

What is a Water Financial Plan?

A Water Financial Plan is a long-range plan to help us identify the cost of having a safe and sufficient water supply for our Town. This includes a plan for the repair or replacement of aging water infrastructure. Water infrastructure includes things like the pipes in the ground, filtration equipment and water treatment equipment.

Why do we need a Water Financial Plan?

After the Walkerton Water Crisis, when many Walkerton residents became sick or died from contaminated drinking water, the Province set in place many rules and regulations to significantly reduce the chance of a similar event occurring again. These rules and regulations include the need for all municipal water system owners, like the Town, to have in place a water financial plan as to how we will build, repair or replace aging water infrastructure, to ensure a long-term, safe supply of drinking water for our Town.

How is this different from our Asset Management Plan?

Actually, this is not really all that different from our Asset Management Plan. In fact, the two plans are both about how we most cost effectively deal with aging infrastructure. The difference is that the Water Financial Plan deals with our water infrastructure, and our Asset Management Plan deals with all of our municipally-owned infrastructure, a portion of which happens to be water infrastructure. Both:

- Allow for better decision-making by Council regarding allocation of the budget;
- Provide more consistently high-quality infrastructure for use by our community;
- Allow us to develop long-term plans for the budget so that our taxpayers do not see big increases in taxation or water rates all at one time; and
- Look at ways to reduce the life cycle cost of an asset (the total cost of an asset over the course of its life, including the cost to buy, repair and maintain the item).

What is the Cost of a Water Financial Plan?

The plan itself does not cost anything. Staff at the Town developed the Plan. Consultants were not used. Where there will be cost is in the construction, repair or replacement of our water system infrastructure, ensuring that we are compliant with Provincial regulations and that we continue to provide safe drinking water for our community. But, this would happen in any event. That said, what this plan does is tell us how much money we need to save now to construct, repair or replace water infrastructure, and more important, how to use those dollars in the most effective way possible.