



Kelowna Septic System Elimination and Sewer Connection Project Grant

Presentation to Council

November 22, 2021






Objectives

PURPOSE: To inform Council that the City has received a \$9.034M grant from the Investing in Canada Infrastructure Program (ICIP) - Green Infrastructure Environmental Quality Program to install new sanitary sewer in areas currently using septic.

- ▶ Grant Process
- ▶ Project Areas
- ▶ Next Steps



Grant Application (PAST)

- ▶ Consistent with 2030 OCP
- ▶ Sewer grants focused on septic removal
 - ▶ Matching funding was contingent on a successful Local Area Service (LAS) process which requires a majority approval by property owners
- ▶ NO SUCCESS 



Grant Application (PRESENT)

- ▶ 2020 – Changed approach
 - ▶ Priority placed on available reserves and ease of delivery
 - ▶ Combined septic field failure risk and total number of connections
 - ▶ Apply a subsidized fee to connect
- ▶ LAS process remains available for other non-grant infrastructure
- ▶ SUCCESS





Investing in Canada Infrastructure Program (ICIP)

ICIP - Green Infrastructure Environmental Quality funding stream

- ▶ Original scope (March 2020) - \$17M total
- ▶ Amended scope (August 2021) - \$12.32M total

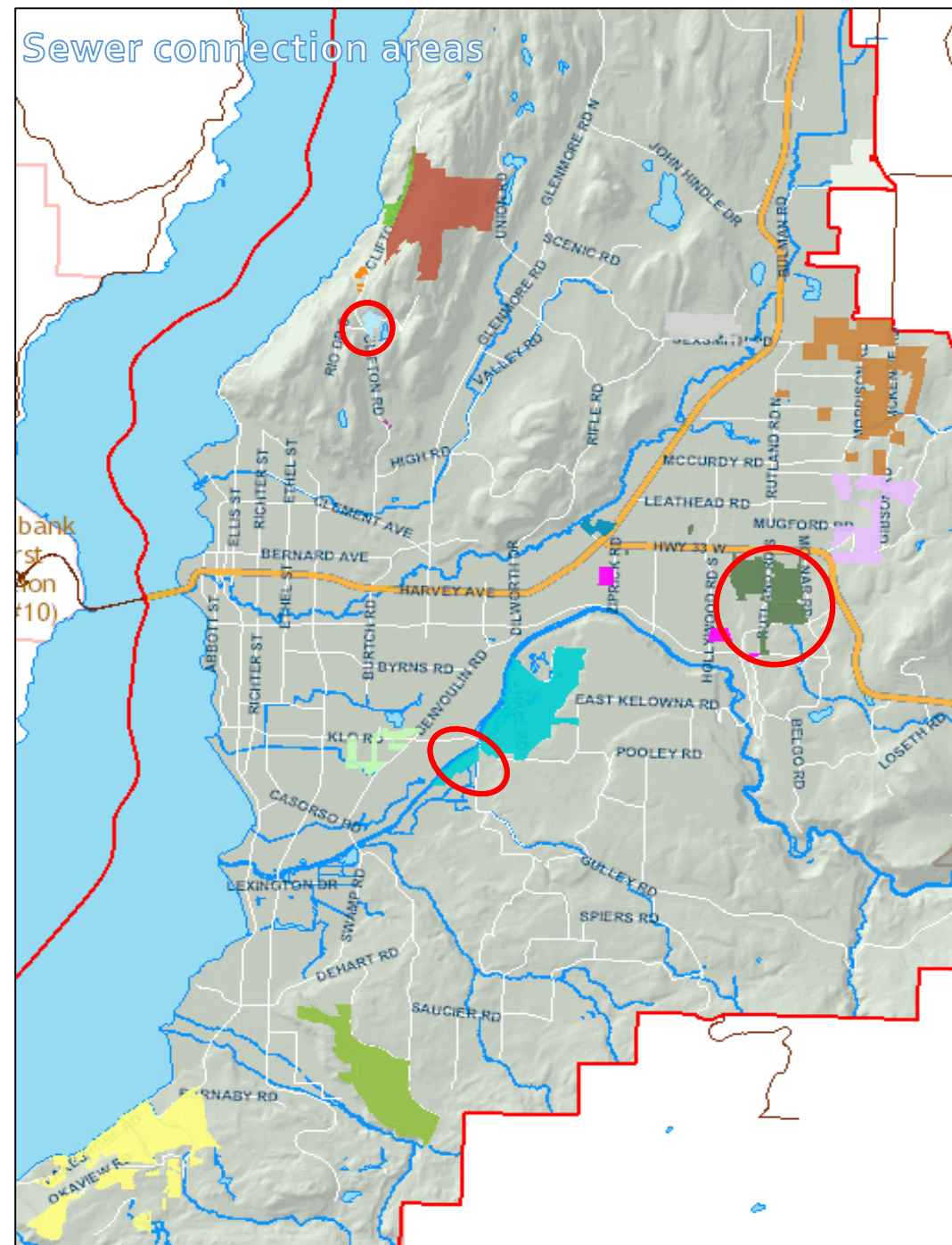
This grant will help connect 1/3 of the lots in the Septic Replacement Program

Sub-Project Area	Eligible Capital Works	Eligible Grant (73 1/3%)	Required Reserves (26 2/3%)
Central Rutland	\$10,750,000	\$7,888,156	\$2,902,500
Rio/Terrace	\$670,000	\$489,100	\$180,900
Hall Road	\$900,000	\$657,000	\$243,000
Total	\$12,320,000	\$9,034,256	\$3,285,744



Sewer Areas

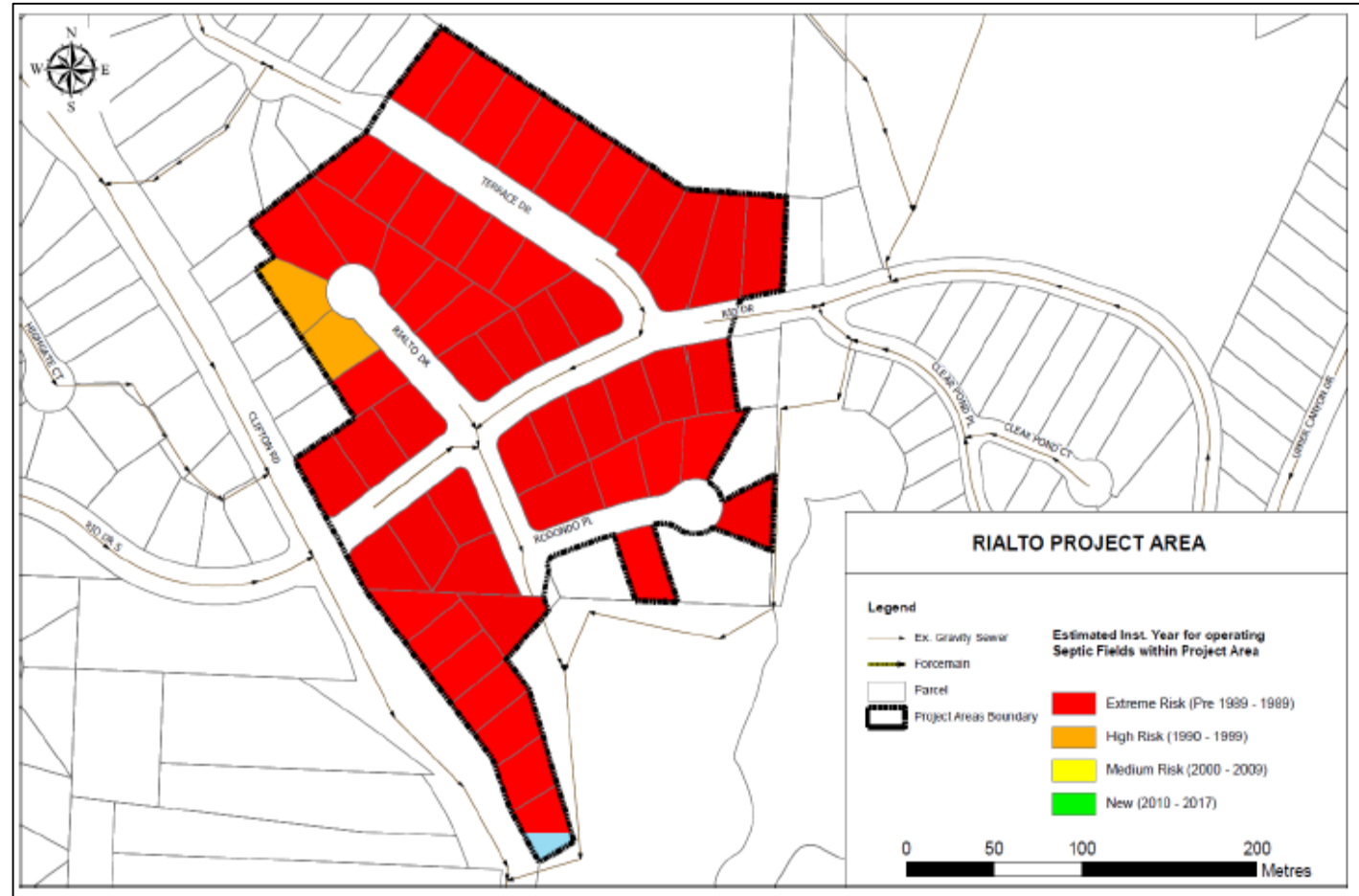
- ▶ 13 Areas on Septic
 - ▶ 2,500 lots to connect
- ▶ Grant Applied
 - ▶ Rio/Terrace
 - ▶ 55 lots
 - ▶ Central Rutland
 - ▶ 500 lots
 - ▶ Creek Crossing – Hall Road
 - ▶ ~ TBD out of 350 lots





Rio-Terrace

- ▶ 300 m of infrastructure required
 - ▶ Rialto Drive
 - ▶ Terrace Drive
 - ▶ Rodondo Place
- ▶ 55 eligible properties

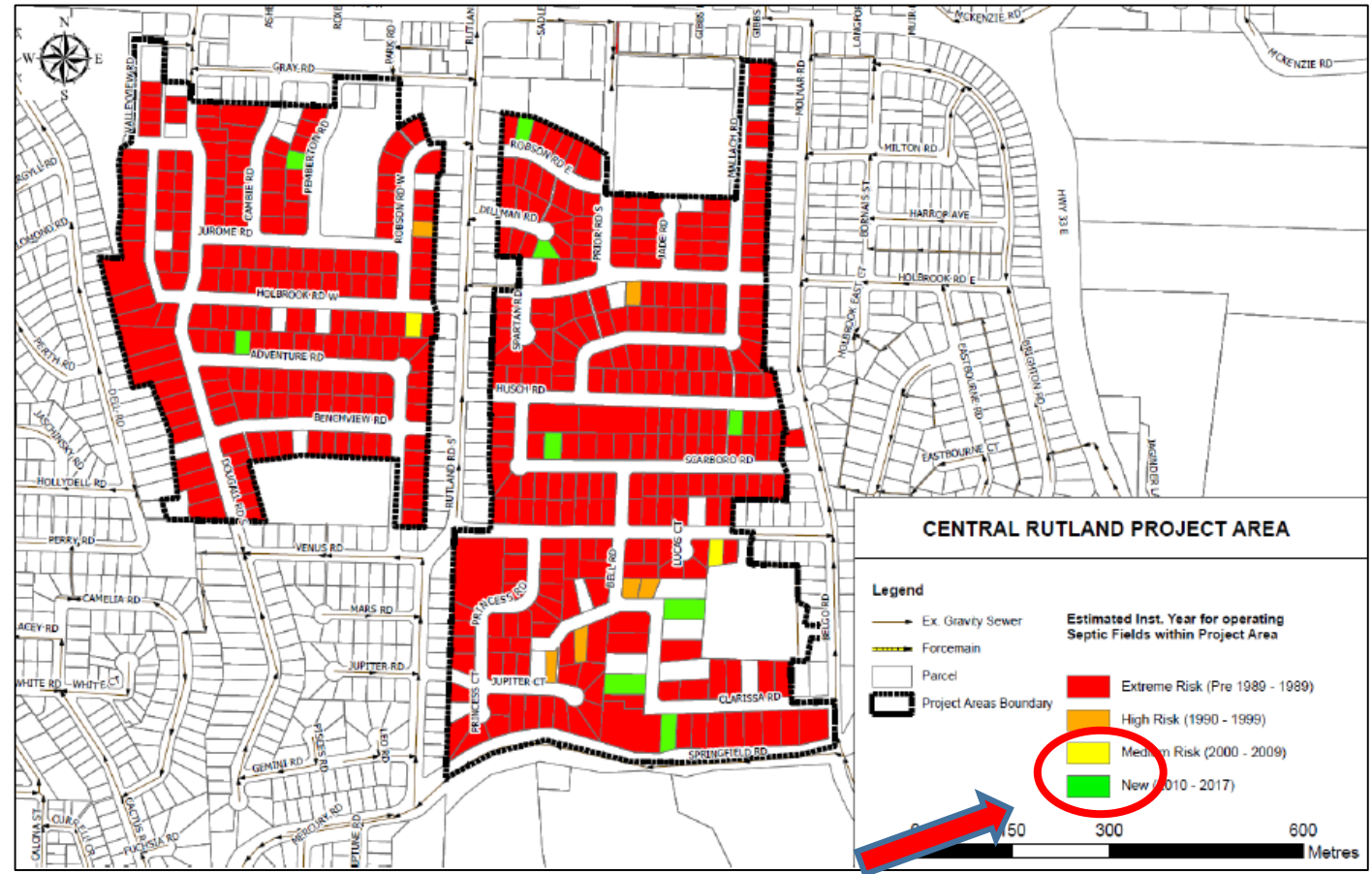


Septic field failure risk in Rio/Terrace Sewer Connection Area (2020)



Central Rutland

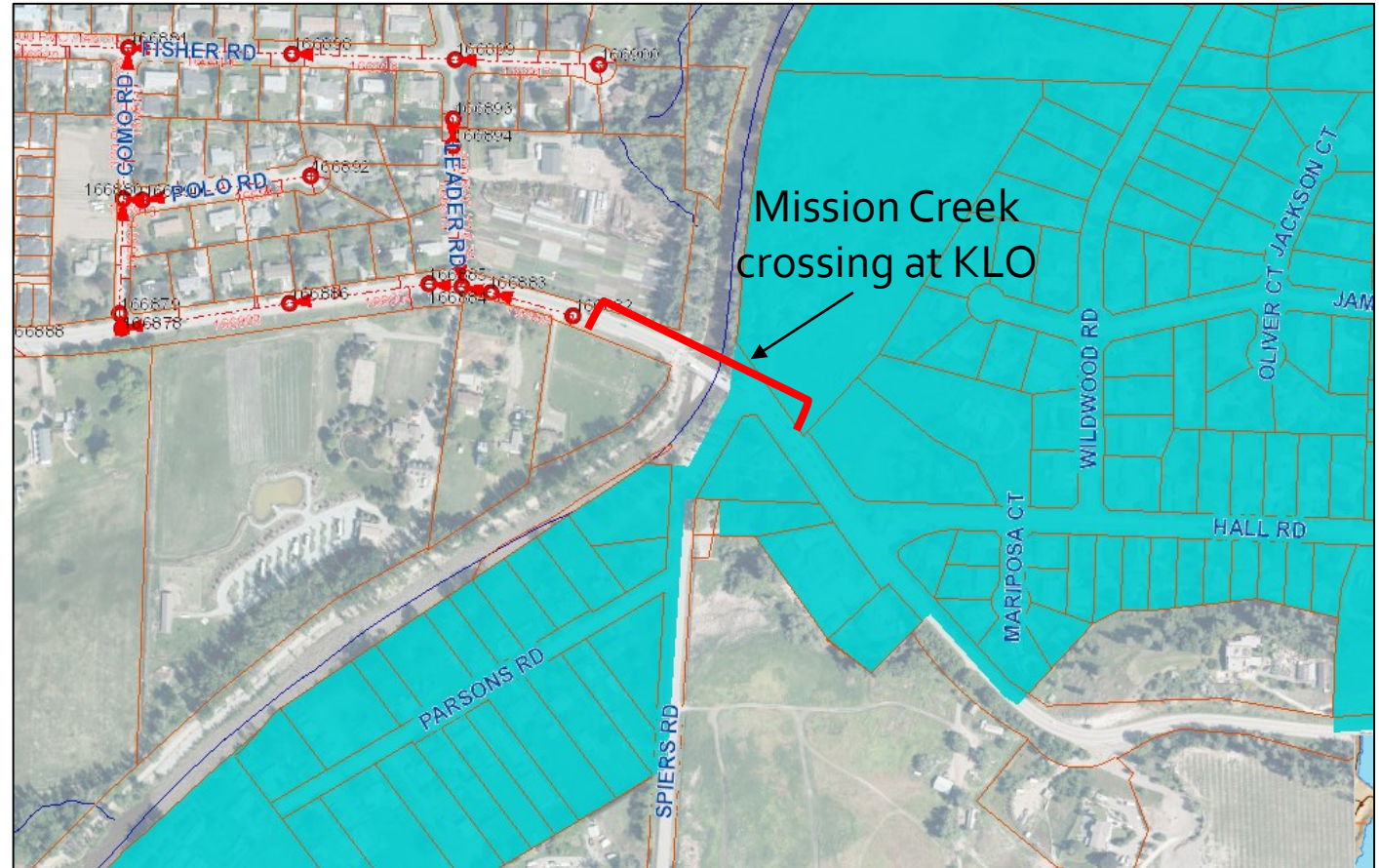
- ▶ 8.2 km of collector main
 - ▶ Includes Villa Vista Rd.
- ▶ ~570 connections



Septic field failure risk in Central Rutland Sewer Connection Area (2020)

Mission Creek Crossing at KLO Rd

- ▶ Original scope
 - ▶ Part of new KLO Bridge project (now deferred)
 - ▶ ~250 m of mainline
- ▶ Scope under review





Anticipated Financial Implications for Users

- ▶ New sanitary services will be extended to property line
- ▶ Owners are responsible for costs to connect to the service
- ▶ Minimum connection charge of \$7,500 per service (residential)
- ▶ Timing of on-site connection at discretion of owner

Sewer Connection Area	Current charge per SFE	Anticipated charge per service connection
Rio/Terrace	\$10,300	\$7,500
Central Rutland	\$14,600	\$7,500
Hall Road	\$31,800	TBD



Next Steps

- ▶ Design and construction will be phased over four years
- ▶ In 2022, staff will introduce modifications to better leverage reserves, including:
 - ▶ *Sewer Connection Charge Bylaw No. 11540*
 - ▶ *Sewerage System User Bylaw No. 3480*
- ▶ Setting up guiding principles for future Septic Removal Area Program
 - ✓ FAIR
 - ✓ EFFICIENT
 - ✓ FLEXIBLE
 - ✓ OPPORTUNISTIC
 - ✓ EQUITABLE



Thank you