



South East Kelowna Large Properties – Only Potable Water Service

May 17, 2021



Water Supply

- ▶ The City provides its service to approximately 80,000 residents, businesses and institutions
- ▶ The Water Supply Policy set priorities for water supply as follows:
 - ▶ Safe water for human health and sanitation
 - ▶ Fire suppression, emergency response and risk mitigation
 - ▶ Commercial, Industrial and Agricultural use,
 - ▶ Irrigation and aesthetics

South East Kelowna Water Integration Project

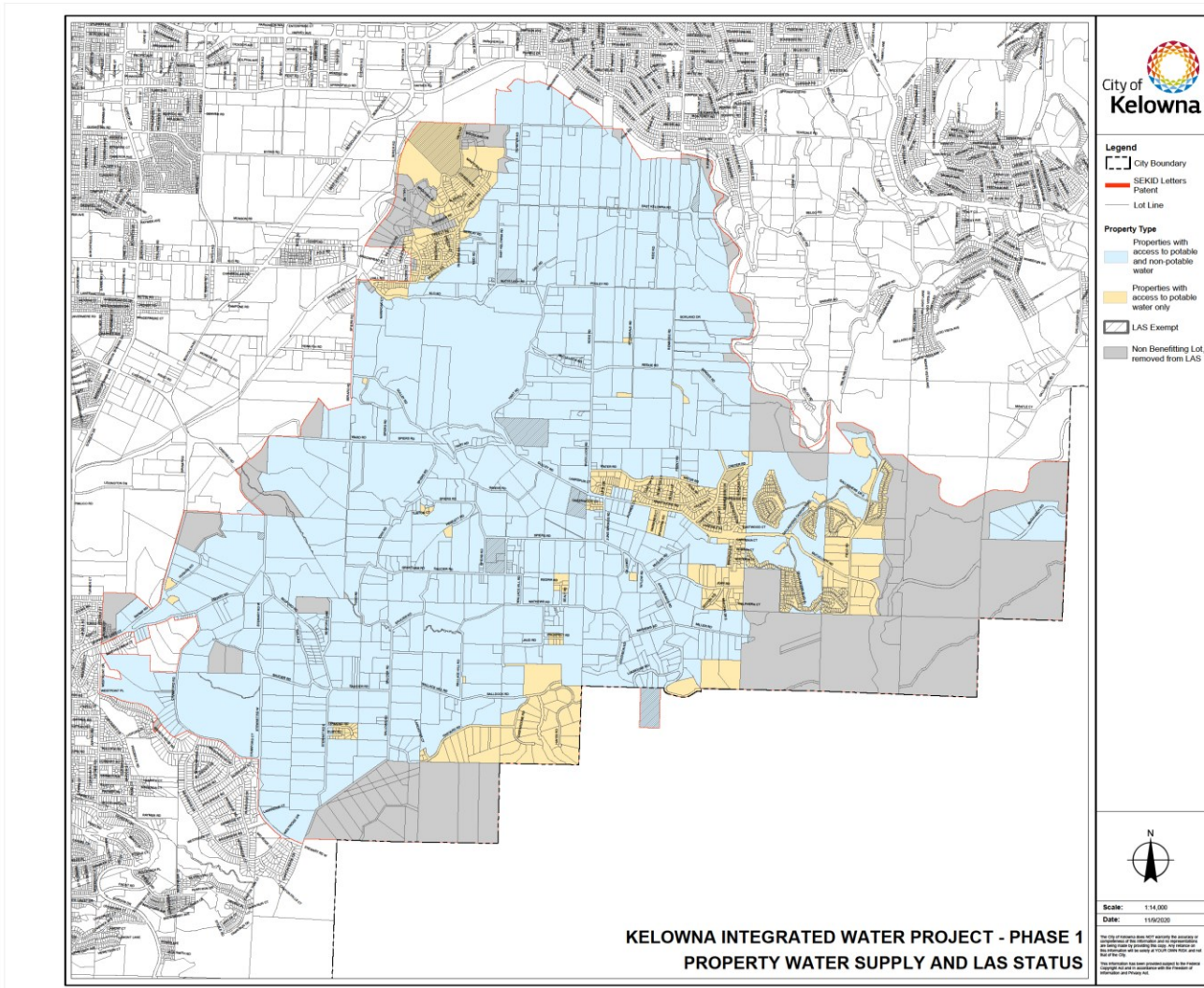
- ▶ Largest Capital Project in the City's history (approximately \$86 million investment)
- ▶ Separated drinking water and irrigation systems for Southeast Kelowna residents



Water Rates Structure

- ▶ The City's residential water rates uses an increasing block rate structure
- ▶ This approach and has been shown to be effective in conserving water
- ▶ Currently only properties with Farm Status have Agricultural water rates for outdoor water use
 - ▶ Farm Status is achieved under the BC Assessment process

Integration Project



Properties – Potable Only Supply

- ▶ The affected properties (>1 acre) in southeast Kelowna only with potable water service total 105
- ▶ 32 of these properties are in the Agricultural Land Reserve
- ▶ Other characteristics of the properties:
 - ▶ Large Lot Residential
 - ▶ Large Lot Residential with farming or Agricultural practices

Engagement & Feedback

- ▶ Discussions and ongoing customer feedback include:
 - ▶ Significant cost increases for these customers
 - ▶ Farm Status Criteria:
 - ▶ Properties greater than 2 acres - \$2,500 annual income
 - ▶ Properties smaller than 2 acres - \$10,000 annual income
 - ▶ Achieving Farm Status for properties smaller than 2 acres will be very difficult if not impossible
 - ▶ Adding flexibility to this process can be done but does carry consequences

Ongoing Work & Engagement

- ▶ Staff are reviewing potential areas to extend the irrigation system based on operational benefits
- ▶ Discussions continue with BC Assessment regarding Farm Status requirements
- ▶ A letter and FAQ was sent to customers
 - ▶ Outlining the potential impact
 - ▶ Offering ways reduce consumption
- ▶ Tier 4 Rate Reduction of \$2.05 to \$1.02 for these properties for 2021



Questions?

For more information, visit kelowna.ca.