



2026-2030 Proposed Capital Expenditures for Water & Sewer Services

Proposed 2026-2030 Rates

Agenda

- Review of 2025 Projects
 - Completed
 - Projected to Carry-forward into 2026
- Budget Principles
- 2026-2030 Sewer Capital Budget
- Ten Year View of Sewer Capital
- 2026 Sewer Operating Budget
- 2026-2030 Water Capital Budget
- Ten Year View of Water Capital
- 2026 Water Operating Budget
- Proposed Rate Increases and Impact on Reserves
- Local Rate Comparisons
- Timeline

BUDGET PRINCIPLES

- The cost of the water and sewer services should be borne by the users of the service and not subsidized by general property taxes
- The Town of Oliver has one water service which serves the needs of both domestic and non-domestic users.
- Rates should be set at a level to ensure adequate reserves for unanticipated expenses and grant cost-share opportunities
- Rates should be comparative to local communities and similarly sized municipalities
- Maintenance of service continuity and public safety should underlie proposed capital and operating expenditures in water and sewer services.

Project Ranking

| | | |
|-----------------|-------------|---|
| PRIORITY MATRIX | | The capital projects have been given a priority designation based on staff's understanding the underlying nature of the project in relation to several criteria, including risk, timing, and community interest. |
| Ranking | Assessment | Description |
| P1 | Critical | Project is identified as critical in maintaining key infrastructure or delivering core services. Exclusion of this priority increases risk to the municipality in the near future, has a negative future cost impact, or both. Has been identified as necessary through AMIP processes. |
| P2 | Vital | Project is vital in maintaining key infrastructure or delivering core services. Exclusion of this priority would increase risk to the municipality in the medium term (2 to 5 years). |
| P3 | Essential | Project is essential part of key infrastructure and supporting the delivery of core services. Exclusion of this project would increase risk to the municipality in the long term (5 - 10 years). |
| P4 | Conditional | Project may have one or more dependencies with another project; while on its own it may be fully discretionary but completing this project at this time represents future cost savings, an increase in value, or reduction of risk. |
| P5 | Optimal | This project would help optimizing the infrastructure network and improving the effectiveness and efficiency of the core services. |

2025 Water & Sewer Projects

| Filters | | | |
|--------------|--|--------------------|-------------------------|
| Fund_Num | (Multiple Items) | | |
| Class_Num | 2 | | |
| Row Labels | Account_Name | Sum of 2025 BUDGET | Sum of 2025 YTD ACTUALS |
| 3-2-0003-000 | #98-SIMILKAMEEN AVENUE DESIGN | 0 | 280 |
| 3-2-0005-000 | #153-UPGRADING DRUMSCREEN WASH LINES | 30,000 | 60 |
| 3-2-0006-000 | #136-STATION ST. COOP & SAWMILL | 25,000 | 0 |
| 3-2-0007-000 | #147-BRIDGE PIPE HANGER REPLACEMENT | 17,500 | 12,827 |
| 3-2-0008-000 | #71-TOPPING LAKE CLORINATION ELECT UPGD | 695,000 | 125,699 |
| 3-2-0009-000 | #130-NEW SCADA & PLC FOR ENTIRE SYSTEM | 100,000 | 64,724 |
| 3-2-0010-000 | #150-HIGHLIFT HVAC | 30,000 | 0 |
| 3-2-0010-001 | #BUD AMEND 25-03 COMPREHENSIVE HVAC REPL | 0 | 15,487 |
| 3-2-0059-000 | #67 ROTARY BEACH - DISCHARGE CONNECTION | 40,000 | 23,412 |
| 5-2-0002-000 | #127 - IRRIGATION CANAL INTAKE SCREENS | 100,000 | 65,865 |
| 5-2-0004-000 | #111 - ROCKCLIFFE DOM PUMP STATION | 70,000 | 145,980 |
| 5-2-0006-000 | #98-SIMILKAMEEN DESIGN | 0 | 280 |
| 5-2-0010-001 | #145- ROAD 2 INTAKE SCREEN | 115,000 | 125,812 |
| 5-2-0010-002 | #161 - SIPHON CONTROL GATE | 50,000 | 15,129 |
| 5-2-0010-003 | #143 - IONIZER REDESIGN AND REVAMP | 50,000 | 7,188 |
| 5-2-0010-005 | #149 - HESTER PUMPHOUSE NEW FLOW METER | 25,000 | 0 |
| 5-2-0010-006 | #123 - FAIRVIEW PUMPHOUSE NEW FLOW METER | 30,000 | 0 |
| 5-2-0012-000 | #130 NEW SCADA & PLC's FOR ENTIRE SYSTEM | 175,000 | 64,233 |
| 5-2-0013-000 | #135 BLACKSAGE WINTER SOMESTIC 6" CHLOR | 100,000 | 102,877 |
| 5-2-0014-000 | #15-PORTABLE GENERATOR PROJECT | 440,000 | 205,344 |
| 5-2-0015-000 | #27-BLACKSAGE HVAC | 20,000 | 17,910 |
| 5-2-0016-000 | #136-STATION ST. - FAIRVIEW TO COOP | 25,000 | 0 |
| 5-2-0017-000 | #146-BRIDGE PIPE HANGER INSPECTIONS | 8,000 | 1,840 |
| 5-2-0018-000 | #163-GARP PUMPHOUSE FIXES | 50,000 | 0 |
| 5-2-0019-000 | #189-MUD LAKE PUMP REPLACEMENT | 50,000 | 0 |
| 5-2-0020-000 | #BUD AMEND 25-03 COMPREHENSIVE HVAC REPL | 0 | 78,781 |
| 5-2-0108-000 | #58 WATER METER REPLACEMENTS | 300,000 | 109,623 |
| 5-2-0114-000 | #50 BLACK SAGE ELECTRICAL UPGRADES | 250,000 | 205,659 |
| Grand Total | | 2,795,500 | 1,389,010 |

All projects to be completd by year-end with the exception of those highlighted

Water & Sewer Projects Carried into 2026

| | | | |
|-------------|--|---------|----------------|
| Year | (Multiple Items) | | |
| FUND | (Multiple Items) | | |
| | | | |
| Row Labels | PROJECT NAME | FUNDING | Sum of 2026 CF |
| 123 | Fairview Irrigation New Flow Meter | WC | 10 |
| 148 | Topping Lake Chlorination Station Elect. Service, MCC's, Pumps and motors Upgrades | SC | 500 |
| 163 | Garp Pumphouse Fixes ie: storm drains, drywells, etc. | WC | 30 |
| Grand Total | | | 540 |

2026-2030 Sewer Projects

| FUND | Sewer | | | | | | | | | |
|--------------|--|----------|---------|-------|-------|------|------|------|-------------|--|
| Sum of 26-35 | | | | | | | | | | |
| Row Labels | PROJECT NAME | Priority | FUNDING | 2026 | 2027 | 2028 | 2029 | 2030 | Grand Total | |
| 49 | Fairview & Station Intersection Improvements Design | P3 | SC | | | | 10 | | 10 | |
| 68 | 50 kW Photovoltaic System - Equalization Ponds | P5 | Grant | | | | | 380 | 380 | |
| 98 | S3-Similkameen Avenue | P1 | Grant | 447 | | | | | 447 | |
| 99 | W8-Main Street Veterans to School | P1 | Grant | 170 | | | | | 170 | |
| 100 | S7-River Crossing Park Dr and Fairview Rd | P1 | SC | | | | | 275 | 275 | |
| | S7-River Crossing Park Dr and Fairview Rd Design | P1 | SC | | | | 15 | | 15 | |
| 114 | S2-Sanitary Main Hillside to Veterans | P1 | Grant | | 350 | | | | 350 | |
| | S2-Sanitary Main Hillside to Veterans Design | P1 | SC | | 40 | | | | 40 | |
| 115 | S9-Sanitary Main Fir to Lift station | P2 | SC | | | 300 | | | 300 | |
| | S9-Sanitary Main Fir to Lift station Design | P2 | SC | | 15 | | | | 15 | |
| 117 | Wastewater Treatment System Upgrades | P3 | SC | | | | 125 | | 125 | |
| 125 | Reclaim Watermain investigation/testing | P2 | SC | | 150 | | | | 150 | |
| | Reclaim Watermain Design | P2 | SC | | 75 | | | | 75 | |
| 130 | New Scada & PLC's for entire system | P1 | SC | | 100 | 100 | | | 200 | |
| 136 | Station St. - Fairview to Co-op and Sawmill | P2 | Grant | | | | 300 | | 300 | |
| 137 | Okanagan St - Co-op to Haven | P3 | Grant | | | | | 200 | 200 | |
| | Okanagan St - Co-op to Haven Design | P3 | SC | | | | 35 | | 35 | |
| 142 | New Scada Computers | P3 | SC | | | | 10 | | 10 | |
| 151 | Influent Lifstation Elec. Upgrades | P1 | SC | | 250 | | | | 250 | |
| 152 | Scott Rd Lifstation Upgradesc/w new boots and bypass | P1 | SC | | 265 | | | | 265 | |
| 154 | Bing to Hillside SIPP/CIPP Sewer Main in Rear Yards Design | P1 | SC | | 35 | | | | 35 | |
| | Bing to Hillside SIPP/CIPP Sewer Main in Rear Yards | P1 | SC | | | 350 | | | 350 | |
| 167 | S1 - Fariview to Sawmill Rd. Sanitary Main Replacement Design | P1 | SC | | 40 | | | | 40 | |
| | S1 - Fariview to Sawmill Rd. Sanitary Main Replacement | P1 | Grant | | 900 | | | | 900 | |
| 193 | Upgrade Compactor Room and Compactor Replacement New MCC and PLC | P1 | SC | 408 | | | | | 408 | |
| 194 | Highlift Upgrades | P1 | SC | 715 | | | | | 715 | |
| Grand Total | | | | 1,741 | 2,220 | 750 | 495 | 855 | 6,061 | |

2026 Sewer Projects

| # | Project | Priority | Funding Source | Amount |
|-----|--|----------|--------------------|-----------|
| 98 | S3-Similkameen Avenue | P1 | Grants | \$447,000 |
| 99 | W8-Main Street Veterans to School | P1 | Grants | \$170,000 |
| 193 | Upgrade Compactor Room and Compactor Replacement New MCC and PLC | P1 | Sewer Capital Fund | \$408,000 |
| 194 | Highlift Upgrades | P1 | Sewer Capital Fund | \$715,000 |

Total Proposed 2026 Capital spending \$1,741,000

Risk to service continuity that two P1 projects are dependant on grant funding to move forward.

#98 – Similkameen Ave.

Summary

| PRIORITY | P1 | Year |
|------------|----------|------|
| ASSESSMENT | Critical | 2026 |

Total \$ 3,261,871

Similkameen Ave.-mill/pave & Overlay

Similkameen Ave is poor condition and requires full reconstruction

\$1,245,956.00

Similkameen Ave. Drainage Upgrades

The existing drainage infrastructure has also exceeded the useful life expectancy of the drainage network..The drainage infrastructure in this area is a major intersection for the Drainage network for the Town and requires upgrades to improve drainage throughout the community.

\$91,800.00

Combined General \$1,337,756.00

Similkameen Ave. Sewer Upgrades

The Sanitary sewer that runs along Similkameen and forms a bottle neck according to the Sanitary Capital Plan from 2019. The 1967 AC Sanitary sewer infrastructure exceeds its' life expectancy.

Sewer

\$447,300.00

| | | |
|------------|----------|------|
| PRIORITY | P1 | Year |
| ASSESSMENT | Critical | 2026 |

| | |
|-------|--------------|
| Total | \$ 3,517,857 |
|-------|--------------|

Main St.-mill/pave & Overlay

| |
|---|
| Main St. requires full reconstruction due to new underground infrastructure |
|---|

| |
|----------------|
| \$15k |
| \$1,609,500.00 |

Main St. Drainage Upgrades

| |
|--|
| The 1964 AC drainage infrastructure has also exceeded the useful life expectancy of the drainage network..The drainage infrastructure in this area is a major intersection for the Drainage network for the Town and requires upgrades to improve drainage throughout the community. |
|--|

| | |
|--------------|--------|
| \$10k | design |
| \$278,250.00 | |

| | |
|------------------|----------------|
| Combined General | \$1,887,750.00 |
|------------------|----------------|

#99 Main Street

Main St. Sewer Upgrades

| |
|--|
| The 1965 VCT sanitary sewer infrastructure exceeds its' life expectancy. |
|--|

| | | |
|-------|--------------|--------|
| Sewer | \$20k | design |
| | \$107,200.00 | |



#193 – Upgrade Compactor

| PRIORITY | P3 | Year |
|------------|-----------|------|
| ASSESSMENT | Essential | 2026 |

Compactor Room Upgrades

Upgrade compactor room and compactor replacement as they do not make parts for the compacter we have any more, new MCC and PLC

\$ 408,000

#194-Highlift Upgrades

| PRIORITY | P1 | Year |
|------------|----------|------|
| ASSESSMENT | Critical | 2027 |

Highlift Upgrades

Highlift electrical upgrade for service, MCC's pumps and motors.

\$ 715,000

2026 Sewer Operating Budget

SUMMARY

| | 2026 Budget | 2025 Budget | Variance | 2025 YTD | 2024 Actual | 2023 Actual | 2022 Actual | 2021 Actual | 2020 Actual |
|--|--------------------|--------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total User Fees | (1,568,019) | (1,444,984) | (123,035) | (753,208) | (1,413,992) | (1,082,165) | (1,010,316) | (960,079) | (788,683) |
| Total Other Revenue | (20,895) | (19,796) | (1,099) | (19,682) | (24,514) | (19,073) | (27,206) | (24,732) | (19,712) |
| Total Parcel Taxes | (430,619) | (402,223) | (28,396) | (402,968) | (390,899) | (299,787) | (283,667) | (270,745) | (258,792) |
| Total REVENUES | (2,019,533) | (1,867,003) | (152,530) | (457,674) | (1,829,405) | (1,401,025) | (1,321,189) | (1,255,556) | (1,067,187) |
| Total Administration | 424,579 | 423,601 | 978 | 282,732 | 374,217 | 353,210 | 316,405 | 287,676 | 311,221 |
| Total Operations | 68,757 | 65,674 | 3,083 | 54,135 | 61,008 | 54,364 | 50,295 | 31,840 | 47,934 |
| Total Collection | 290,192 | 307,267 | (17,075) | 178,979 | 155,637 | 184,295 | 138,459 | 173,732 | 160,186 |
| Total Treatment Disposal | 463,578 | 457,103 | 6,475 | 329,548 | 510,039 | 413,478 | 454,618 | 404,059 | 421,634 |
| Total Amortization | 238,684 | 230,294 | 8,390 | - | 238,684 | 230,294 | 201,732 | 201,416 | 197,000 |
| Total Transfer to Own Funds (Reserves) | 772,427 | 613,358 | 159,069 | - | 728,503 | 403,558 | 361,416 | 301,733 | 229,412 |
| Total OPERATING EXPENDITURES | 2,258,217 | 2,097,297 | 160,920 | 845,394 | 2,068,088 | 1,639,199 | 1,522,925 | 1,400,456 | 1,367,387 |

Budget balanced on “cash basis” once
amortization is deducted from expenditures

Proposed Sewer Rate Increases

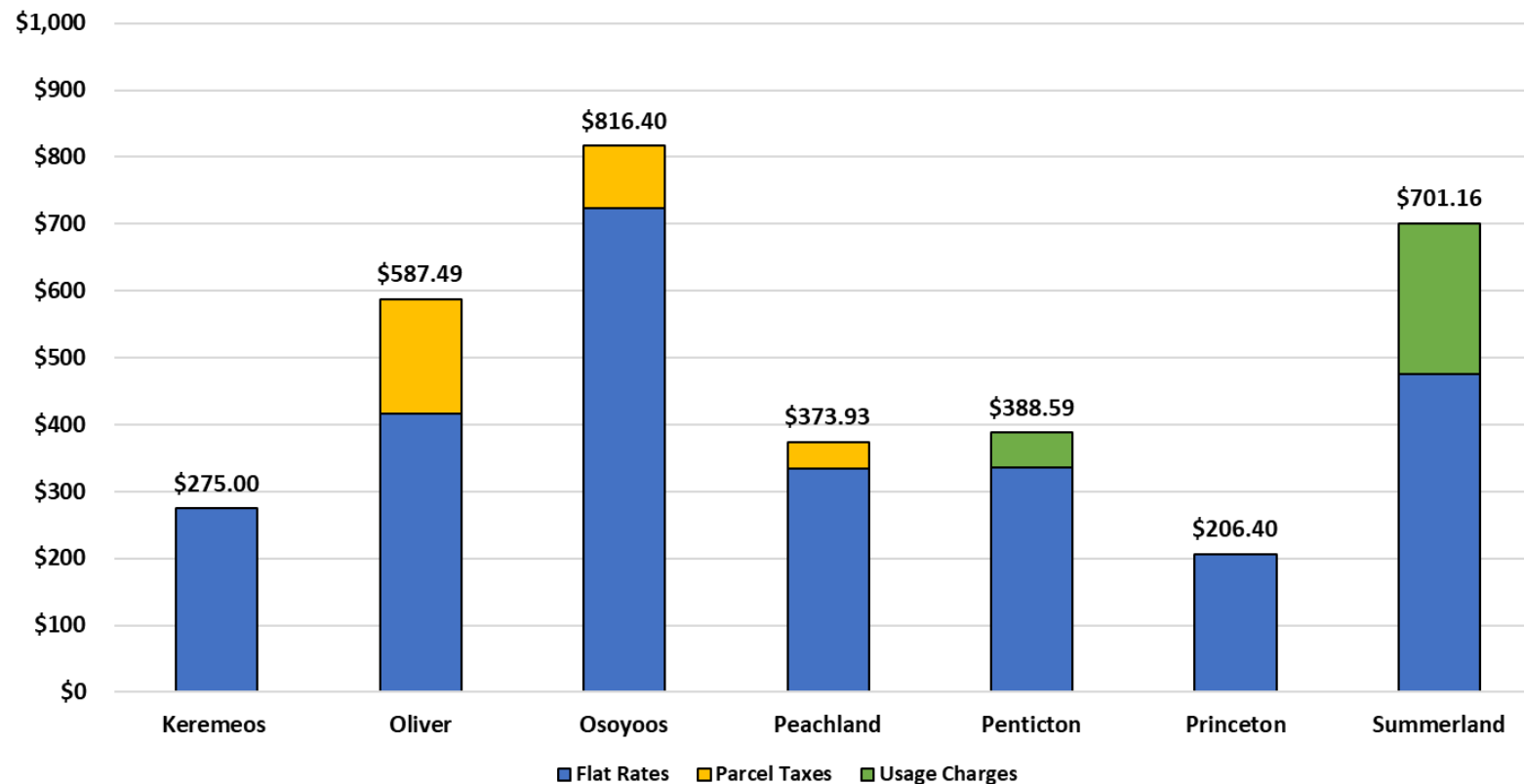
Scenario Increases Sewer

| | 2026 | 2027 | 2028 | 2029 | 2030 |
|--|-----------|---------|-----------|-----------|-----------|
| Scenario A - Base (Fixed & Usage) | 7% | 11% | 3% | 3% | 3% |
| Scenario A - Base (Parcel Taxes) | 7% | 11% | 3% | 3% | 3% |
| Transfers to Sewer Capital Reserve | 772,427 | 975,053 | 1,016,217 | 1,058,866 | 1,103,015 |
| Sewer Capital Reserve Balances | 11,122 | 16,584 | 287,292 | 1,172,735 | 2,048,352 |
| Sewer Capital Reserve Budgeted Spending | 1,123,000 | 970,000 | 750,000 | 195,000 | 275,000 |

Reserve balances in 2029 and 2030 overstated due to reliance on grant funding for capital projects in those years. Critical P1 projects in 2027 & 2028 cannot move forward without grant/debt funding.

Current Sewer Rate Comparisons

Comparative Single Family Residential Sewer Charges



Sewer Rate Increase Impact

- Proposed 7% increase for 2026 would increase the average annual cost for homeowners from \$587 to \$629 or \$42 per year,
- This equates to \$3.50 per month
- Our 2026 rates would remain lower than Osoyoos and Summerland 2025 rates.

2026-2030 Water Projects

| FUND | Water | | | | | | | | | |
|--------------|--|----------|---------|----------|-------|-------|-------|-------|-------------|--|
| Sum of 26-35 | | | | Column L | | | | | | |
| Row Labels | PROJECT NAME | Priority | FUNDING | 2026 | 2027 | 2028 | 2029 | 2030 | Grand Total | |
| 51 | Booster station SCADA (6A) | P1 | WC | | 150 | | | | 150 | |
| 58 | Water Meter Replacements | P1 | WC | 150 | 300 | 300 | 300 | 40 | 1,090 | |
| 63 | Canal - Upgrade trash racks | P3 | WC | | | | 75 | | 75 | |
| 98 | S3-Similkameen Avenue | P1 | Grant | 520 | | | | | 520 | |
| 99 | W8-Main Street Veterans to School | P1 | Grant | 335 | | | | | 335 | |
| 100 | W9-River Crossing Park Dr and Fairview Rd | P1 | WC | | | | | 350 | 350 | |
| | W9-River Crossing Park Dr and Fairview Rd Design | P1 | WC | | | | 20 | | 20 | |
| 104 | W6-Water reservoir feed line 2 Testing | P1 | WC | | | 150 | | | 150 | |
| | W6-Water reservoir feed line 2 | P1 | Grant | | | | 950 | | 950 | |
| 105 | Pacific Silica River Crossing | P2 | WC | | | | | 450 | 450 | |
| | Pacific Silica River Crossing Design | P2 | WC | | | | 50 | | 50 | |
| 118 | Mud Lake Irrigation VFD/Soft Starts electrical Upgrade/H | P2 | WC | | | | 500 | | 500 | |
| 122 | 2- New 12" Isolation Valve at Park Rill System #1 | P1 | WC | | 40 | | | | 40 | |
| 130 | New Scada & PLC's for entire system | P1 | WC | | 125 | 125 | 125 | | 375 | |
| 134 | Rockcliffe Irrigation VFD/Soft Starts electrical U | P1 | WC | 1,100 | | | | | 1,100 | |
| 136 | Station St. - Fairview to Co-op and Sawmill | P2 | Grant | | | | 400 | | 400 | |
| 137 | Okanagan St - Co-op to Haven | P3 | Grant | | | | | 350 | 350 | |
| | Okanagan St - Co-op to Haven Design | P3 | WC | | | | 35 | | 35 | |
| 141 | Gate Valve Replacements each year | P1 | WC | | 20 | 20 | 20 | 20 | 80 | |
| 142 | New Scada Computers | P3 | WC | | | | 40 | | 40 | |
| 160 | Diversion Control Gates and Motors Design/Investigation | P1 | WC | | 50 | | | | 50 | |
| | Diversion Control Gates and Motors | P1 | WC | | | 500 | | | 500 | |
| 162 | Black Sage 2B River Intake Gate | P1 | Grant | | 350 | | | | 350 | |
| 164 | Well Decommissioning Tucelnuit | P1 | WC | | 100 | | | | 100 | |
| 165 | Well Decommissioning CPR | P1 | WC | | 100 | | | | 100 | |
| 166 | Well Decommissioning Blacksage | P1 | WC | | 100 | | | | 100 | |
| 168 | W2-Park Drive Water Looping Design | P3 | WC | | | | | 20 | 20 | |
| 169 | W12-Fairview Okanagan to Kootney Design | P3 | WC | | | | | 5 | 5 | |
| 191 | Fencing for source protection Tucelnuit pumphouse | P1 | WC | | 30 | | | | 30 | |
| 192 | Hester Creek Piping and Flow Meter | P1 | WC | 250 | | | | | 250 | |
| 197 | Tucelnuit Pumphouse Upgrade Elect. Service, MCC's, Pur | P1 | WC | | | 400 | | | 400 | |
| 199 | Hester Pumphouse Upgrade Elect. Service, MCC's, Pump | P1 | WC | | | | | 400 | 400 | |
| 211 | Black Sage Well Rehab for 3 wells | P1 | WC | | | | 200 | | 200 | |
| 212 | Well Decommissioning Plan | P1 | WC | 30 | | | | | 30 | |
| Grand Total | | | | 2,385 | 1,365 | 1,495 | 2,715 | 1,635 | 9,595 | |

2026 Water Projects

| # | Project | Priority | Funding Source | Amount |
|-----|--|----------|--------------------|-------------|
| 58 | Water Meter Replacements | P1 | Water Capital Fund | \$150,000 |
| 98 | S3-Similkameen Avenue | P1 | Grant Funding | \$520,000 |
| 99 | W8-Main Street Veterans to School | P1 | Grant Funding | \$335,000 |
| 134 | Rockcliffe Irrigation VFD/Soft Starts electrical Upgrade/HVAC/Flow Meter/New MCC | P1 | Grant Funding/Debt | \$1,100,000 |
| 192 | Hester Creek Piping and Flow Meter | P1 | Water Capital Fund | \$285,000 |
| 212 | Well Decommissioning Plan | P1 | Water Capital Fund | \$30,000 |

Total Proposed 2026 Capital spending \$2,385,000

Risk to service continuity that three P1 projects are dependant on grant funding to move forward.

#58 – Water Meter Replacements

| PRIORITY | P1 | Year |
|------------|----------|------|
| ASSESSMENT | Critical | 2029 |

Water Meter Replacements

Finance previously indicated that many older water meters are starting to require more troubleshooting and change outs throughout the water systems. The Town has started a 'change out' program for the next 5 years, replacing the Neptune T-10 meters with a newer Mach 10 meters that have no internal moving parts and potentially less maintenance. Work can be done internally through the public works in addition to contracted plumber. \$40k in 2024 was insufficient. Plan for \$300k per yer.

| |
|------------|
| \$ 300,000 |
|------------|

#98 – Similkameen Ave.

Summary

| PRIORITY | P1 | Year |
|------------|----------|------|
| ASSESSMENT | Critical | 2026 |

Total \$ 3,261,871

Similkameen Ave.-mill/pave & Overlay

Similkameen Ave is poor condition and requires full reconstruction

\$1,245,956.00

Similkameen Ave. Drainage Upgrades

The existing drainage infrastructure has also exceeded the useful life expectancy of the drainage network..The drainage infrastructure in this area is a major intersection for the Drainage network for the Town and requires upgrades to improve drainage throughout the community.

\$91,800.00

Combined General \$1,337,756.00

Similkameen Ave. Water Upgrades

The 1961 AC water infrastructure well exceeds its' life expectancy.

Water

\$519,575.00

| | | |
|------------|----------|------|
| PRIORITY | P1 | Year |
| ASSESSMENT | Critical | 2026 |

Total \$ **3,517,857**

Main St.-mill/pave & Overlay

Main St. requires full reconstruction due to new underground infrastructure

| |
|-----------------------|
| \$15k |
| \$1,609,500.00 |

Main St. Drainage Upgrades

The 1964 AC drainage infrastructure has also exceeded the useful life expectancy of the drainage network..The drainage infrastructure in this area is a major intersection for the Drainage network for the Town and requires upgrades to improve drainage throughout the community.

| | |
|---------------------|--------|
| \$10k | design |
| \$278,250.00 | |

| | |
|------------------|-----------------------|
| Combined General | \$1,887,750.00 |
|------------------|-----------------------|

#99 Main Street

Main St. Water Upgrades

This project is driven by need for redundancy for the water main reservoir feed lines, to replace the existing watermains, the water main was installed in 1955 as AC watermain

| | | |
|-------|---------------------|--------|
| Water | \$30k | design |
| | \$335,150.00 | |



#134 – Rockcliffe Irrigation

| PRIORITY | P1 | Year |
|------------|----------|------|
| ASSESSMENT | Critical | 2024 |

Rockcliffe Irrigation VFD/Soft Starts Elect. Upgrade

This part of our constant upgrades for our older pumphouses. This Pumphouse was built in 1975, located on Road 2, it is biggest irrigation pump station we have. It pushes 9000 gallons per minute, it is currently powered with a 400 amp service and with all 3 pumps running it requires 588amps. If this pump station goes down we can not service a lot of the higher elevation properties. We need to do electrical (MCC) and controls in the pumphouse as well upgrade the pump controls; Variable Frequency Drive for better power efficiency and easier on the equipment when pumps start up and wind down.

\$ 1,100,000

#192 – Hester Creek Piping

| PRIORITY | P1 | Year |
|------------|----------|------|
| ASSESSMENT | Critical | 2026 |

Hester Creek and Flow Meter

Hester Creek pumphouse piping and flow meter needs to be replaced as it has past the end of its' life expectancy and existing site conditions indicate some pipes have deteriorated to the point that they are leaking majorily. Pipe located between the pumphouse and canal intake is in bad conditon, a sink hole showed up beside the pumphouse oovertop of the intake pipe in 2025 and was filled in temporarily.

\$ 250,000

#212 – Well Decommissioning Plan

| PRIORITY | P1 | Year |
|------------|----------|------|
| ASSESSMENT | Critical | 2026 |

Well Decommissioning Plan

Water Decommissioning Plan for Tucelnuit well #1, CPR well, Blacksage well #4 for Provincial approval to decommission wells in 2027 Source Protection Plan.

| | |
|----|--------|
| \$ | 30,000 |
|----|--------|

2026 Water Operating Budget

SUMMARY

Total User Fees and Sale of Services
Total Other Revenue from Own Sources
Total Parcel Taxes
Total OPERATING REVENUES

| 2026 Budget | 2025 Budget | Variance | 2025 YTD | 2024 Actual | 2023 Actual | 2022 Actual | 2021 Actual | 2020 Actual |
|-------------|-------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|
| (3,542,205) | (3,510,854) | (31,351) | (2,346,506) | (3,286,918) | (2,913,005) | (2,765,948) | (2,655,165) | (2,295,091) |
| (140,028) | (132,445) | (7,583) | (49,166) | (142,308) | (129,040) | (140,059) | (555,598) | (28,846) |
| (649,038) | (776,481) | 127,443 | (590,479) | (608,949) | (530,440) | (503,497) | (481,037) | (461,486) |
| (4,331,271) | (4,419,780) | 88,509 | (3,013,651) | (4,038,175) | (3,579,985) | (3,434,810) | (3,691,800) | (2,835,423) |
| | | | | | | | | |
| 1,134,117 | 1,091,702 | 42,415 | 788,377 | 762,904 | 981,075 | 783,255 | 637,440 | 697,694 |
| 109,240 | 107,430 | 1,810 | 100,191 | 154,120 | 91,910 | 88,534 | 84,621 | 80,755 |
| 165,250 | 164,009 | 1,241 | 153,745 | 256,967 | 102,348 | 82,434 | 59,776 | 67,629 |
| 27,336 | 41,137 | (13,801) | 19,751 | 39,268 | 14,154 | 11,616 | 15,301 | 53,114 |
| 880,800 | 832,263 | 48,537 | 679,124 | 673,582 | 821,933 | 576,384 | 628,383 | 601,513 |
| 357,414 | 346,590 | 10,824 | 269,746 | 369,733 | 317,862 | 321,722 | 340,363 | 310,674 |
| 154,095 | 214,698 | (60,603) | 114,505 | 145,647 | 128,959 | 123,758 | 129,611 | 185,105 |
| 35,600 | 33,484 | 2,116 | 15,403 | 37,854 | 20,309 | 83,699 | 202,624 | 68,305 |
| 326,181 | 540,607 | (214,426) | 477,604 | 553,701 | 529,572 | 390,208 | 384,107 | 377,554 |
| 316,088 | 324,530 | (8,442) | 277,233 | 348,848 | 326,290 | 320,567 | 151,698 | 149,278 |
| 96,699 | 88,752 | 7,947 | - | - | - | - | - | - |
| 772,457 | 754,253 | 18,204 | - | 772,457 | 754,253 | 745,322 | 530,541 | 540,319 |
| 728,451 | 634,578 | 93,873 | - | 500,274 | 168,099 | 556,949 | 398,815 | 470,021 |
| 5,103,728 | 5,174,033 | (70,305) | 2,895,679 | 4,515,284 | 4,256,764 | 4,084,448 | 3,563,280 | 3,601,961 |

Budget balanced on “cash basis” once amortization is deducted from expenditures

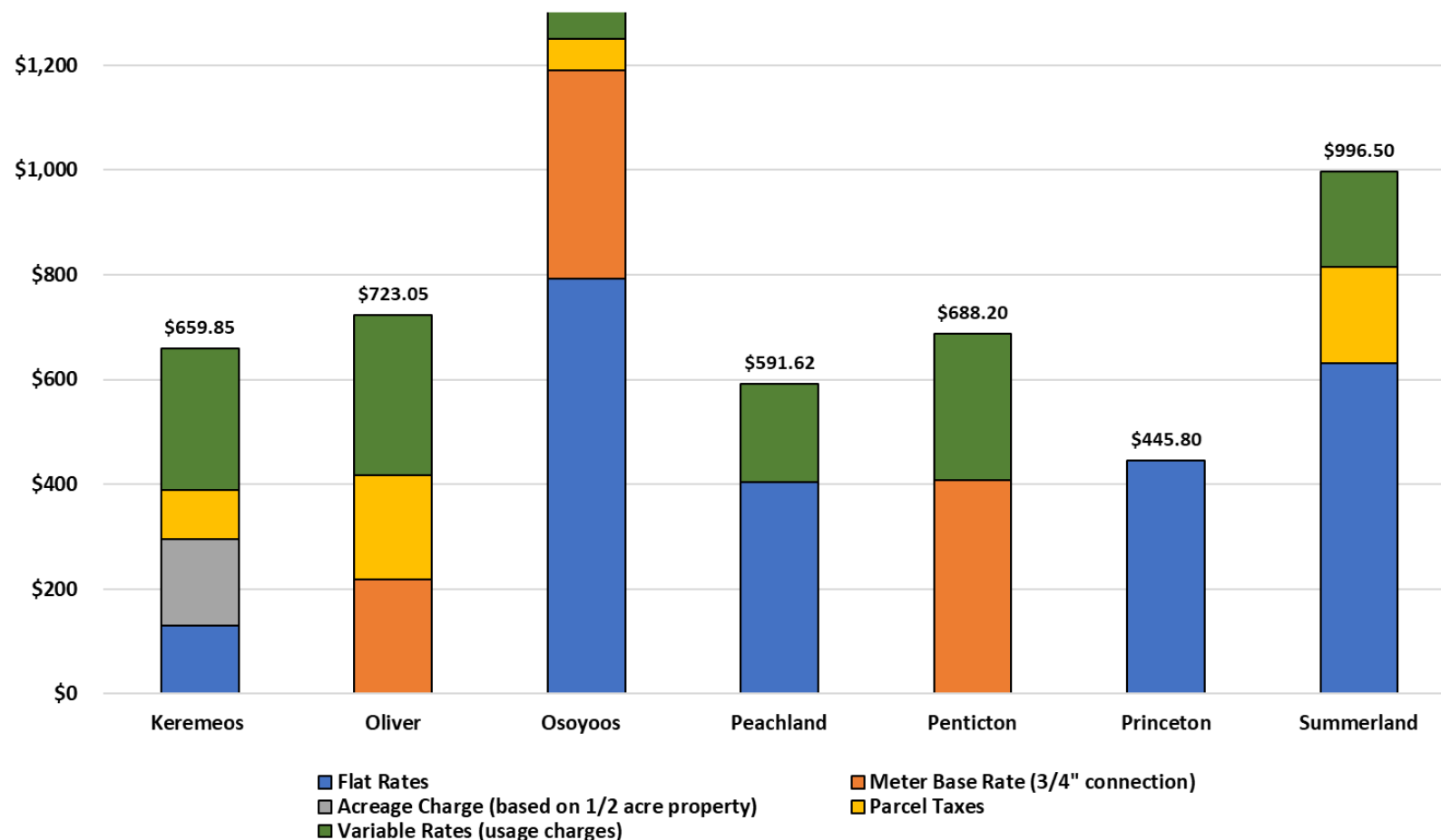
Proposed Water Rate Increases

Scenario Increases Water

| | 2026 | 2027 | 2028 | 2029 | 2030 |
|--|-------------|-------------|-------------|-------------|-------------|
| Scenario A - Base (Consumption) | 5% | 5% | 10% | 5% | 5% |
| Scenario A - Base (Fixed) | 5% | 5% | 10% | 5% | 5% |
| Scenario A - Base (Parcel Taxes) | 5% | 5% | 10% | 5% | 5% |
| Transfers to Water Capital Reserve | 728,451 | 654,455 | 1,258,271 | 1,530,901 | 1,719,350 |
| Water Capital Reserve Balances | 616,432 | 268,972 | 36,761 | 206,253 | 653,306 |
| Water Capital Reserve Budgeted Spending | 430,000 | 1,015,000 | 1,495,000 | 1,365,000 | 1,285,000 |

Current Residential Comparisons

Comparative Single Family Residential Water Charges



Water Rate Increase Impact

- Proposed 5% increase for 2026 would increase the average annual cost for homeowners from \$723 to \$759 or \$36 per year,
- This equates to \$3.00 per month
- Our 2026 rates would remain lower than Osoyoos and Summerland 2025 rates.

Proposed Irrigation Rate Increases

Scenario Increases Water Irrigation

| | 2026 | 2027 | 2028 | 2029 | 2030 |
|--|----------|----------|----------|----------|----------|
| Scenario A - Base (Irrigation) | 5% | 5% | 10% | 5% | 5% |
| Net Operating (Surplus) Deficit | -339,938 | -387,994 | -511,286 | -569,181 | -630,615 |
| Water Canal Capital Budgeted Spending | 500,000 | 500,000 | 500,000 | 500,000 | 400,000 |
| Cumulative (Surplus) Deficit | 160,062 | 272,068 | 260,782 | 191,601 | -39,014 |

[illegible]

Current Irrigation Rate Comparisons

| Municipality | Fixed Rate (based on 10 acre parcel) | Variable Rate | Total Annual Cost |
|--------------|--|---------------|-------------------|
| Oliver | \$3,175.40 | \$0 | \$3,175.40 |
| Osoyoos | \$1,145.70 | \$0 | \$1,145.70 |
| Keremeos | \$2,097.00 | \$0 | \$2,097.00 |
| Peachland | \$404.00 | \$1,335.60 | \$1,739.60 |
| Summerland | \$2,450.80 | \$0 | \$2,450.80 |
| Penticton | \$16,042.50 | \$3,561.60 | \$19,604.10 |

Farm Irrigation Rate Increase Impact

- Proposed 5% increase for 2026 would increase the average annual cost for 10 acre farms from \$3,175 to \$3,334 or \$159 per year,
- This equates to \$13.25 per month
- Our 2026 rates would remain lower than Penticton's 2025 rates.

Next Steps/Timeline

- Incorporate Council feedback into next version of 2026-2030 Operating & Capital Budget.
- Bring proposed Water and Sewer 2026 Rate & Parcel Tax Bylaw to Nov 17th Council meeting for 1st, 2nd & 3rd reading
- Bring 2026 Water, Sewer and Parcel Tax Bylaws to Council for adoption at Dec 8th Council meeting

Thank you!

PLANNED BUDGET TIMELINE 2026-2030 FINANCIAL PLAN

