



3731 Old Okanagan Hwy  
West Kelowna, B.C. V4T 0G7  
Tel.: 778-797-1000  
Fax: 778-797-1001  
Email [info@westkelownacity.ca](mailto:info@westkelownacity.ca)

## FAQs

**Tuesday, March 31, 2026**

# Answers to frequently asked questions regarding Rose Valley Water Treatment Plant Project cost sharing

## Summary

The Rose Valley Water Treatment Plant (RVWTP) and Connecting Transmissions Mains Project has been completed on budget at \$75 million and was funded by:

- \$41 million covered through a federal and provincial grant.
- \$23.5 million in long-term borrowing of 25 years to be recovered through a parcel tax on property taxes or prepayments for properties within the RVWTP Service Area.
  - Please note the prepayment option was available in 2025 and is now closed.
- \$6.1 million from cost charges on new development (DCCs).
- \$4.4 million from reserves.

Property owners approved long-term borrowing for the \$23.5 million shared cost component of the project in 2020; property owners were given two options to cover their parcel's share (see Illustration 1):

- Option 1 was to do nothing.
  - Starting in April 2026, \$37.50 for the RVWTP Project will be removed from quarterly utility bills (RV Residential Flat Water) and transferred to an annual parcel tax, which will be added to the May 2026 property tax notice.
    - The 2026 parcel tax will be \$171.89, or  $\$37.50 \times 4$ , plus \$21.89 in interest.
      - The original estimated parcel tax was \$181 in 2025. The final calculation of \$171.89 reflects the Municipal Finance Authority interest at the time of borrowing and accounts for new parcels in the system, as of March 15, 2026.
- Option 2 was to prepay.
  - The prepayment option is now closed.
  - Property owners had the option from April 25 to May 31, 2025, and Sept. 17 to Oct. 1, 2026, to prepay their share in a one-time lump sum of \$2,750.
  - Under this option, \$37.50 per quarter will be removed from utility bills, starting in April 2026, but an annual parcel tax will not be transferred to property tax notices starting in May 2026.

This does not apply to customers in the Powers Creek Water Service Area.

Illustration 1: Utility billing adjustments Spring 2026

Starting in 2026, \$37.50 will be removed from each Quarterly Utility Bill (issued four times per year) and added to the Annual Property Tax Notice as a Parcel Tax Payment, which will appear in the Local Services Taxes section.

**2026 RV RESIDENTIAL FLAT WATER**  
(was \$215.14 in 2025)

**\*\$179.44**

**\$37.50**

**Rose Valley Water Treatment Plant Construction**

**\$37.50 x 4 = \$150**

**Annual Parcel Tax on Property Tax Notice**  
(Does not apply if you prepaid)

**For those who did not prepay**

**ANNUAL PARCEL TAX**  
**\$150 + \*\*\$21.89 = \$171.89**  
Paid over 25 years, reconciled annually

**For those who prepaid**

**PREPAYMENT**  
**If prepaid \$2,750 = \$0 parcel tax**

\*Rate adjusted annually to cover system operating costs.  
\*\*Interest.

**Quarterly Utility Bill**

**2025 PROPERTY TAX NOTICE**

**Does this apply to property owners in the Powers Creek Water Service Area?**

No, this does not apply to properties in the Powers Creek Water Service Area.

**How has the City informed property owners about the parcel tax?**

On Aug. 1, 2025, the City of West Kelowna mailed a notice to Rose Valley Water Treatment Plant Local Area Service property owners to provide information about the parcel tax.

The City of West Kelowna also sent customers a reminder letter in late March 2026 followed by supporting information through our eNotification system, social media channels, and website:

- Sign up for eNotifications to your email inbox by visiting [westkelownacity.ca/subscribe](https://westkelownacity.ca/subscribe).
- Follow us on [Facebook](#), [Instagram](#), and [X](#).
- Visit [www.westkelownacity.ca/rvwtp](https://www.westkelownacity.ca/rvwtp).

Residents can also contact us:

- Email [ub.finance@westkelownacity.ca](mailto:ub.finance@westkelownacity.ca)
- Call 778-797-8850.

The parcel tax is not a newly conceived charge. It has been planned since 2020. The City provides taxpayers with notice of parcel taxes as an open government best practice and in keeping with [B.C. laws](#).

## What were the advantages of each of the two options?

Each property owner decided which of the two approved options worked best for their household:

- **Option 1 – do nothing:**
  - Those who defer property taxes under the [provincial property tax deferment program](#) would also be able to defer the Rose Valley Water Treatment Plant Parcel Tax.
  - Some households may have found it more affordable to pay the annual parcel tax rather than prepaying the one-time lump sum of \$2,750.
  - Those who sell their home will no longer pay the parcel tax, which stays with the property's tax roll.
- **Option 2 – prepay:**
  - Parcel owners who plan to live in their home long-term would avoid interest payments.
  - Parcel owners who prepaid will have \$37.50 removed from their quarterly utility bills, starting in April 2026, and they will not pay an annual parcel tax for 25 years, which includes interest charges, starting with the May 2026 property tax notice.

## How much will the RV Residential Flat Water Rate be in 2026?

Residents will notice a reduction to the RV Residential Flat Water Rate on quarterly utility bills:

- \$37.50 per quarter is being \*transferred to the annual parcel tax.
- Plus there is a required increase in water rates of \$1.80 quarterly, which accounts for actual 2025 operating costs, forecast 2026 operating costs and sustaining future operations.
- In 2025, the RV Residential Flat Water Rate was \$215.14; therefore, in 2026, the RV Residential Flat Water Rate will be  $\$215.14 - \$37.50 + 1.80 = \$179.44$ .

\*For those who prepaid their parcel's share, the \$37.50 will be removed from their quarterly bills and the annual parcel tax will not be added to their property tax notices.

## Why is there an increase to the 2026 water utility rates?

Water utility rates typically increase annually to account for inflation and other cost factors to ensure operational and infrastructural sustainability.

A best practices review is conducted at the end of each operating year; actual revenue and expenditure and forecast revenue and expenditure for the coming year are calculated to determine the new rates.

The ratepayer-funded system is not for profit, cannot run annual operating deficits and must remain sustainable for the future. Surpluses are transferred to reserves to offset future costs and deficits must be recouped through rates or other revenue. User rates are the primary revenue source.

The City of West Kelowna reports out annually on water and other utility rate increases and the reasons.

A Water Rate Study is also slated to begin as early as late 2026 to help establish future fee structures, which will continue to ensure long-term sustainability for water operations and infrastructure.

## How long will the parcel tax continue, and will the amount change each year?

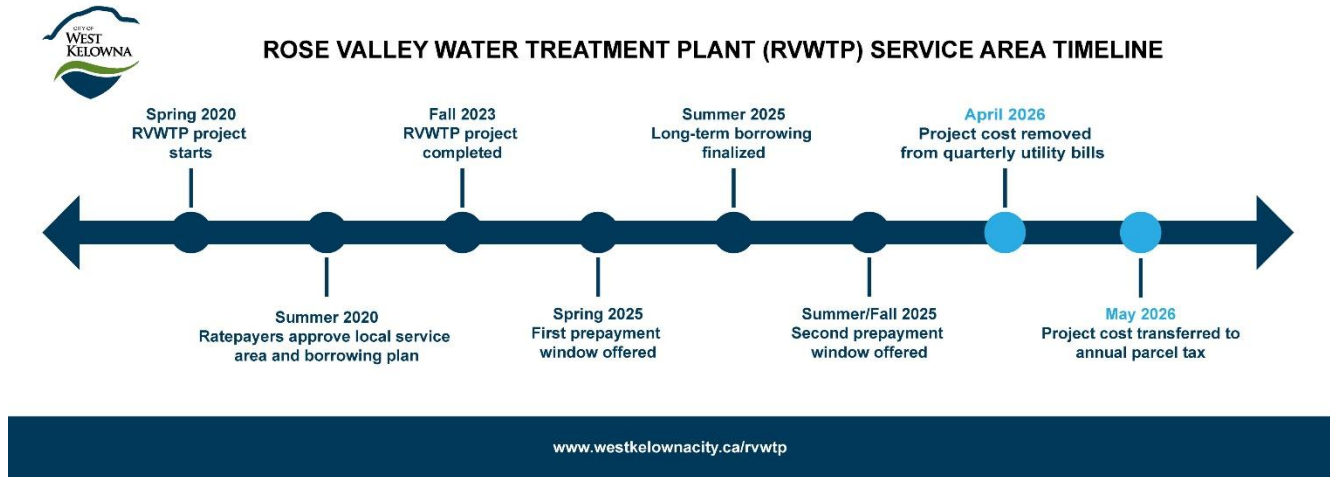
The parcel tax will appear on property tax notices annually for 25 years, starting in May 2026, for those living in the RVWTP Service Area who did not prepay.

The amount will change annually based on the number of new parcels created through subdivision in the service area. After the first 10 years, the 25-year loan must be renewed in five-year installments and the interest rates at the time of renewal will also cause variances in the parcel tax in years 11, 16 and 21.

## Why are the utility billing adjustments being made and the parcel tax being added in 2026 if the Rose Valley Water Treatment Plant was completed in December 2023?

During the construction phase, which started in 2020, short-term borrowing over five years was used to finance the project. The five years came to an end in 2025, and the borrowing was converted to long-term, which is being recovered over 25 years for optimal affordability for ratepayers. Ratepayers, who are the property owners within the RVWTP Service Area, approved the long-term borrowing plans in 2020 and the City remains transparent and accountable in following this process. For a project and process timeline, please see Illustration 2.

Illustration 2: Project and process timeline



## What happens with the parcel tax when I sell my home or buy another home?

If you sell your property, the parcel tax does not go with you, it stays with the parcel and remains on that property's annual City of West Kelowna tax notice for the 25 years.

If you have prepaid the parcel's portion of the Rose Valley Water Treatment Plant and the Connecting Transmission Mains Project, there is no further amount owing for the project and no annual parcel tax will appear on the property tax notice associated with your current property. If you sell, the new property owners would not owe anything further for the project as the \$2,750 prepayment will have covered that parcel's share.

If you prepaid, and decide to sell, the City cannot issue a refund for the \$2,750 or any portion thereof.

## What happens when new parcels are created through subdivisions or other developments in the Rose Valley Water Treatment Plant Water Service Area?

The parcel tax will be applied to the property tax notices of new parcels built in the service area. Since these customers will receive water from the RVWTP, they must also share in the long-term borrowing through an annual parcel tax and because an option to prepay is no longer available.

City staff will complete an annual reconciliation, and the parcel tax will be recalculated each year, based on the number of parcels, contributing equally.

## **Why is this not an interest-free loan? Why are you charging interest to taxpayers?**

The City, like other local governments, borrows money from the Municipal Finance Authority (MFA), which lends money to municipalities at competitive rates. Interest is payable to the MFA and is not money that the City of West Kelowna keeps.

## **How does this affect strata or manufactured home parks?**

All properties with a folio number, within the Rose Valley Water Treatment Plant Water Service Area are being charged in keeping with the respective bylaws.

Homes that are within strata and manufactured home parks have folios that have been included to contribute their equal share.

If owners are collectively billed for water through strata, the strata will see a reduction in their quarterly utility billing flat charges starting in April 2026 and the strata should pass on the net reduction.

If a manufactured home was to move, they must de-register before moving; and if a new manufactured home were to replace it, the new folio would be added to pay the parcel tax.

## **What if I rent and do not own?**

This will depend on whether you pay the quarterly utility bill. Please check with the property owner. The City will remove \$37.50 from quarterly utility bills starting in April – the first quarterly bill for 2026.

Owners will receive the property tax notice, which will include the parcel tax, in May 2026.

## **Who do I contact if I have more questions?**

If you have further questions or require more information, please email [ub.finance@westkelownacity.ca](mailto:ub.finance@westkelownacity.ca) or call 778-797-8860.

## **How do I ensure I receive information from the City in the future?**

The City of West Kelowna is committed to open, transparent and accountable governance and publicly communicates all initiatives through various channels including regular Council meetings, e-notifications, website, social media and other channels. The City encourages residents to remain signed up to receive news and alerts and to invite family, friends and neighbours to sign up at [westkelownacity.ca/subscribe](https://westkelownacity.ca/subscribe). Residents can also follow us on [Facebook](#), [Instagram](#), and [X](#).

Council meetings are livestreamed at [westkelownacity.ca/webcasts](https://westkelownacity.ca/webcasts) and webcasts are archived within one business day.