



March, 2018

**Water Treatment Plant and  
Trepanier Creek Water System Interconnect  
FACT SHEET**

- Council identified quality drinking water as one of the top priorities within the District of Peachland’s Strategic Plan at the start of their term in 2015, and to that end, approved the construction of a conventional water treatment plant costing \$18.8 million.
- In an effort to service the entire District with a conventional water treatment process, Council directed staff to apply for \$4.9 million in grant funding under the Strategic Priorities Fund for the design and construction of the Trepanier Creek Water System Interconnect.

**Project Costs Summary**

	<b>Total Cost</b>	<b>Grant</b>	<b>Borrowing</b>	<b>Reserves</b>
Water Treatment Plant	\$18.8 million	\$6.9 million	\$4.3 million	\$7.6 million
Trepanier Interconnect	<u>\$ 4.9 million</u>	<u>\$4.9 million</u>	_____	_____
	<b>\$23.7 million</b>	<b>\$11.8 million</b>	<b>\$4.3 million</b>	<b>\$7.6 million</b>

**Funding the Borrowing**

- Long term borrowing in the amount of \$4.3 million
- Based on 3.36% borrowing rate for 25 years
- Annual parcel tax per property estimated at \$94

**Repayment of the Borrowing**

- Current parcel tax is \$350 per property. Of that amount, an estimated \$94 will be directed to debt servicing. Council will have to determine, based on the Water Master Plan financing strategy, how much of the remaining parcel tax revenue (\$350 - \$94 = \$256) will need to be directed to future projects, and whether to reduce the annual parcel tax levy.
- Note – Before the announcement about grant funding for the Trepanier Interconnect, we had expected that of the \$350 current parcel tax per property, \$206 would have to be directed to debt servicing. With the new funding announcement, that debt servicing cost is reduced by an estimated \$112 per property per year for 25 years.