

Report to Council



Date: February 27, 2017
File: 1890-15
To: City Manager
From: R. Westlake, Special Projects Manager
Subject: Water Supply Planning – Value Planning Study

Recommendation:

THAT Council receive the report of the Special Projects Manager dated February 27, 2017 and presentation by Mr. Don Stafford of Strategic Value Solutions on the 2017 Kelowna Integrated Water Plan.

Purpose:

To present Council with the results of the Value Planning Study that outlines recommendations for the best, lowest cost city-wide solution to deliver both domestic and agricultural water in Kelowna.

Background:

Water service in the City is currently provided by five large water utilities and over twenty-five small systems. These organizations deliver water to domestic, commercial, industrial and agricultural customers with limited interconnectivity between providers. The organizations rely on a number of sources of water with differing water qualities, some of which have not consistently met water quality objectives of Interior Health.

Water infrastructure investment is the number one priority of citizens across the city as shown in recent surveys. Water quality could be addressed independently by each provider but these independent technical solutions will be very costly creating substantial rate inequity and inefficiencies across the city.

In 2010 the Province requested the City and four Improvement District to work together to develop a plan that achieved the following:

- Best lowest cost city-wide solution
- public health outcomes
- flexibility
- agricultural interests maintained

The result was the 2012 Kelowna Integrated Water Supply Plan (KIWSP). The Value Planning Study is a requirement to determine if the 2012 plan met the above objectives in order to be considered for senior government funding.

The City recently co-commissioned and participated an independent Value Planning of city-wide water supply and distribution plans including the 2012 KIWSP. Value Planning for large capital projects is a condition of receiving senior government grants. The City recently applied for funding to supply City domestic water to the South East Kelowna residents and South Okanagan Mission Irrigation District. However, in the interest of all citizens of the city, the scope of this Value Planning work was city-wide.

The firm of Strategic Value Solutions, Inc. (SVS) was retained jointly by the South East Kelowna Irrigation District (SEKID) and the City through consultations with the Ministry of Communities, Sport and Cultural Development. SVS provided a team of specialists in the field of water system planning and Value Planning to undertake an independent review of past work. This work has now been completed and Mr. Don Stafford of SVS will present the findings of his team to City Council. Their recommendations include:

- clean drinking water for all citizens
- agricultural interests maintained and protected
- a resilient and redundant system that will help Kelowna navigate an uncertain future when it comes to climate change and increased regulation
- equitable rates, supply and service.

Internal Circulation:

Communications Division Director
Infrastructure Division Director

Considerations not applicable to this report:

Existing Policy
Financial/Budgetary Considerations
Communications Comments
Legal/Statutory Authority
Legal/Statutory Procedural Requirements
Personnel Implications
External Agency/Public Comments
Alternate Recommendation

Submitted by:

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Approved for inclusion:



A. Newcombe, Infrastructure Division Director