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## Media Release

*For Immediate Release*

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### District Invests Long-term in Asset Management

SUMMERLAND—District of Summerland Council is proposing annual increases in water (5%) and sewer (3.5%) utility rates for the next five years. Additionally, an averaged 4.4% rate increase is proposed for electrical utility rates for 2020. These rates are being put forward to meet Council's strategic priority to sustainably finance the District's assets into the future.

Like many communities across the country, in 2017 the District of Summerland began a systematic process of infrastructure assessment, planning, and maintenance. The first step in the Asset Management (AM) process, was the creation of an asset inventory of all the infrastructure the District owns, operates and maintains, including all components of the water, sewer, and electrical systems. The inventory also includes data on associated performance, risks and expenditures over the lifecycle of each component.

This District then formalized AM processes by adopting an AM Policy and developing an AM Strategy. These key foundational documents, with the information and quality data in the AM inventory, will guide decision-making by better aligning council objectives and organizational priorities:

Based on the AM work that the District has completed over the past two years, the District's estimated infrastructure deficit in its three utilities is over \$85M. This means that approximately 24% of the infrastructure in these utilities has exceed its anticipated service life yet remains in operation. Although efforts have been made over the years to increase utility reserves, continued investments are required in order to support long-term service levels for the community,

*"Along with proposed utility rate increases for 2020," said Anthony Haddad, Chief Administrative Officer, "Council is committed to increasing capital reserves to better meet the District's estimated replacement cost of all utility infrastructure. Council knows there will be significant infrastructure costs incurred in the years ahead," added Summerland Mayor Toni Boot. "Methodically building capital reserves lowers the deficit and helps to prevent sharp rate increases when District assets need to be replaced."*

The 2020 utility budgets do not see any operating budget increases and staff worked diligently to ensure they brought forward sustainable operating budgets for 2020 within each of the District's utilities. Major utility capital projects scheduled for 2020 include:

- Replacing the watermain on Quinpool Avenue between Victoria Road and Washington Avenue
- Replacing the watermain on Dale Meadows Road between Walton Crescent and Haddrell Avenue
- Implementation of the Solar + Battery Storage project
- Converting the voltage of the power system (awaiting grant application)
- Moving overhead power lines underground, beginning near the Prairie Valley substation
- Condition assessment and prioritization of replacing streetlights and power poles
- Expanding the fiber optic network

In addition to two public utility budget meetings, the District held an open house on November 26, 2019 and invited community members to review and comment on the proposed five-year capital plans, the asset management investment strategy, and the proposed 2020 utility rate increases.

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For more information: [www.summerland.ca](http://www.summerland.ca)

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