



# Frequently Asked Questions

## 108 Mile Water System Upgrade Assent Vote

### Financial FAQs

Residents in the 108 Mile Water Service Area will be voting in February to determine whether they wish to undertake borrowing for improvements to their water system. Upgrades are needed to address high concentrations of manganese, and develop an alternative ground water supply to help reduce lake level declines. The project will involve a water treatment plant, new groundwater supply well and 3 km of water main. To support the project federal grant funding of \$1.96 million has been secured for the water treatment plant.

#### Has the CRD applied for any grants to reduce costs?

As mentioned above, yes, the CRD received a Federal Grant from the Small Communities Fund of \$1.962 million to be used for construction of the water treatment plant.

#### What is the cost of the project?

The cost of the project minus the \$1.962 million grant will be \$2.880 million

#### How will the \$2.880 million be funded?

Existing capital reserves will be utilized as much as possible but an additional \$2,000,000 in new borrowing will be required. To service this debt, the existing parcel tax of \$135 will increase in phases to \$180 in 2016 for the treatment plant and up to \$250 for the remainder of the 15 year term to support the new well.

#### Will operating costs increase because of the new treatment plant?

Yes, operating costs will increase by approximately \$35,000 per year. The user fee will increase by 29% which means that the typical single family dwelling fee will increase from \$220 to \$284.

|                                  | Current Cost | New Cost |
|----------------------------------|--------------|----------|
| User Fee                         | \$220        | \$284    |
| Parcel Tax                       | \$135        | \$250    |
| Combined User Fee and Parcel Tax | \$355        | \$534    |
| Extra Cost Per Month             |              | \$14.92  |

#### Questions about the costs?

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## User Fees

### SCHEDULE "D" - 108 MILE WATER USER RATES

Users classified into any of the following categories shall pay the respective rate per annum.

| <u>Category:</u>                                          | <u>User Rate</u> | <u>Prompt Payment Discount</u> |
|-----------------------------------------------------------|------------------|--------------------------------|
| (a) For each single dwelling, trailer, or apartment unit  | \$284.00         | \$28.40                        |
| (b) Telqua Low Pressure Zone, single dwelling             | \$170.00         | \$17.00                        |
| (c) For each fire hall                                    | \$341.00         | \$34.10                        |
| (d) For each hanger with attached lodging                 | \$496.00         | \$49.60                        |
| (e) For each hanger                                       | \$341.00         | \$34.10                        |
| (f) For each elementary school classroom                  | \$258.00         | \$25.80                        |
| (g) For each highway rest station                         | \$465.00         | \$46.50                        |
| (h) For each service, commercial or retail commercial use | \$341.00         | \$34.10                        |
| (i) For each church                                       | \$620.00         | \$62.00                        |
| (j) Restaurants – per square metre*                       | \$2.06           | \$0.20                         |
| (k) Hotel/Motel per room                                  | \$170.00         | \$17.00                        |
| (l) Banquet rooms – per square metre                      | \$0.35           | \$0.035                        |
| (m) For each warehouse, maintenance or repair shop        | \$341.00         | \$34.10                        |
| (n) For each assembly hall                                | \$774.00         | \$77.40                        |
| (o) Bed and Breakfast                                     | \$426.00         | \$42.60                        |
| *Minimum restaurant charge                                | \$341.00         | \$34.10                        |