

Sewer service costs increase for area of West Kelowna Estates

By [Wade Paterson - Kelowna Capital News](#)

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A decreased grant to offset capital sewer project costs from the Okanagan Basin Water Board will mean increased costs for some West Kelowna Estates property owners.

On Dec. 12, property owners were mailed a letter informing them that the grant was brought down from \$32,665 to \$23,737. The result is an annual increase of \$37.91 per parcel.

Karen Goodridge-Nagle, utility billing coordinator with the District of West Kelowna, said that the grant decrease was the result of an audit.

"Last year the (Okanagan Basin Water Board) decided to do an audit on the grants, based on the criteria that they use for applying them. They found that they needed to make some adjustments on the amounts," said Goodridge-Nagle.

Corinne Jackson, communications and research coordinator with the Okanagan Basin Water Board, said that the audit process was very positive and found significant savings for taxpayers.

According to the minutes of the June 7, 2011 OBWB meeting, the audit recommended updates to the sewage facility grant program.

Beforehand, the OBWB paid 18 per cent of the total project cost of eligible sewer upgrades, with the community first paying 2.5 mills of the converted assessment amount, which was capped at 105 per cent of the 1988 converted assessment amount for the properties being serviced.

OBWB staff noted that those figures were outdated and difficult for communities to determine with any accuracy.

The elimination of the 2.5 mill requirement was suggested, with a reduction of the grant to 16 per cent of the total project cost, which would keep the value of future grants consistent with the amounts awarded under the old terms of reference.

Goodridge-Nagle said that the overall funding from grants for West Kelowna didn't decrease substantially; rather, the money was reallocated.

According to Goodridge-Nagle, there are "quite a few" sewer debts in West Kelowna; six of which receive grants from the OBWB.

One of the six areas—also located in the West Kelowna Estates region—received a substantial grant boost. The other five had their grants decreased; however, most property owners' costs went down due to a change in interest rates.

"All the other areas (except a portion of West Kelowna Estates) happened to have a decrease in their interest rates."

Goodridge-Nagle said that West Kelowna Estates property owners whose costs went up will likely have a similar decrease in interest rates in the next couple of years.

She also was quick to mention that the OBWB has no obligation to provide property owners with the grant assistance.

"I think what people forget is that this is like a gift from them. It's not something that is expected or promised; it's their grant program. They can administer it however they want."