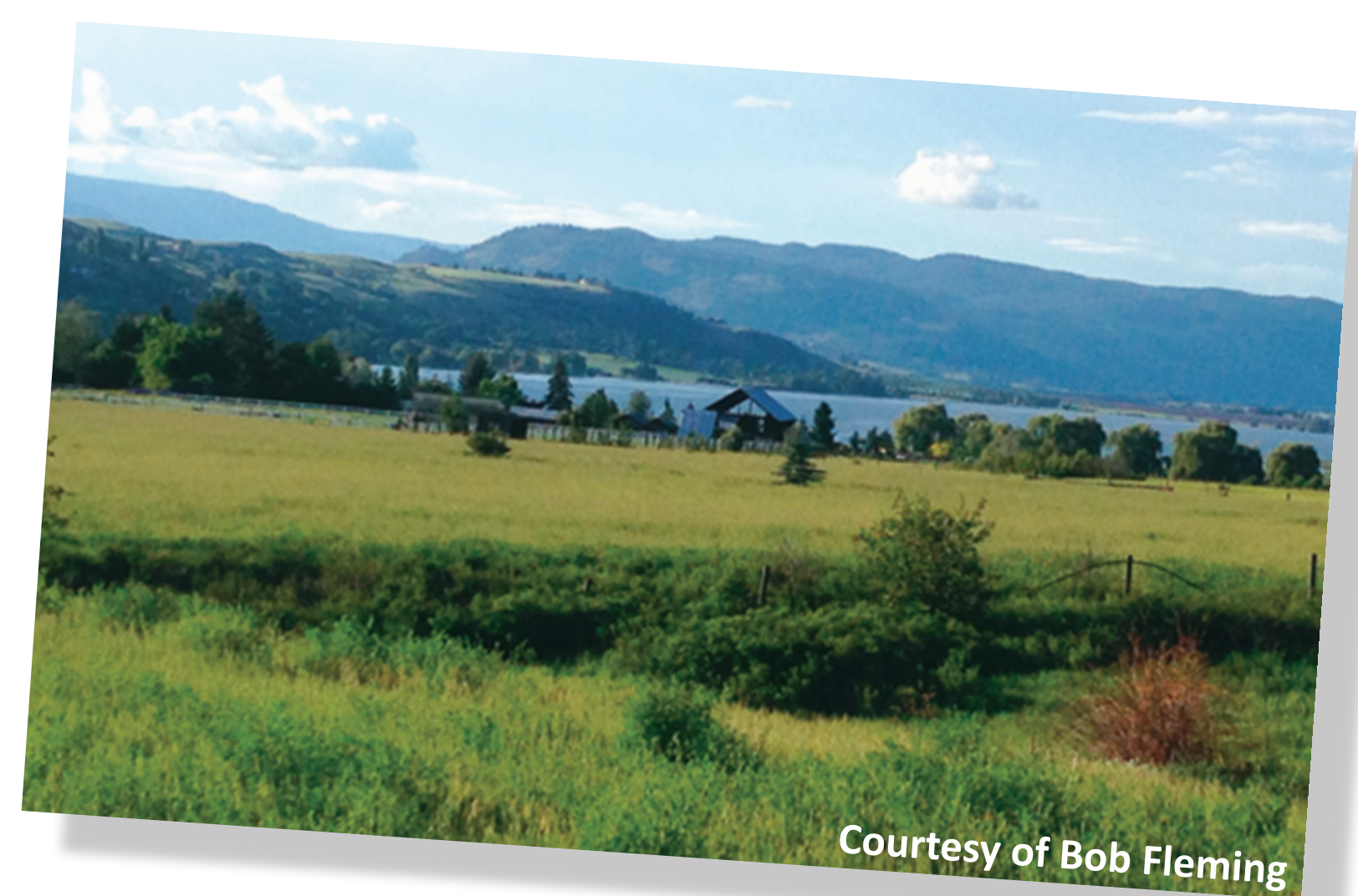
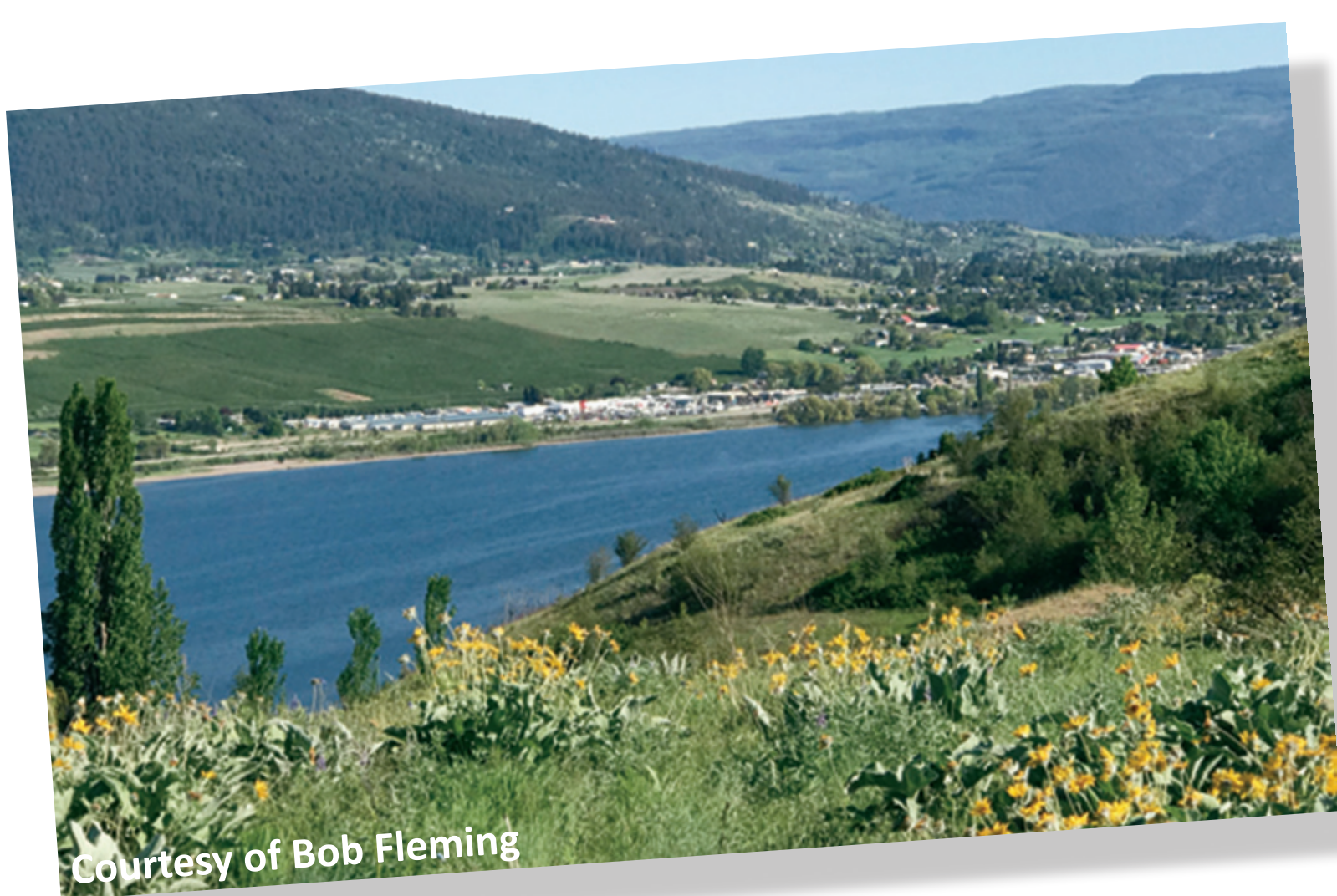




WELCOME!

Thank you for joining us!

- We're here to answer any questions you might have about the Wastewater Recovery Project in general or the petition in particular.
- If you brought your petition form, you can submit it tonight.



Enriching Environment & Economy

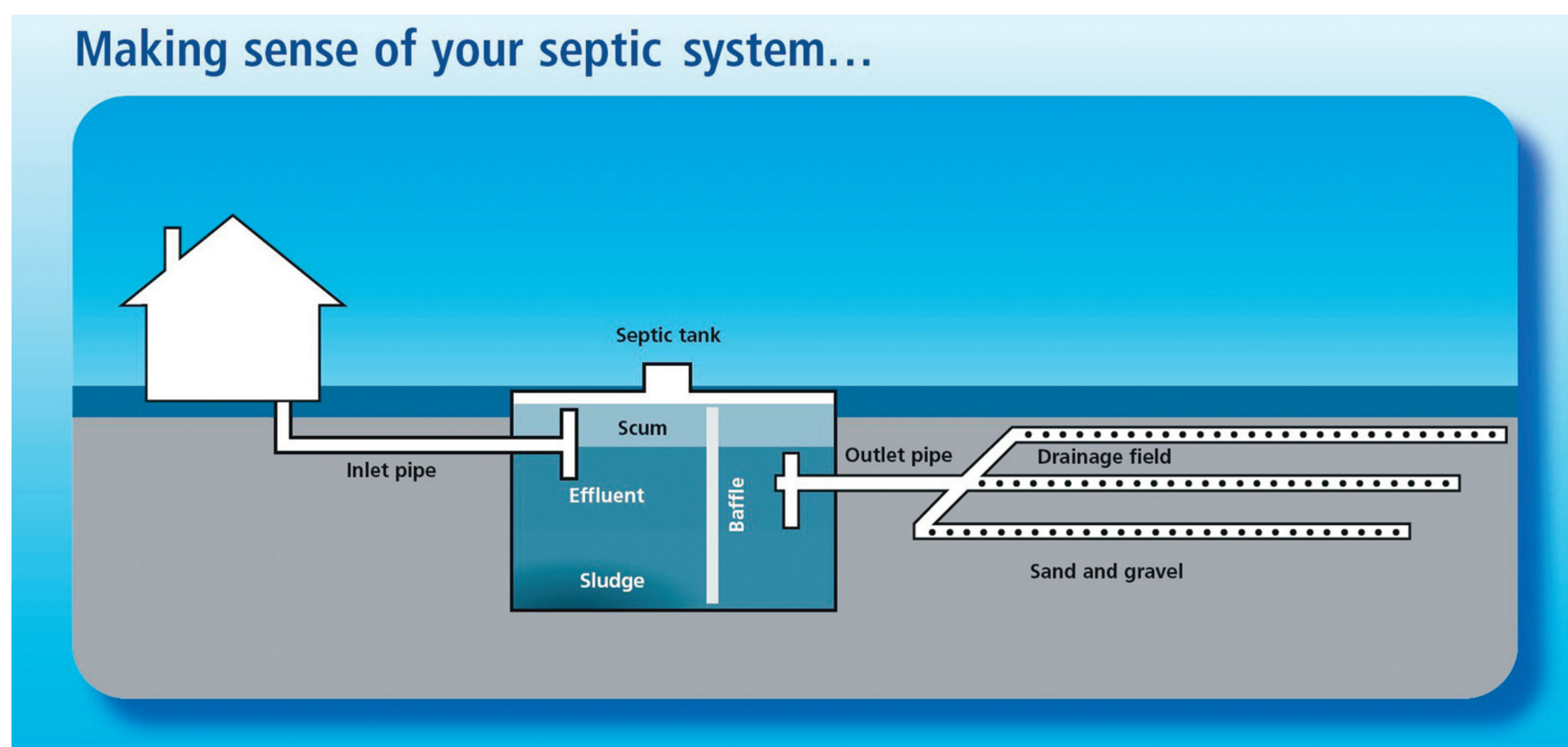


What is the Wastewater Recovery Project?

- A partnership launched in 2015 by the Regional District of North Okanagan (RDNO), Township of Spallumcheen, and Okanagan Indian Band (OKIB).
- The project would provide a wastewater treatment facility and sewer service to residents and businesses in some parts of Areas B and C, the Township of Spallumcheen's southeast industrial area, and portions of OKIB IR#4 within the proposed service area.
- The partners signed detailed Memorandums of Understanding in 2015 and 2018 to formalize:
 - Administrative functions
 - Ownership of sewer works
 - Decision-making authority
 - Operations and system management
 - Allocation of plant capacity
 - Capital costs recovery
 - Wastewater recovery regulations

What is wastewater?

- Also known as sewage or liquid waste, it is the untreated contaminated liquids and solids from homes and businesses (e.g., toilets sinks, showers, washing machines).
- Contaminants must be treated by a septic system or treatment plant before they can be reused or disposed of.

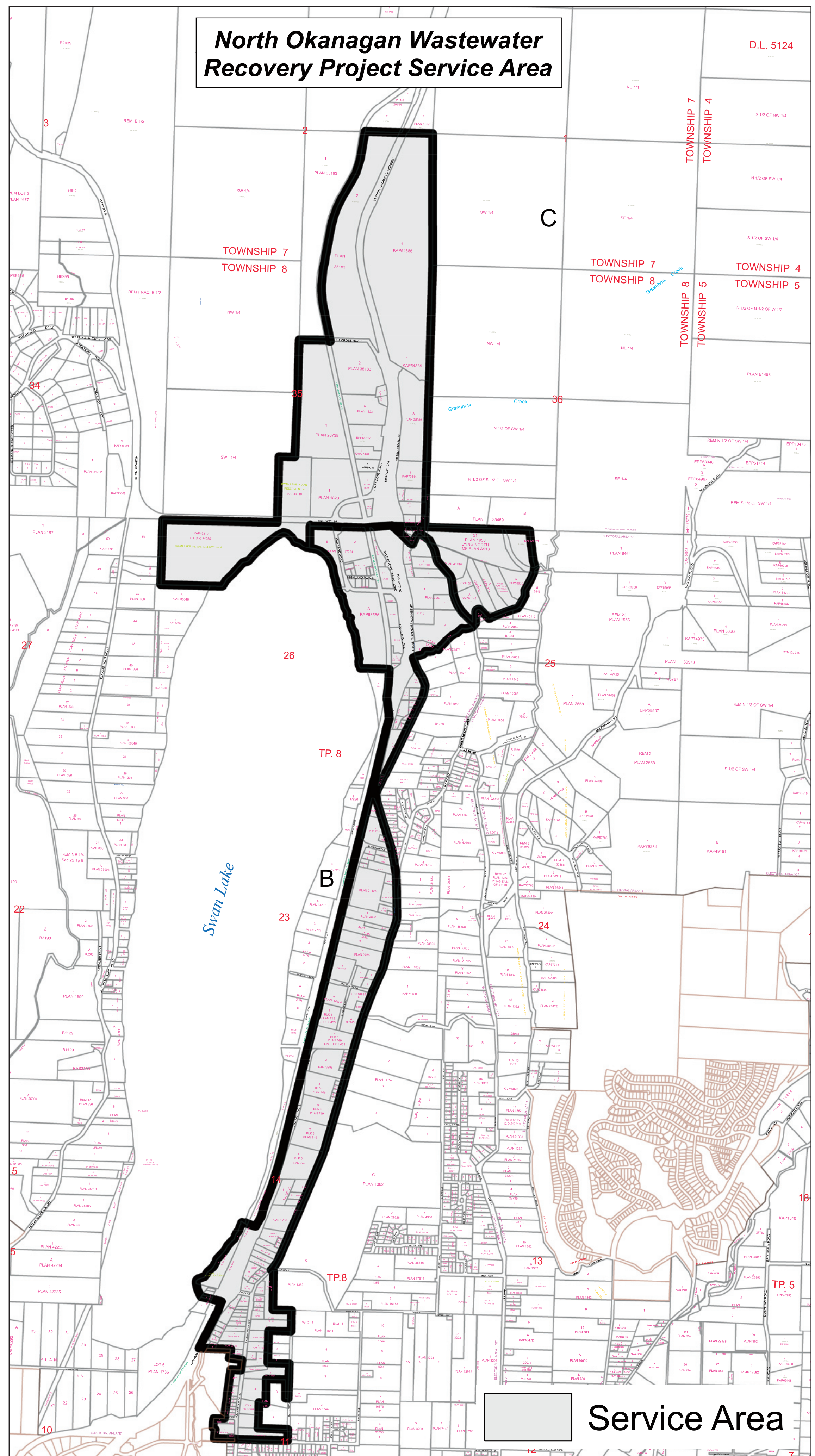


What is the proposed project service area?

The project includes portions of:

- RDNO Areas B and C in the Swan Lake Corridor
- Township of Spallumcheen's south-east industrial area
- OKIB IR4

The treatment plant is modular, and could be expanded to connect other areas in the future





How did the project unfold?

2015

- RDNO, Township of Spallumcheen, and OKIB signed a Memorandum of Understanding (MOU) to improve Swan Lake water quality and enhance economic development in all three jurisdictions by building one community sewer system.
- Western Water Associates Ltd. conducted the first of two Swan Lake water quality assessments and found Swan Lake was being impacted by septic systems.

2016

- Western Water conducted the second Swan Lake water quality assessment and recommended community sewer as the best solution.
- Urban Systems completed the *Phase 1 Feasibility Study*, which determined the project was viable technically and financially and featured ownership and governance models.
- RDNO *Employment Lands Report* supports development of community sewer to support regional economic development.

2017

- Province of BC provided \$10,000 to support Phase 2 planning.

2018

- Urban Systems completed the *Phase 2 Feasibility Study*, which provided more detailed project information.
- Urban Systems undertook the *Swan Lake Commercial Area and Neighbourhood Plan*. Survey results showed that 76% of respondents support community sewer for environmental and economic reasons.
- Project partners submitted a grant application for \$24.3M (66% of the total \$36.9M project cost) to the federal/provincial *Investing in Canada Infrastructure Program*.
- Partnership Team approved public information and engagement strategies.
- Okanagan Basin Water Board showed support for \$5.9M grant.
- Wastewater Recovery Community Working Group was formed to ensure community interests and objectives were reflected in project outcomes.

2019

- The RDNO is conducting a petition of Area B and C property owners within the proposed service area, to determine their support for long-term borrowing of their \$5.2M share (14%) of the total \$36.9M cost.
- If all grants and borrowing are approved, Urban Systems will proceed to the design phase.



Why build a wastewater treatment plant and community sewer?

- Protect Swan Lake water quality
- Support local agriculture with reclaimed water
- Provide development opportunities for residential and business property owners within the proposed service area (with zoning amendments)
- Enable appropriate and sustainable economic development in all three partner jurisdictions
- Enhance recreational use of the corridor



What other potential solutions were considered?

- Water quality, economic development, and agricultural studies all recommend community sewer as the most practical and affordable approach.
- Connection to the City of Armstrong community sewer was explored but is not viable.
- In keeping with City of Vernon policy, expansion of its sewer system would not be possible unless the Swan Lake Corridor became part of the City of Vernon and could not be expanded into the Township of Spallumcheen or OKIB.



What are the environmental reasons for the project?

- Historically, septic systems have been used to collect and treat wastewater on residential/business properties in the Swan Lake Corridor.
- 2015 and 2016 water quality assessments showed that many aging septic systems are leaking contaminants into Swan Lake.
- This contamination contributes to the degradation of water quality and bird habitat.
- Improved water quality would enrich fish and bird habitat and enhance recreational opportunities such as canoeing, kayaking, and fishing.



How would the project benefit residential property owners?

- A Swan Lake Commercial Area & Neighbourhood Plan survey indicated that 76% of Area B and C residents support community sewer, primarily for environmental and economic reasons.
- To that end, the Wastewater Recovery Project would:
 - Increase property values and market appeal
 - Prevent costly septic system malfunctions
 - Provide opportunities to subdivide larger lots in non-ALR areas
 - Allow for development of secondary suites and carriage homes (with zoning amendments)

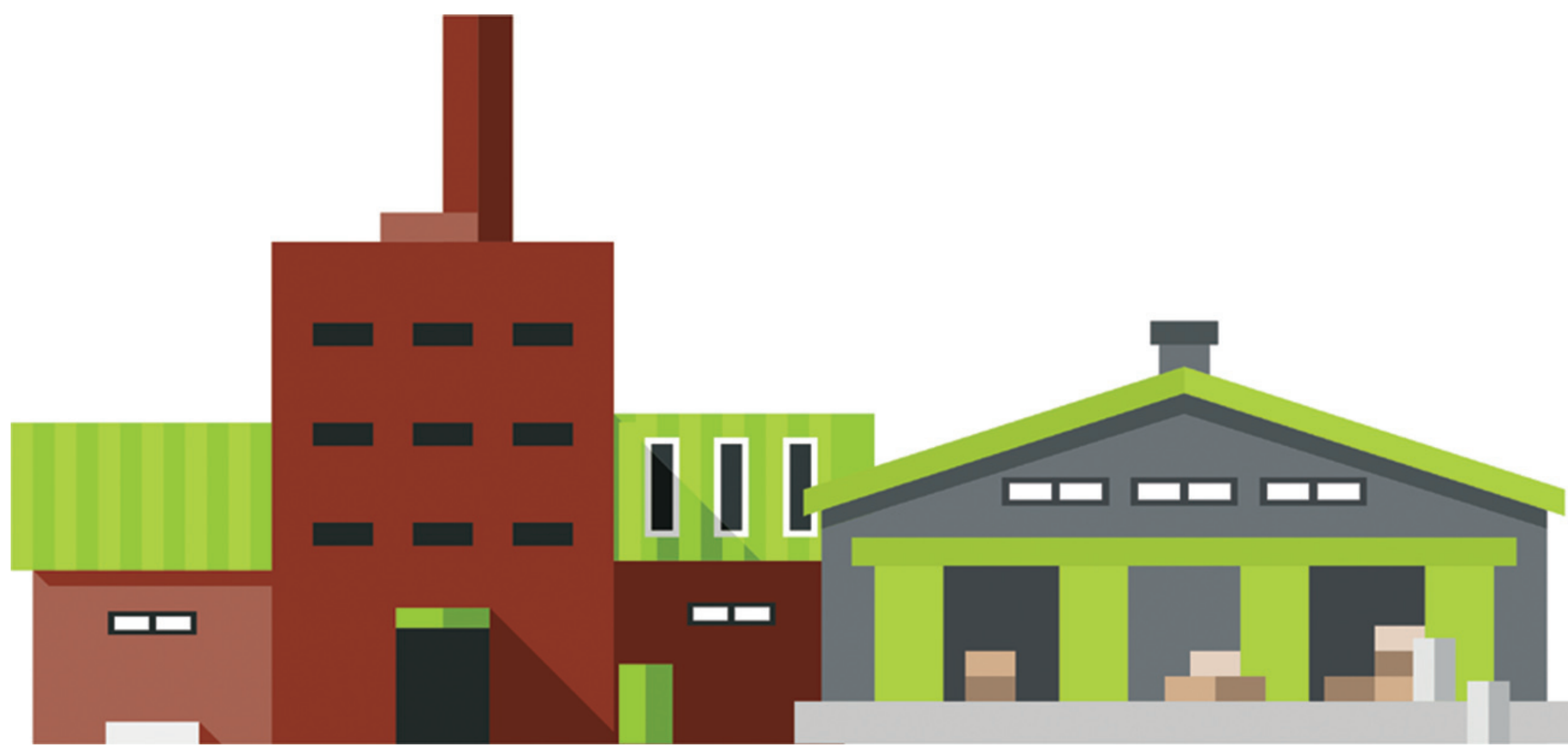
TANK TALK!

- The average life span of a septic tank and tile field is about 25 years
- The average cost to replace a septic system can be between \$10,000 and \$40,000



How would the project benefit businesses?

- The Regional Growth Strategy predicts that more than one-third of existing businesses will expand over the next ten years.
- An increased inventory of serviced commercial/ industrial land would:
 - Increase property and business values
 - Provide opportunities for development and subdivision
 - Provide a reliable, convenient, and affordable disposal option for businesses currently collecting and hauling wastewater
 - Enhance benefits of area's proximity to major highways



How would the project benefit agriculture?

- A Regional Growth Strategy goal is to “explore opportunities to expand the use of reclaimed water for agriculture in a safe, cost effective and efficient manner.”
- To that end, the project would:
 - Provide much-needed irrigation water for area growers during hot summer months
 - Produce biosolids that could be composted at a nearby facility and then used on agricultural land
 - Support the growth of agri-tourism in the corridor



Why is now the ideal time for the project?

- Federal/provincial funding and other potential grants would cover more than 80% of the total project costs.
- Swan Lake Corridor residents and businesses have been calling for community sewer for some time.
- The partnership offers a practical and affordable regional solution that also benefits RDNO, Township of Spallumcheen, and OKIB individually.

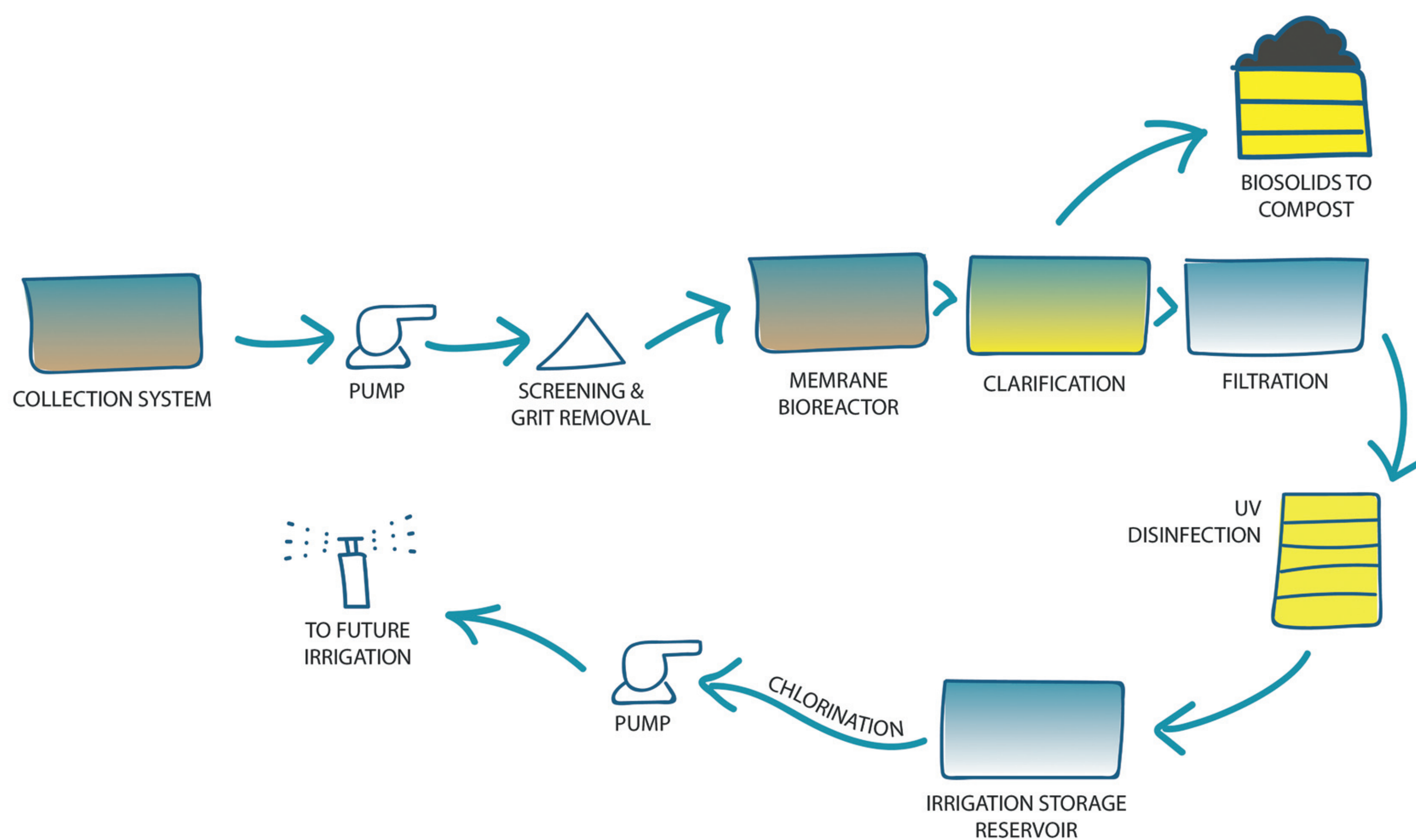
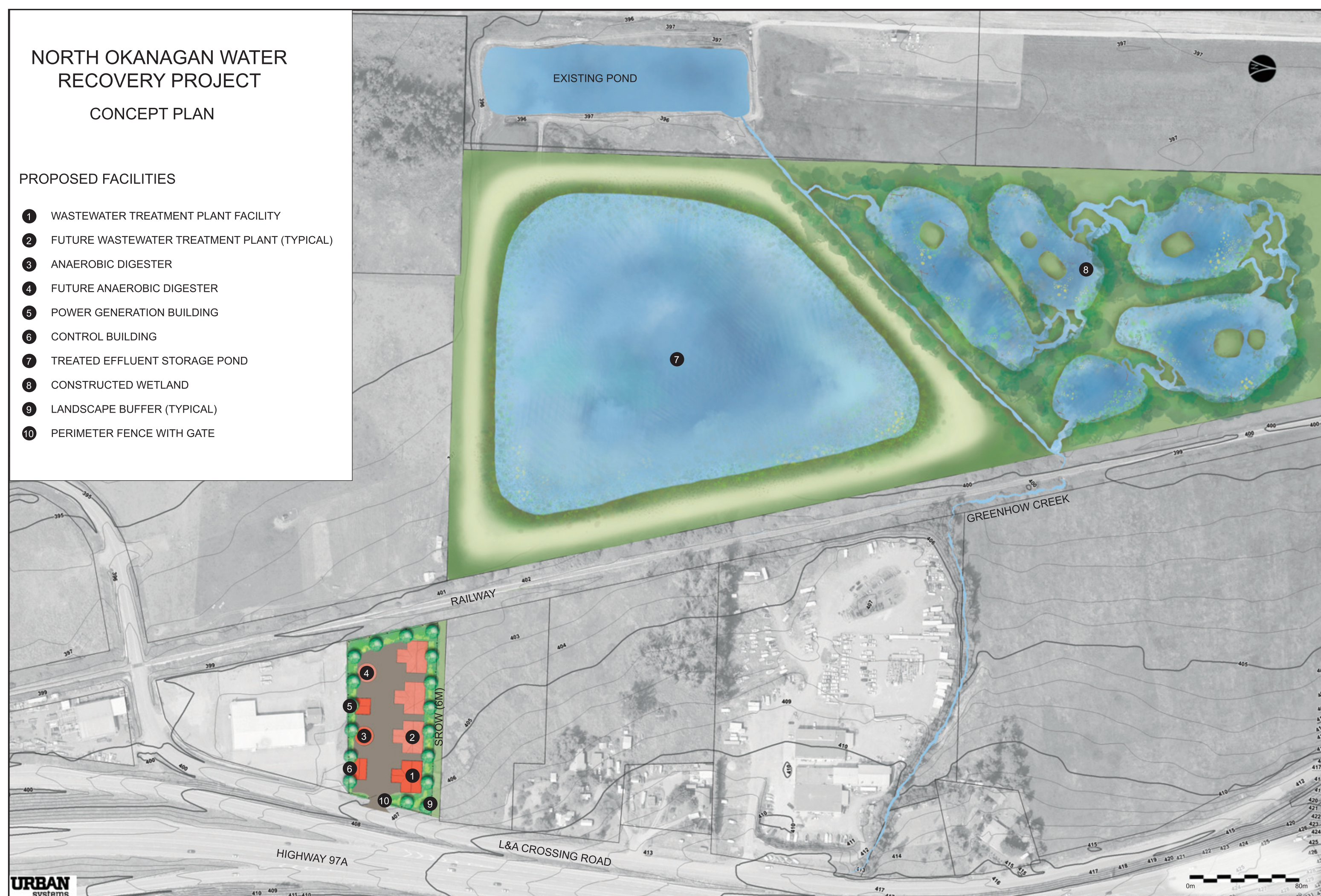
SEPTIC CHECK! Is your system working?

Here are some signs of septic tank malfunction to watch for:

- **slow or backed up drains**
- patches of lush growth over the drain field
- unpleasant odours around the yard
- sewage surfacing on lawns or in ditches



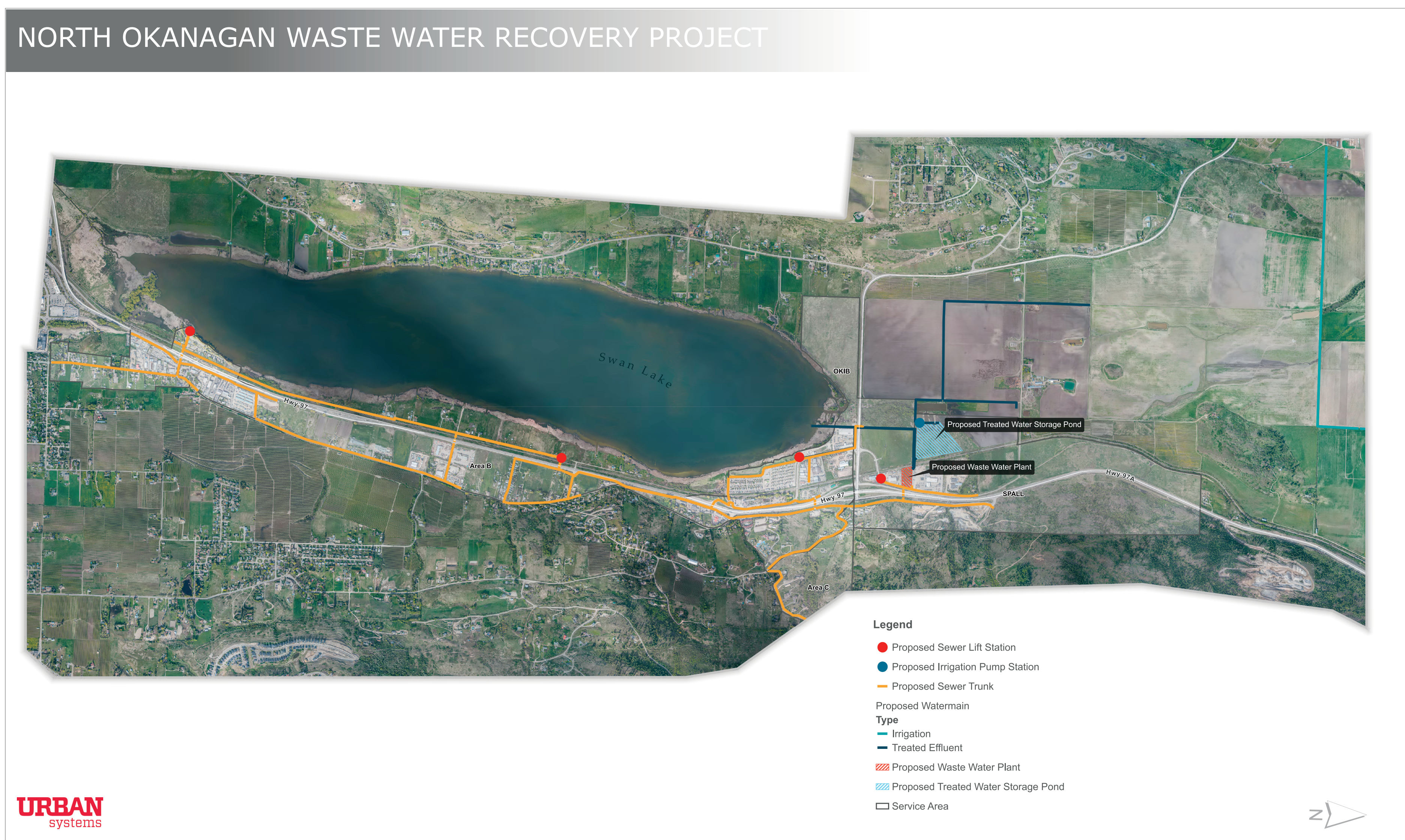
What infrastructure would the treatment system include?



Where would the treatment and distribution network be located?

The Township of Spallumcheen recently:

- Bought a 2.5-acre site at 67B L&A Cross Road that is zoned for industrial use with no nearby residential zoning
- Secured a 99-year lease for reclaimed water storage from a nearby property owner
- Arranged a partnership with an existing biosolids compost facility near the project site

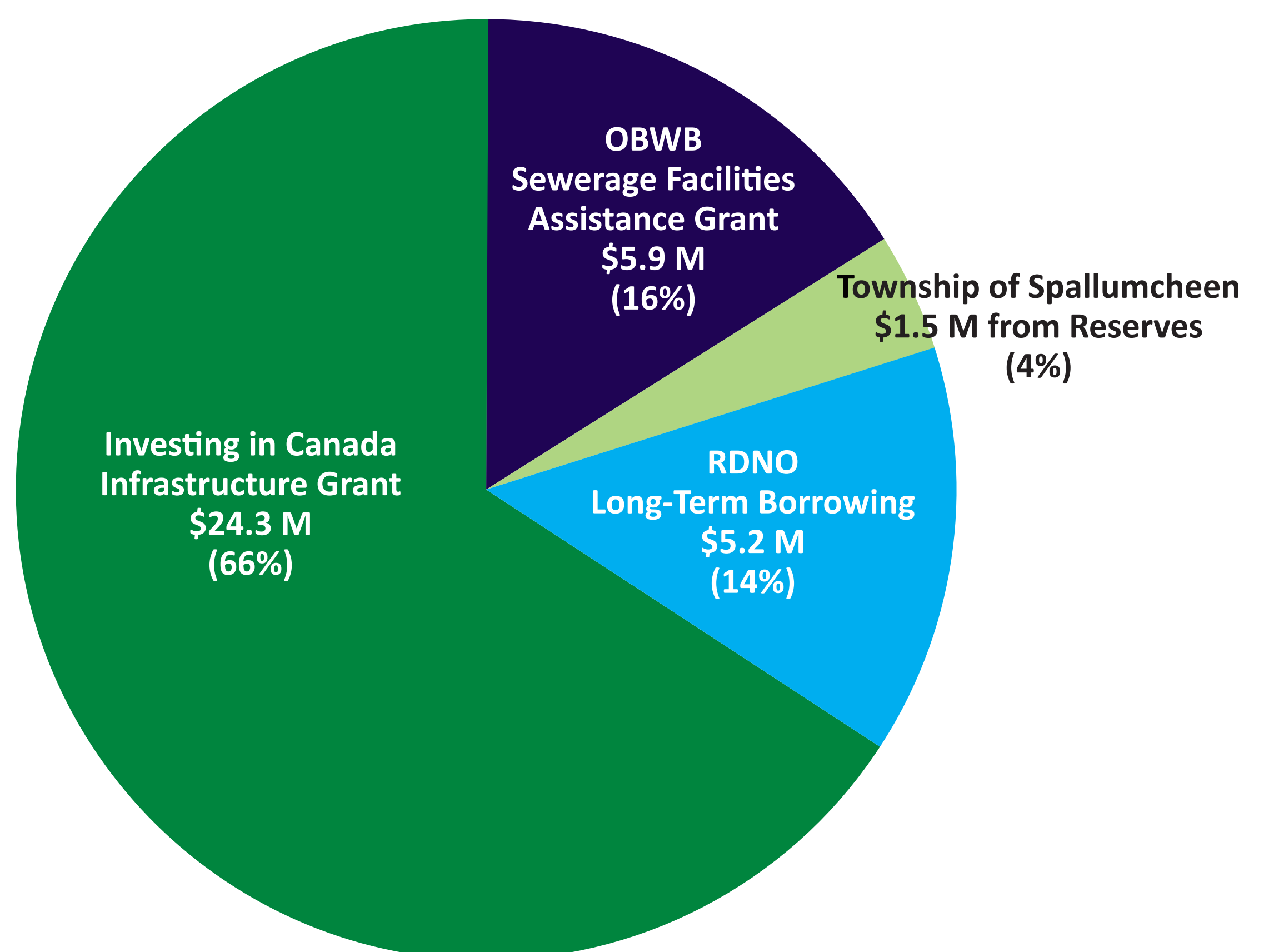


What would the project cost?

The \$36.9 million project depends on funding from the following sources:

- \$24.3 million from the federal/provincial Investing in Canada Infrastructure Program
- \$5.9 million from the Okanagan Basin Water Board
- \$5.2 million in long-term RDNO borrowing approved by petition of Area B and C property owners within the proposed service area
- \$1.5 million from Township of Spallumcheen reserves

POTENTIAL FUNDING SOURCES

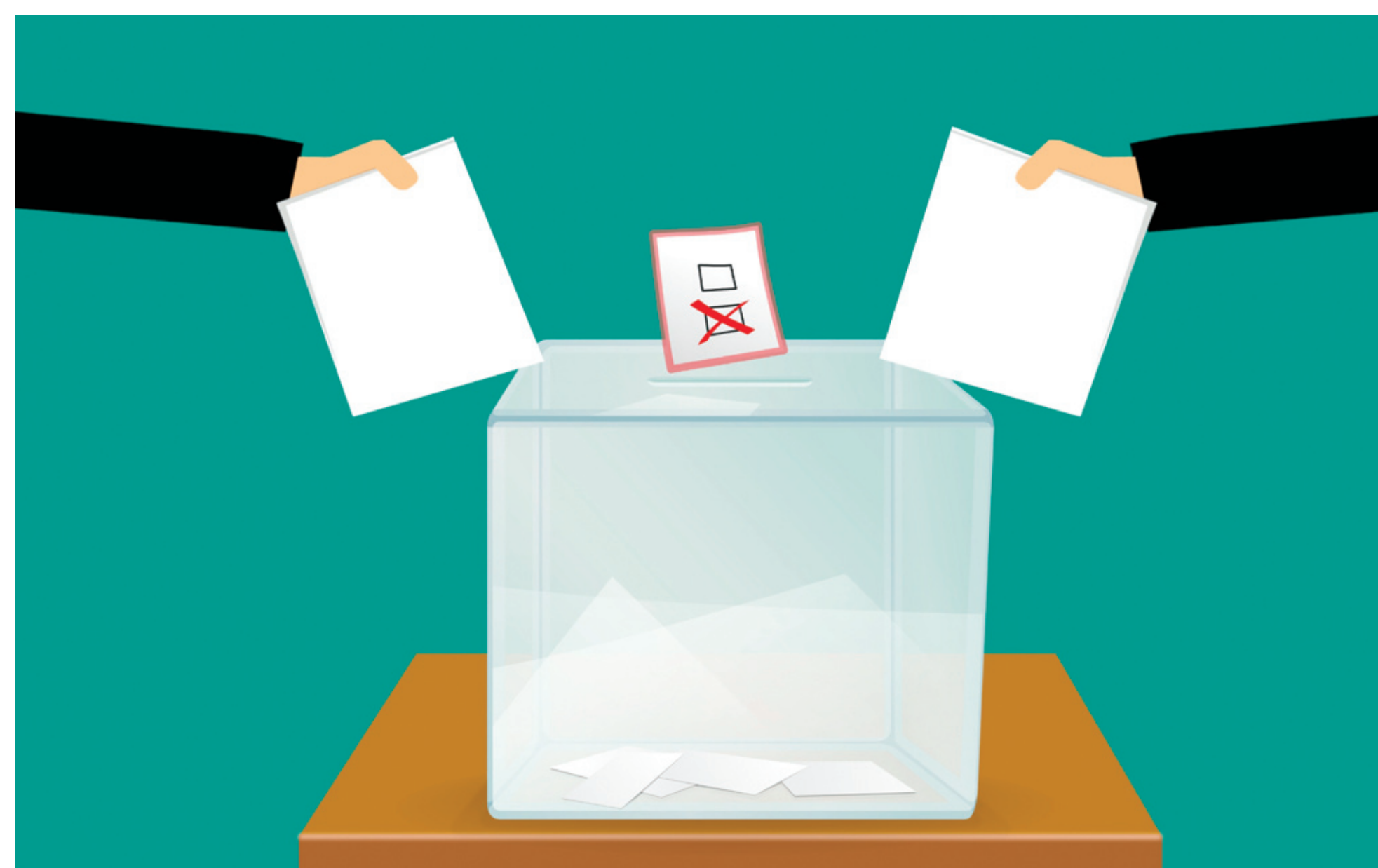


**Total Estimated Project Cost
\$36.9 M**



How can the RDNO raise its share of project costs?

- The RDNO is looking for support from Area B and C residents to borrow \$5.2 million for their share of the total \$36.9 million cost.
- The Regional District of North Okanagan (RDNO) must receive elector assent from property owners including residential, commercial/business, farm, and industrial in the proposed service area to proceed with long-term borrowing.
- Every property owner within the proposed service area, should have received a personalized petition package. Please let us know if yours hasn't arrived.



How would rates be determined for Area B and C property owners?

- Borrowing of \$5.2M would be spread over 20 years with annual debt servicing of about \$365,000.
- Costs to build the system would be recovered through an Infrastructure Base Fee and a Local Service Area Tax.
 - The **INFRASTRUCTURE BASE FEE** for residential and business properties is proposed to be \$400 per year per parcel or \$240 per year for an RV unit located within an RV park. This is an ongoing charge.
 - The **LOCAL SERVICE AREA TAX (LSAT)** would apply until the debt is paid, and would be calculated using land values only (not improvements)
 - ◆ The LSAT for residential properties would be calculated at \$1.5097 per \$1,000 of assessed land value
 - ◆ The LSAT for commercial/business properties would be calculated at \$3.6988 per \$1,000 assessed land value
 - ◆ The LSAT for industrial properties would be \$5.1330 per \$1,000 of assessed land value

To Connect or Not to Connect?

If the project proceeds, residential property owners would choose to connect or not, while commercial/industrial properties would be required to connect.



What could it cost you?

We recognize there's a cost to community sewer, however, there are also costs for septic system maintenance and replacement costs, which can range from \$10,000 to \$40,000.

Examples of Residential Sewer Costs

Average land value for residential properties	Infrastructure Base Fee (per year)	Local Service Area Tax (\$1.5097 per \$1,000 of assessed land value)	Estimated User Fees (per year)	ESTIMATED TOTAL (per year)
Single-Family Home \$250,000	\$400	\$377/yr	\$850	\$1,627
Mobile Home	\$400	Tax will vary according to value of park	\$510	\$910 plus tax recovered by park owner
RV Unit	\$240	Tax will vary according to value of park	\$510	\$750 plus tax recovered by park owner

**These do not include the costs of decommissioning your septic system and bringing the collection line from your property line to your house.*

Examples of Commercial/Industrial Costs

Average land value for business properties	Infrastructure Base Fee (per Equivalent Unit per year)	Local Service Area Tax (per year)	Estimated User Fees (per year)	ESTIMATED TOTAL (per year)
Commercial \$500,000	\$400	\$1,849 (based on \$3.6988 per \$1,000 land value)	\$1,700	\$3,949
Industrial \$210,000	\$400	\$1,078 (based on \$5.1330 per \$1,000 land value)	\$1,700	\$3,178
Industrial \$1,500,000	\$400	\$7,700 (based on \$5.1330 per \$1,000 land value)	\$1,700	\$9,800

**These do not include the costs of decommissioning your septic system and bringing the collection line from your property line to your business.*



What other costs would property owners have?

- Operational and maintenance costs of about \$360,000 would be recovered through an **ANNUAL USER FEE** charged to connected properties.
- Property owners would also be responsible for the costs of decommissioning their septic systems, and installing a sewer pipe from the property line to their home or business that meets the RDNO building code.
- Both of these charges would vary from property to property.



What are the benefits of sewer to the three participating communities?

For All Jurisdictions

- Improve environmental health
- Provide opportunities for more diverse and sustainable economic development
- Support other important community services (e.g., fire flows)
- Strengthen local government financial base (e.g., taxation, increased economic development)

RDNO Areas B and C

- Support the Swan Lake Commercial Area and Neighbourhood Plan and other guiding documents
- Increase recreation use of Swan Lake by both residents and visitors
- Enable more housing options, including secondary suites and carriage homes (with zoning amendments)



Township of Spallumcheen

- Support Official Community Plan and other guiding documents
- Preserve agricultural land base
- Support agriculture with reclaimed water for irrigation



OKIB

- OKIB has undeveloped land in IR#4 within the proposed service area that would be well served by the project
- While Areas B and C and the Township of Spallumcheen would be serviced initially, OKIB would connect in the future



Who would own and operate the system?

COMMON WORKS would be owned collectively by the three partners and include:

- Wastewater recovery plant
- Lines from the plant to the storage ponds
- Storage ponds
- Supply lines to irrigation fields
- Railway and highway crossings and short stubs of major collection systems leading into the wastewater recovery plant

Initially, only RDNO and the Township of Spallumcheen would connect to the common works, with each paying 50% of net costs at the time of construction. OKIB plans to connect in the future, and would then pay one-third of net costs

ATTRIBUTABLE WORKS would be located and owned by each jurisdiction, and include:

- Wastewater collection lines
- Lift stations
- Pump stations
- Force mains

Each jurisdiction would decide if it wants to operate and maintain the system with its own staff, contract with RDNO, or contract with another utility.





Need help with your petition?

- Any questions you have can be answered by RDNO staff
- You're welcome to submit your petition form this evening

**REGIONAL DISTRICT OF NORTH OKANAGAN
NORTH OKANAGAN WASTEWATER RECOVERY PROJECT
PETITION FOR LOCAL SERVICE AREA (See Map)**

Deadline – March 15, 2019

I / We, the undersigned property owner(s) that would be subject to the annual Infrastructure Base Fee and Local Service Area tax do **HEREBY PETITION** the Regional District of North Okanagan, in accordance with section 337 of the *Local Government Act*, and section 212 of the *Community Charter* to establish a Local Service Area to construct a wastewater recovery system for the purpose of collection and treatment of wastewater, and to authorize the borrowing of \$5,200,000 (Five Million, Two Hundred Thousand Dollars) to facilitate the works.

• **GENERAL DESCRIPTION OF SERVICE / SERVICE AREA BOUNDARY**

To construct a wastewater collection and transmission system, wastewater recovery facility, effluent storage ponds, irrigation and water re-use network and bio-solids composting system for the purpose of collection and treatment of wastewater, and distribution of recovered water for irrigation purposes for those benefiting parcels of land as identified within the Local Service Area boundary as shown on the map enclosed with this petition.

• **COSTS OF THE SERVICE**

The total capital cost of the wastewater recovery project is estimated to be \$36,900,000 (Thirty Six Million, Nine Hundred Thousand Dollars) of which the benefiting property owners in Electoral Areas "B" and "C" of the Regional District of North Okanagan would be required to contribute \$5,200,000 (Five Million, Two Hundred Thousand Dollars), or approximately \$365,000 annually for 20 years.

• **COSTS OF THE BORROWING / METHOD OF COST RECOVERY**

The total amount proposed to be borrowed under the bylaw is up to a maximum of \$5,200,000 for Electoral Areas "B" and "C" portion of the wastewater recovery system. The maximum term for the borrowing is twenty (20) years. The full borrowing costs are to be recovered by a combination of an annual Infrastructure Base Fee and Local Service Area tax.

• **OTHER COSTS**

It is noted that the borrowing costs for construction of the Wastewater Recovery system do not include the estimated annual user fees and the construction costs of on-site works required to connect to the system.

I/we hereby agree that the capital cost to construct a wastewater recovery system for the purpose of collection and treatment of wastewater may be recovered by a combination of an annual Infrastructure Base Fee and Local Service Area tax, with repayment over a period not to exceed twenty (20) years. I acknowledge that an annual user fee would be charged for maintenance and operation of the wastewater recovery system if my property is connected.

CIVIC ADDRESS	LEGAL DESCRIPTION	REGISTERED OWNER[S]* print name	SIGNATURE[S] *

* if additional space is required please provide name(s) and signature(s) on separate sheet

- ***A majority of the individuals listed on title of the property are required to sign (e.g. a property owned by two individuals would require both persons to sign, a property owned by three individuals would require at least two to sign) if they wish the petition to be counted in the affirmative.***
- ***Please see "Instructions to Petitioners" enclosed with your petition package.***

Petitions **must** be returned by **March 15, 2019** in order to be counted. A postage paid return envelope has been included in your petition package for your convenience.





THANK YOU!

- Thank you for taking the time to learn more about the project and the petition process
- For more info, please visit www.rdno.ca or contact:

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Amanda Shatzko

RDNO Area C Director
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