



THE REGIONAL MUNICIPALITY OF NIAGARA
COMMITTEE OF THE WHOLE
FINAL AGENDA

COTW 4-2021

Thursday, September 9, 2021

6:30 p.m.

Meeting will be held by electronic participation only

This electronic meeting can be viewed on Niagara Region's Website at:

<https://www.niagararegion.ca/government/council/>

Due to the efforts to contain the spread of COVID-19 the Council Chamber will not be open to the public to attend meetings until further notice. To view live stream meeting proceedings, please visit: [niagararegion.ca/government/council](https://www.niagararegion.ca/government/council/)

Pages

1. CALL TO ORDER

2. DISCLOSURES OF PECUNIARY INTEREST

3. DELEGATIONS

3.1. South Niagara Falls Wastewater Treatment Plant - Budget and Property
(Report PW 39-2021 (Agenda Item 5.1))

3.1.1. Peter Inman, Resident, City of Welland
The delegation submission is attached to this agenda item as
COTW-C 5-2021.

3 - 16

4. ITEMS FOR CONSIDERATION

4.1. PW 39-2021
South Niagara Falls Wastewater Treatment Plant - Budget and Property

17 - 76

A presentation will precede consideration of this item.

5. PRESENTATIONS

- 5.1. Niagara Region: Core Housing Need and Growth Management 77 - 85
Paul Smetanin, President and CEO, Canadian Centre for Economic Analysis (CANCEA)
- 5.2. Niagara's Affordable Housing Strategy 86 - 114
Adrienne Jugley, Commissioner of Community Services, and
Michelle Sergi, Commissioner, Planning and Development Services

6. CONSENT ITEMS FOR INFORMATION

- 6.1. CWCD 2021-191 115 - 118
A memorandum from B. Zvaniga, Interim, Commissioner, Public Works,
dated September 3, 2021, respecting Response to Councillor Information
Request re Ministry of Environment, Conservation and Parks
Investigation.

This item was added to the agenda at the request of Councillor Gale.

7. OTHER BUSINESS

8. NEXT MEETING

The next meeting is scheduled for Thursday, October 7, 2021 at 4:00 p.m.

9. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376 (cellphone) or accessibility@niagararegion.ca (email).

From: [PF-Mailbox-01](#)
To: [Norio, Ann-Marie](#); [Trennum, Matthew](#)
Subject: FW: Online Form - Request to Speak at a Standing Committee or Regional Council
Date: Thursday, September 02, 2021 12:03:40 PM

From: Niagara Region Website
Sent: Thursday, 02 September 2021 12:03:36 (UTC-05:00) Eastern Time (US & Canada)
To: Clerks
Subject: Online Form - Request to Speak at a Standing Committee or Regional Council

Request to Speak at a Standing Committee or Regional Council

To reply, copy the email address from below and put into 'To'. (if resident entered their email address)

Name

Peter Inman

Address

[REDACTED]

City

Welland

Postal

[REDACTED]

Phone

[REDACTED]

Email

[REDACTED]

Organization

standing committee

Committee of the Whole

Presentation Topic

South Niagara Falls Wastewater Plant

Presentation includes slides

Yes

Previously presented topic

No

Presentation Details

Over \$500 Million will be spent by Niagara Region to provide servicing to the new hospital that cannot be built until servicing is complete. The alternative proposed is that Niagara Region establish a strategic partnership with Niagara Health to modernize and rebuild hospitals in each community where infrastructure already exists. This will be less costly, more effective, and enable badly needed hospital modernization to occur.

Video Consent

Yes



A New Approach to South Niagara Infrastructure

COTW-C 5-2021

Presentation by:

Peter Inman, P. Eng., MBA, CEM

to

Committee of the Whole

September 9, 2012

Introduction

Peter Inman, P. Eng., MBA, CEM

- Business professional with background in power production, electricity distribution, energy efficiency
- Facility asset management, capital project planning, energy efficiency
- Reputation for finding lower cost solutions that are more effective
- Very familiar with Region's infrastructure – led energy efficiency initiatives at most Regional facilities
- Niagara resident with no affiliation to any group or organization
- Intend to 'Paint a Picture' of a comprehensive approach that will save money & inspire leaders to collaborate and take action
- Thank you in advance for your thoughtful attention

Overall Objectives

Recent WWT plant cost increases to \$400 Million triggers the need for a new approach that will:

1. Save Money and be Affordable
2. Be more effective and benefit all Niagara residents
3. Be faster in achieving the results we desire

Current Situation

- The need for a new WWT Plant is driven in large part by the proposed Niagara South Hospital.
- At 1.2 Million sq.ft., it will be 40% larger than St Catharines site
- The Hospital is a major consumer of electricity, water, wastewater, natural gas, etc.
- Located in a rural site, it will be expensive to service: - trunk lines, road widening, etc.
- Cost of infrastructure is unaffordable (\$500 M+)
- Infrastructure Construction will take time (2027)
- Hospital Construction must wait until infrastructure is available
- Hospital in-service date will likely be delayed to 2030+

Summary of Infrastructure Costs

• Wastewater Treatment Plant	\$400 M
• Water Tower	\$ 35 M
• Electrical Supply (NPEI)	\$ 32 M
• Natural Gas (Enbridge)	\$?
• Stormwater Management	\$?
• Fire Protection	\$?
• Road Widening	\$?
• Hi Bandwidth Internet	\$?
• Municipal Transit & Paratrans Expansion	\$?
TOTAL ESTIMATED	\$ 500 M +

Social & Environmental Costs

Environmental - Climate Change Disaster !

- Loss of productive farmland – WWT plant & NHS site
- Destruction of woodlots
- Stormwater Management – 1000+ car parking lot
- Increased transportation fuel emissions
- Promotes suburban sprawl; weakens urban areas

Social

- Lack of Community Support for NS Site (Pollara Report)
- Emergency health care delays getting to hospital
- Transportation barriers for patients and visitors
- Accessibility issues for vulnerable groups

Observations

- None of the \$500 M infrastructure improves health care in Niagara
- The WWT Plant, Water Tower, Road Widening & other infrastructure is not needed if the hospital is not built at this location
- Infrastructure is already in place at existing NHS sites: Niagara Falls, Welland, Pt Colborne, Ft Erie
- Revitalization and modernization at existing NHS sites could start without delay if plans were in place

Proposed Solution

- Convince NHS to not build the proposed Niagara South Hospital in its current location
- Distribute the Niagara South Hospital facility to rehabilitate existing sites as follows:
 - Niagara Falls - 40%
 - Welland - 40%
 - Pt Colborne - 10%
 - Ft Erie - 10%
- This approach will modernize these hospital facilities and utilize existing infrastructure
- At least \$400 Million in Infrastructure costs will be avoided

Conclusions

- The Niagara South Hospital is a bad idea as it did not consider total costs
- The WWT Plant and other infrastructure is not needed if the Niagara South Hospital is not built
- NHS would support revitalization at 4 sites as it provides a complete solution, aligns with their principles of accessibility and patient care, will be supported by the communities they serve
- Niagara Region has skilled project managers that can enable NHS develop rehabilitation plans at each site
- There is a Potential to save \$400+ Million and expedite modernized hospital facilities across the Region

Do You have the Courage to Change Course to Achieve these Objectives ?

Proposed Action Plan

1. Direct staff to determine what infrastructure is required if the Niagara South Hospital is not built, and calculate the cost savings.
2. Regional Chair and CAO to meet with Niagara Health System leadership: Propose upgrading existing hospital sites over building Niagara South hospital saving \$400+ Million infrastructure costs.

Proposed Action Plan

3. Establish a **Strategic Partnership** (Region & NHS) to:

- Fast-track hospital rehabilitation plans at each existing site
- Niagara Region to provide Project Management staff to develop plans in collaboration with NHS staff
- Establish a Master Plan, Schedule and Cost for Hospital Modernization
- Present the Master Plan to Minister of Health for funding

A New Approach to South Niagara Infrastructure

Thank you for your time and attention !

Questions ?

Peter Inman, P. Eng., MBA, CEM

South Niagara Falls Wastewater Solutions Schedule C Class Environmental Assessment

Committee of the Whole
September 9, 2021

South Niagara Falls Wastewater Solutions Schedule C Class Environmental Assessment

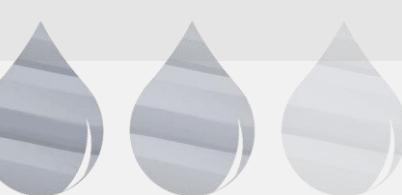
PW-39-2021

Wastewater Program and Cost Estimate Update

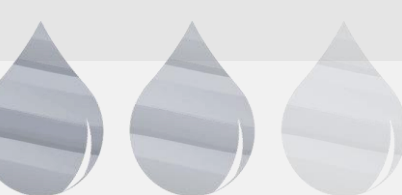
Thursday, September 9, 2021



1. Project Background and Strategy Update
2. Cost Estimates
3. Financial Review
4. Key Considerations and Risk Management
5. WWTP Property Update
6. Next Steps
7. Q & A



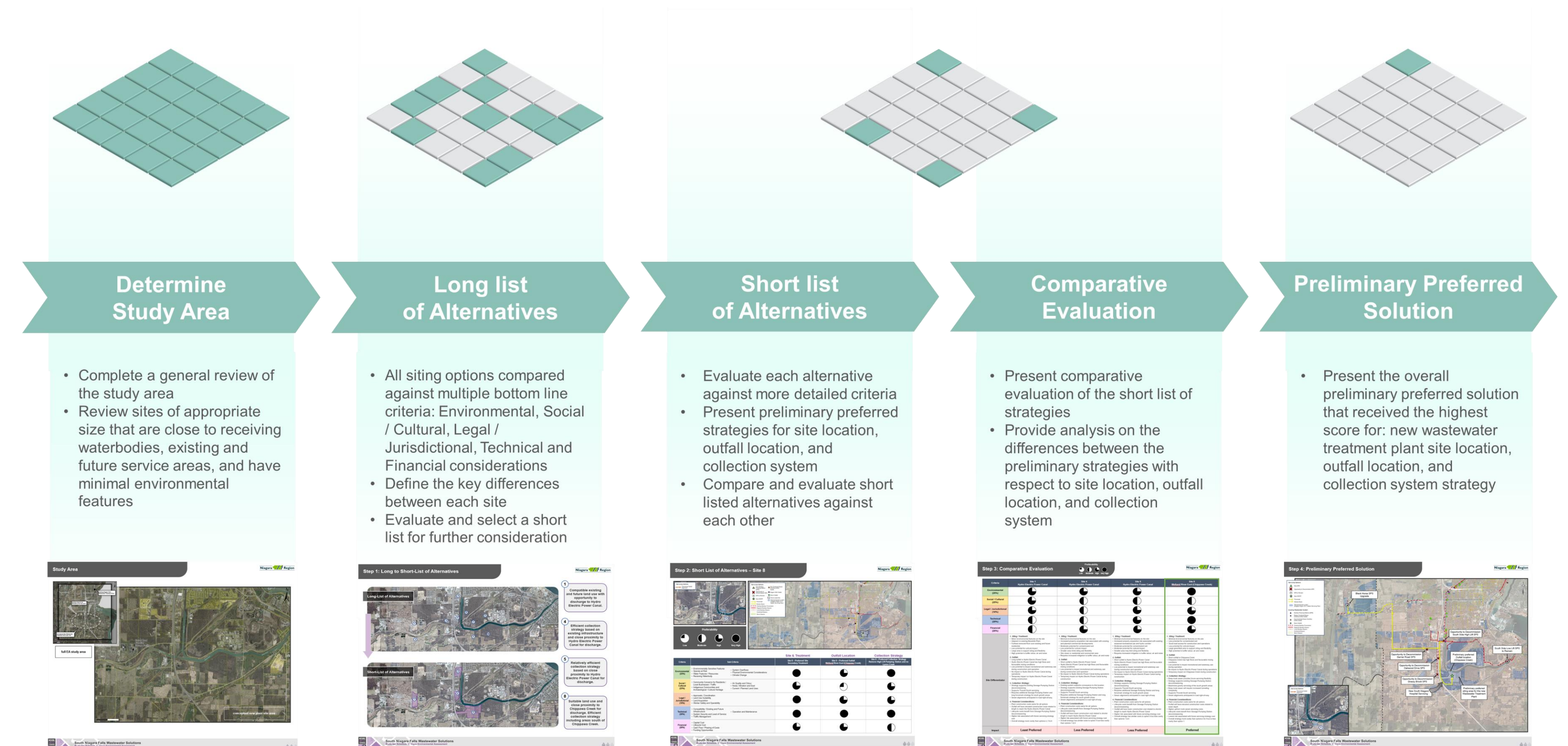
- 2041 growth projections were developed through the Municipal Comprehensive Review (MCR) process, approved by Council and utilized in the Master Servicing Plan (MSP) Update
- The MSP developed Region-wide servicing strategies and established the Niagara Falls strategy including the new WWTP
- Niagara Falls Strategy:
 - Go North vs New Plant
 - Rationale for selection (financial, technical feasibility of expanding existing system, development pressures/growth)
 - Foundation moving forward into Class EA
- Identified need for new South Niagara Falls Wastewater Treatment Plant (SNF WWTP)
- Recommended moving forward to Schedule C Class EA



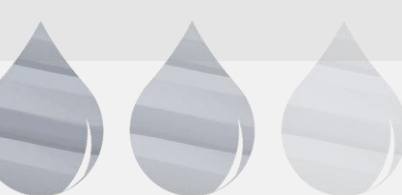
Niagara Region



- Pre-Consultation and Stakeholder Engagement
- 3 Public Information Centres (PICs) to date, 1 more anticipated in late fall 2021
- Extensive Development and Evaluation of Alternatives
 - Treatment Plant Site
 - Collection System Strategy
 - Outfall Location



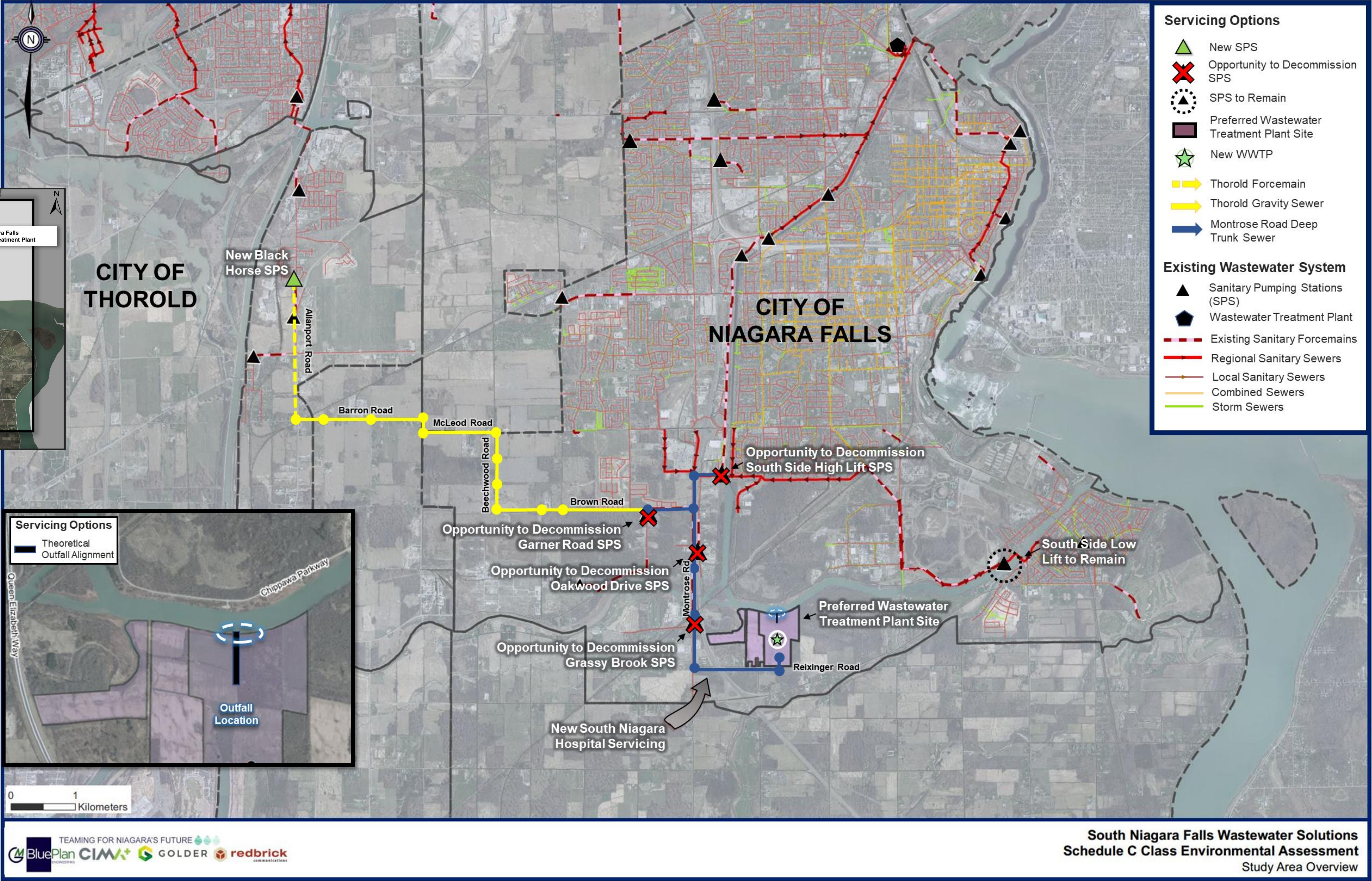
- Presented Preliminary Preferred Solution to the Public on March 11, 2020
- Supported Preferred Solution – Moving forward with Design Concepts



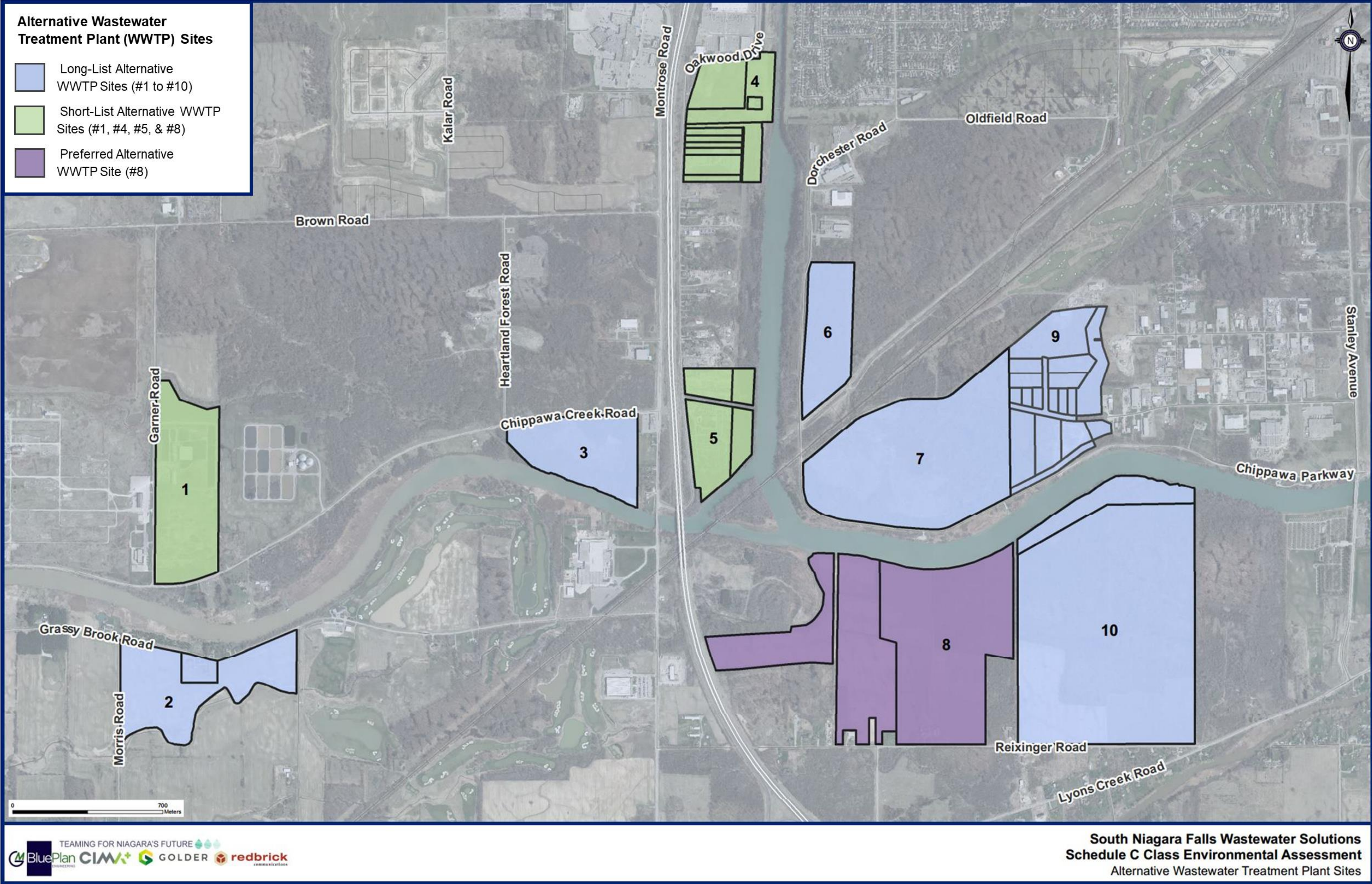
- Phase 3 of the Class EA process – summer 2020 to summer 2021
 - Completed more detailed environmental, cultural/heritage and archaeological investigations on the site and for the trunk sewer alignment
 - Completed more detailed geotechnical/hydrogeotechnical investigations on the preferred strategy
 - Addressed new archaeological information that came forward in fall 2020 related to the site
 - Confirming orientation of the facilities on the site as well as the outfall location at Chippawa Creek
 - Confirmed Montrose Road for trunk sewer alignment
 - Significant coordination and stakeholder engagement throughout Phase 3, including with the City of Niagara Falls, City of Thorold, Region Planning and Development Services, and Corporate Services
 - Minimizing risk and surprises in next steps of implementation
- Anticipate final Public Information Centre (PIC) late fall 2021
 - Update on investigations
 - Final alignments and WWTP site
 - Final technical considerations including WWTP design concept
- Complete conceptual design in late fall 2021
- File complete Class EA Environmental Study Report (ESR) with all supporting documentation in early 2022



SNFWWS Class EA Preferred Solution



Sites Considered



Preferred WWTP Site

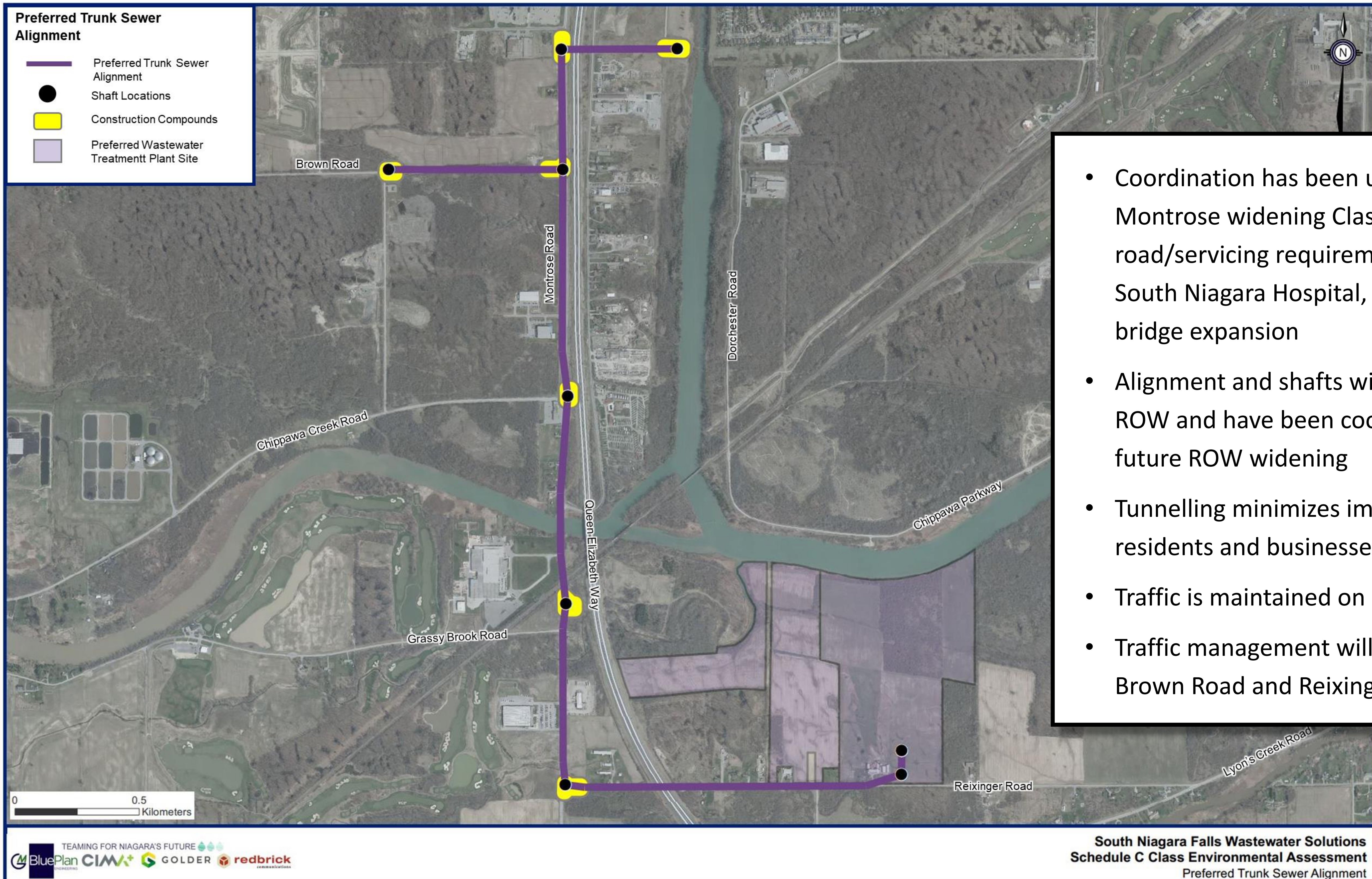


Google Earth, 20

Selection Rationale:

- In the heart of the future growth areas
- Strategic location to maximize gravity servicing to the new WWTP – cost effective collection system strategy
- Expansion flexibility, supports 2051 and beyond growth areas
- Supportive location with MECP for outfall discharge to Chippawa Creek
- Sufficient site area to work within environmental and archaeological constraints
- Manageable property costs
- Site location and sewer alignment provides for:
 - SPS decommissioning and reduced long term operating costs
 - Significant wet weather overflow reductions

Preferred Trunk Sewer



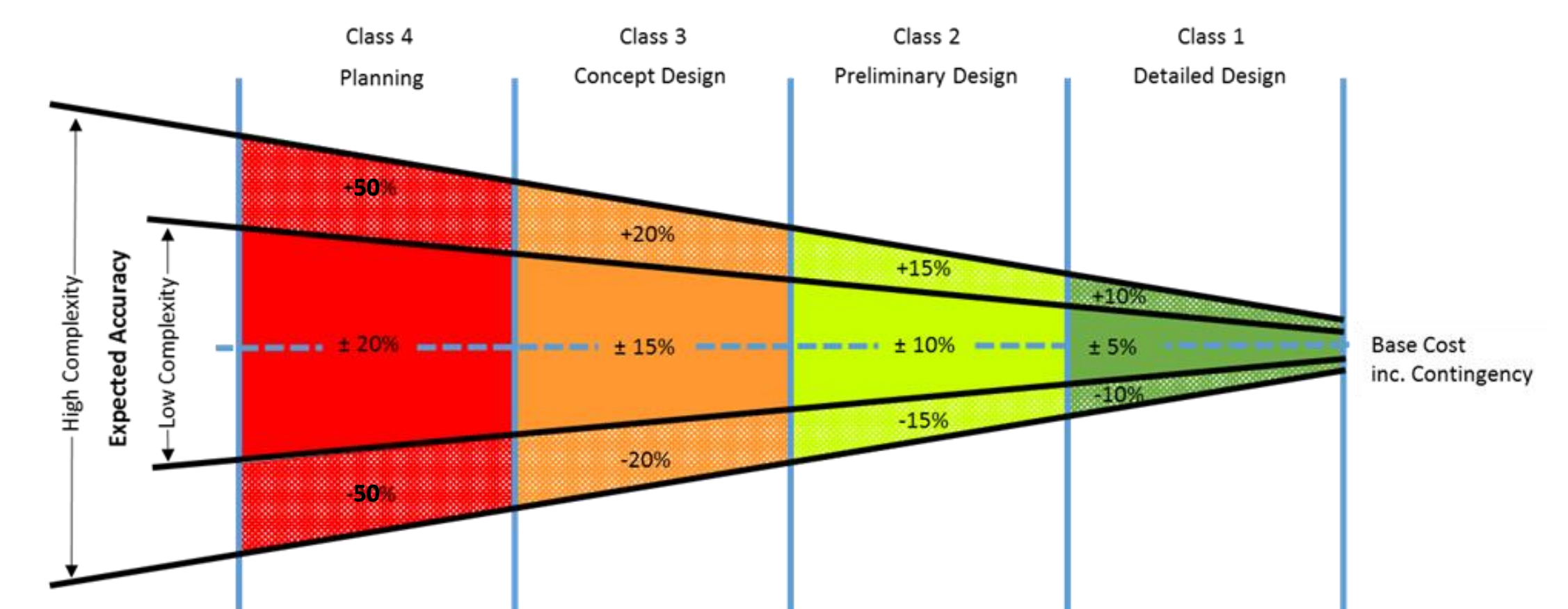
- Coordination has been undertaken with Montrose widening Class EA, the road/servicing requirements for the South Niagara Hospital, and the future bridge expansion
- Alignment and shafts within existing ROW and have been coordination with future ROW widening
- Tunnelling minimizes impacts to residents and businesses
- Traffic is maintained on Montrose Road
- Traffic management will be required at Brown Road and Reixinger Road



Cost Estimation Principles and Accuracy

- Cost estimating accuracy will improve as a project moves through concept to design stages
- The MSP cost estimates are truly planning level, anticipate normal levels of complexity and constructability, and in some cases have limited information for costing
- Class EA cost estimates will start at planning/conceptual level in Phase 2 and will continue to improve in accuracy to conceptual/preliminary design level in Phase 3
- The Class EA process will result in complete refinement of the projects technically (design basis) as well as result in a more accurate budget level cost estimate

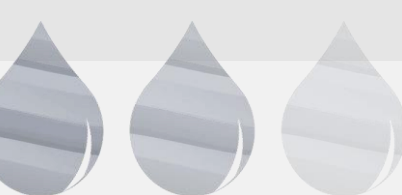
	Estimate Class	Estimate Class Description	End Usage / Major Deliverables	Accuracy Range (+/-)	
				Low Complexity	High Complexity
D	Class 4	Planning Cost Estimate	Concept Screening; justification for project planning funding. Minimum information requirements.	20 → 50	
C	Class 3	Concept Design Cost Estimate	Basis for budgeting and approvals.	15 → 20	
B	Class 2	Preliminary Design Cost Estimate	Used for project cost control during design; initial detailed estimate.	10 → 15	
A	Class 1	Detailed Design Cost Estimate	Final cost review in preparation for construction; tender ready.	5 → 10	



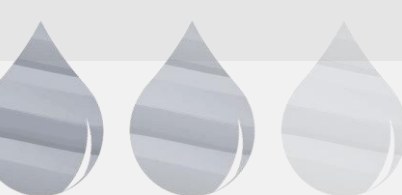
- Unit rates
 - Specific project review
 - Reference to previous/ongoing Region projects
 - Industry benchmark
 - Include construction as well as internal/external engineering costs etc
 - Contingency
 - Current year dollars
 - Phase 2 and Phase 3 constructability and certified cost estimating reviews
-
- Class EA Phase 3 Cost Estimate has resulted in increased costs compared to Sept 2020



- Moving from conceptual Phase 2 information to more detailed information under Phase 3
- Program Cost Increase from \$325.10M to \$399.64M (\$74.55 or 19% increase) from previous 2020 estimate
- Some component estimates have increased while others have decreased
- Ensuring review and discussion at each point of program update and cost update



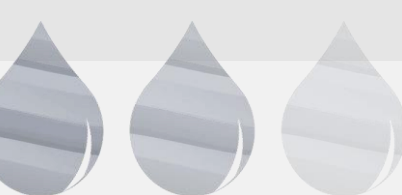
- Most significant impact: geotechnical conditions (soils) in the area for the WWTP site as well as the trunk sewer alignment
 - Prevalent across the Study Area
 - Impacts WWTP foundation – requires piles
 - Impacts trunk sewer tunnelling constructability
 - \$20M increase at the WWTP (9% increase), \$15M increase for the trunk sewer (16% increase)
- Better detail from the conceptual design of the new WWTP
 - Reflects best practice review, staff review, and project team workshops.
 - Overall site and facility optimization to provide long term benefit for operation and maintenance, consideration for green / energy applications while being mindful of project budget.
 - Sizing of some elements to support future expansions.
 - Areas that contributed to the additional costs (represents \$15M or 7% increase) include:
 - Optimal sizing for the inlet pumping station, headworks, digestion, and disinfection
 - Waste Activated Sludge (WAS) thickening for improved operations
 - Enhanced road network, RV station and hauled sludge facility to support Region-wide activities



- MSP undertook a cost benefit evaluation of the Go North vs New Plant options
- In 2017, the New Plant was selected as preferred
 - Better ongoing financial risk management (capacity phasing, greenfield construction)
 - Greater flexibility and ability to service long term growth
 - More efficient and cost effective post period capacity
 - Avoids difficult and costly construction related to existing infrastructure within urban developed areas as well as site constraints at the existing Stanley Ave WWTP
- SNF strategy provides broader benefit:
 - Supports servicing and mitigating system issues in Niagara Falls, including North NF and Chippawa, and Thorold South
 - Frees up capacity for NOTL and St. Catharines

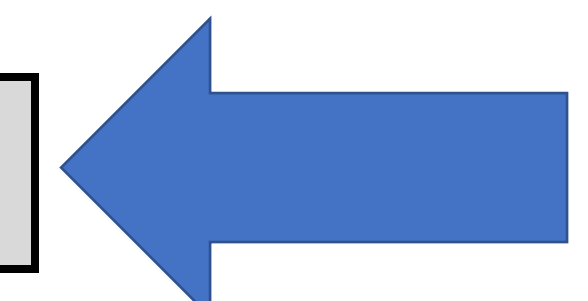


- Given the enhancements to the strategy and change in cost estimates, the cost benefit evaluation was reviewed under the Class EA
- The South Niagara Falls (SNF) strategy reflects updated principles compared to the 2017 review
 - Greater emphasis on wet weather management, environmental protection and overflow control
 - Greater emphasis on longer term planning for servicing – ensuring flexibility for growth beyond 2051
 - More information for servicing needs – South Niagara Hospital, Thorold South and Niagara Falls growth areas
- Cost Benefit Analysis
 - Go North alternative was reviewed at a high level to better understand alignment opportunities and Stanley Ave WWTP expansion options
 - Similar conditions influencing the SNF cost increase as well as constraints related to the trunk sewer alignment and Stanley Ave WWTP site would increase the Go North costing
 - The current review indicates that the cost gap between Go North and SNF has narrowed
 - The evaluation validates the rationale to implement the SNF strategy
 - The Region's independent project advisor actively commented, reviewed and supported the updated cost benefit analysis
- The planning work under the current Master Servicing Plan and the development interest indicates that the proposed location for the sewer alignments and the WWTP under the SNF strategy facilitate and support the Region's long term vision
- Council endorsed the SNF strategy in 2017. The detailed analysis completed to date plus the continued interest and progress in South Niagara Falls demonstrates this was a good decision.

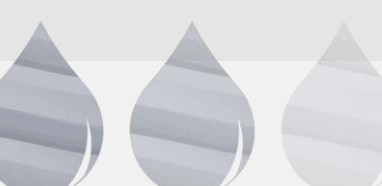


Gross Cost Comparison (in millions)

Project	Revised Estimates	Prior Estimates	Difference
SNF WWTP	\$ 247.66	\$ 192.65	\$ 55.01
New South West Trunk Sewer - South Niagara Falls	107.82	85.34	22.48
New South West Trunk Sewer	19.61	9.77	9.84
Black Horse Sewage Pumping Station	5.91	4.39	1.52
Project Additions	\$ 381.00	\$ 292.15	\$ 88.85
New SNF WWTP Outfall	5.74	10.63	(4.89)
Black Horse Forecemain	3.32	12.73	(9.41)
Project Reductions	9.06	23.36	(14.30)
Peel Street SPS Upgrades and Forcemain	5.92	5.92	-
South Side High Lift Pumping Station Decommissioning	0.63	0.63	-
Garner, Oakwood, Grassy Brook SPS Decommissioning	1.14	1.14	-
McLeod Road Overflow Diversion	1.89	1.89	-
Projects With No Changes	9.58	9.58	-
Total SNF Projects Budget	\$ 399.64	\$ 325.10	\$ 74.55



Project estimates are based on costs indexed to the year of expenditure



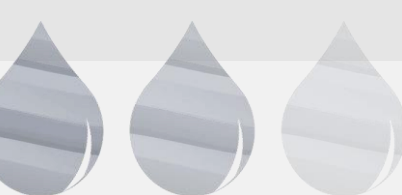
Incremental Impacts to Financing

Project	External Grants	DCs (Debt)	Debt	Total
New SNF WWTP	\$ 36.67	\$ 6.03	\$ 12.31	\$ 55.01
New South West Trunk Sewer - South Niagara Falls	-	26.52	(4.04)	22.48
New South West Trunk Sewer	-	7.38	2.46	9.84
Black Horse Sewage Pumping Station (SPS)	-	1.00	0.52	1.52
New SNF WWTP Outfall	-	(3.24)	(1.65)	(4.89)
Black Horse Forecmain	-	(8.16)	(1.25)	(9.41)
Peel Street SPS Upgrades and Forecmain	-	(0.29)	0.29	(0.00)
Total SNF Project Incremental Funding	\$ 36.67	\$ 29.24	\$ 8.64	\$ 74.55

Total Debt \$ 37.88

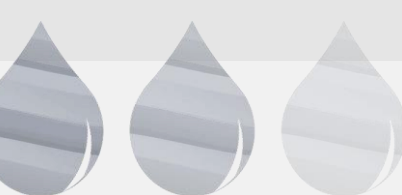
The net increase of \$74.55 million to the project budgets is to be funded by:

- External Grants - \$36.67M
- Debt - \$37.88M
 - \$29.24M of debt recovered by DCs
 - \$8.64M funded through rate requisition



As per policy, the operating budget impact to fund additional debt and operating costs for capital works needs to be approved in the same year as the capital works are approved.

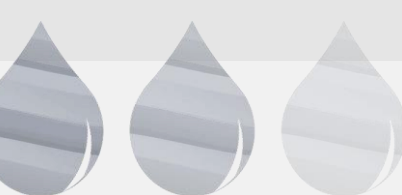
- In the 2021 Operating Budget, a placeholder to accommodate the plant operations and the debt repayment costs was included in the amount of \$9M. This was funded from a reduction in the transfers to WW reserves.
- Debt charges and plant operating costs will not be required to be paid until the debt is issued and the plant is operational (2026/2027).
- Until the funds are needed for debt charges or the cost of operations, they can be used to fund other WW capital projects.

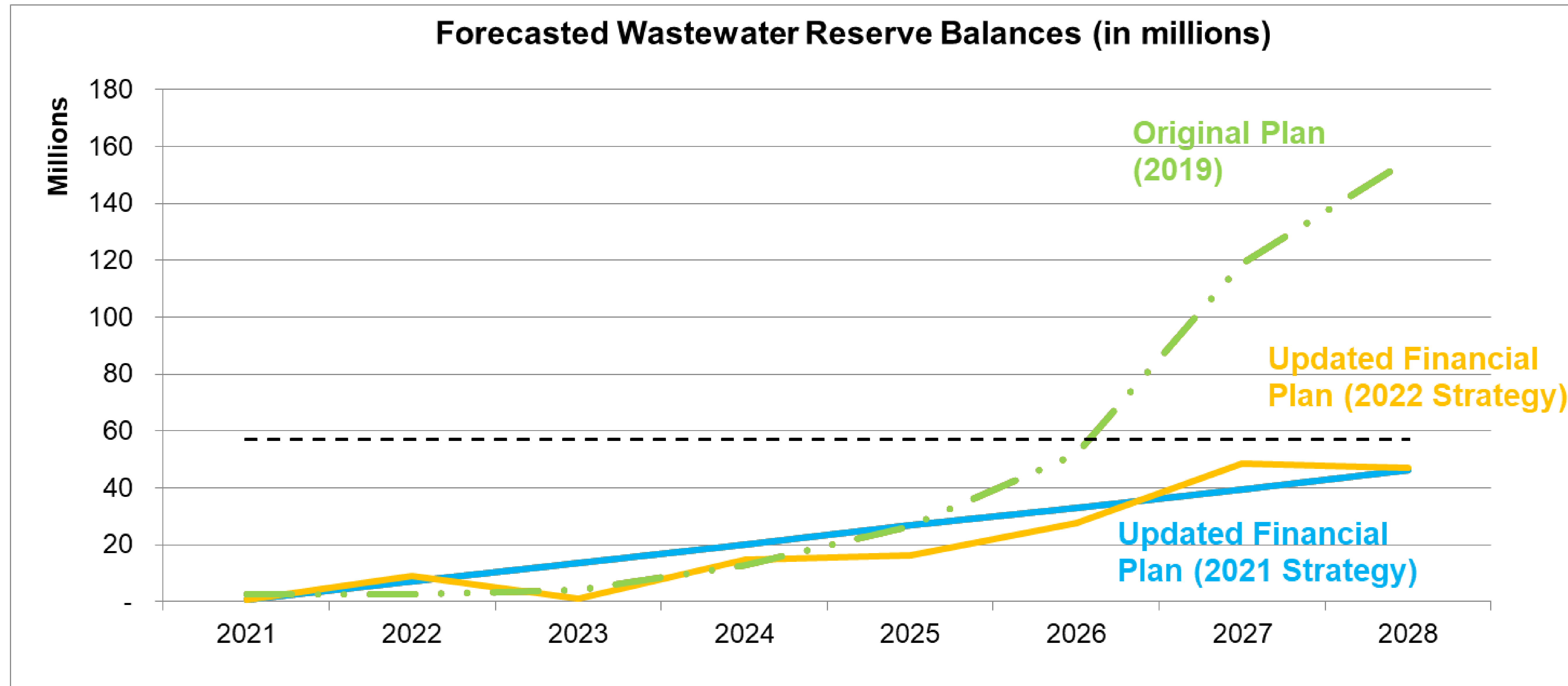


Operating Budget Impacts (in millions)

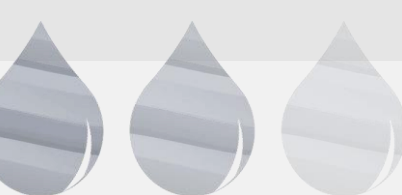
Description	2022 Financing Strategy	2021 Financing Strategy	Variance	Notes
Annual Debt Charge Budget (net of DC recovery)	\$15.0 - Debt <u>(10.6) - DC</u> \$4.4	\$12.5 - Debt <u>(\$8.7) - DC</u> \$3.8	\$0.6	<ul style="list-style-type: none"> Increase in placeholder required to fund additional project debt
Transfer to WW capital	\$12.2	\$12.8	\$(0.6)	<ul style="list-style-type: none"> Reduction required to offset additional debt charges of SNF projects

To accommodate the additional debt required, the placeholder for debt charges will increase by \$600K, and offset by a reduction in the transfers to reserves.

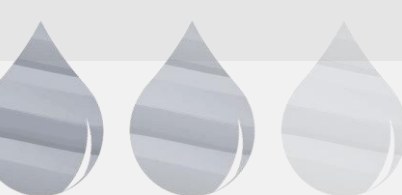




- Increase to debt is offset by a reduction in transfers to reserves, however the current project estimate does not alter the 2021 reserve strategy.
- Capital reserves are estimated to reach \$47M by 2028 vs. target of \$57M



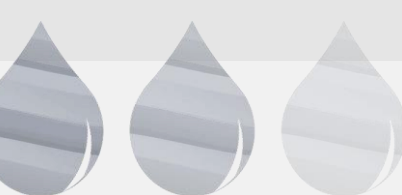
- Further initiation of the capital budget for future phases is contingent on external grant funding confirmation
 - Staff is still advocating for external grant funding to support the project (estimated at \$145M with budget increase)
- Staff continues to monitor debt impacts on the S&P ratio and ARL
 - Total approved debt for the Region inclusive of these changes is within limits:
 - ARL estimated at 9.74%; limit is 25%
 - S&P ratio, which includes LAM debt as well, estimated at 116%; limit is 120%



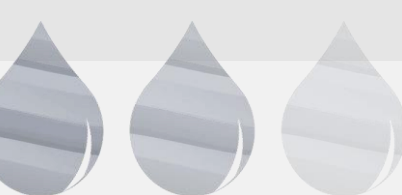
Development Charges – Region Wide

DC Type	Current	Previous SNF Impact	Revised SNF Impact
Single	\$4,946	\$6,647	\$7,221
Apartment 2+Bdrm	3,434	4,614	5,013
Apartment Bach/1 Bdrm	2,040	2,741	2,978
Other multiple	3,603	4,842	5,260
Spatial Care	1,807	2,513	2,730
Commercial (sq foot)	3.55	4.77	5.19
Industrial (sq foot)	1.48	1.99	2.16
Institutional (sq foot)	2.54	3.41	3.71
Increase % on WW DC Only		34%	46%
Increase on Total Res DC		8%	11%
Increase on Total Non-Res DC		10%	13%

- Based on the 2017 DC Study the estimated impacts to 2022 DC Study from the SNF Budget are:
 - 11%** increase to residential development charges
 - 13%** increase to non-residential development charges



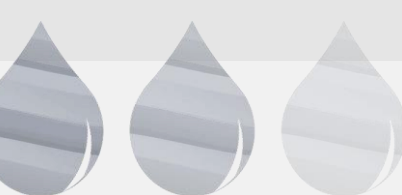
- The Class EA has established an optimized strategy that balances the needs for the plant, the outfall and collection system
- Meets the capacity needs for growth and addresses current limitations
- While costs have increased since the MSP, the long term strategy is enhanced and other efficiencies and cost savings have been gained
- The updated wastewater strategy that will provide improved level of service, enhanced ability to address wet weather flows, and greater flexibility for efficient servicing in the future
 - Incoming trunk sewer is at a depth to support servicing of broader growth areas including the Chippawa area
 - Trunk sewer is located to support future servicing east of the QEW, west of the QEW and other potential growth areas
 - Trunk sewer sizing will support managing wet weather flows to the plant (storage)
 - South Thorold infrastructure located to efficiently service future growth
 - The strategy will reduce wet weather overflow volume to the environment by over 60%
- Reduction of existing Operation and Maintenance costs from SPS Decommissioning
- Reduction of Lifecycle costs (sustainability upgrades, major maintenance/rehabilitation/replacement) from SPS Decommissioning



- Site Investigations still require completion
 - Some Stage 2 archaeological assessments are still remaining. Further detailed field investigations will be completed to support the detailed design.
- Design and Construction approach for the trunk sewer will be developed to manage risks and provide competitive bidding
- Final Designs will be completed in the subsequent phases – design concept has been sufficiently moved forward at this stage
- Cost Uncertainty with respect to materials, equipment and overall market conditions – COVID-19 related, difficult estimating out to year 2027
- Property Acquisition
- Risk Management Plan and Risk Registry have been utilized throughout the project process



- Multiple bottom line criteria evaluation and risk assessment resulted in the recommendation for the new WWTP and outfall pipe to be constructed solely at 6811 Reixinger Road. Utilization of the full property at 6811 Reixinger Road allows the Region to:
 - Provide the maximize buffer from existing and future neighbouring properties
 - Ensure available land is secured now for future expansion beyond the planning horizon
 - Optimize WWTP layout and process configuration within the preferred site
 - Minimize the required archaeological remediation and impact to environmental features.
 - Coordinate the property purchase with a single land owner
 - Address MECP property set back requirements



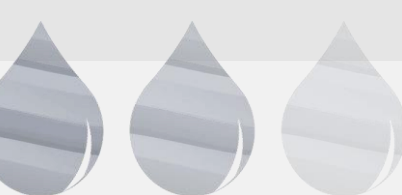
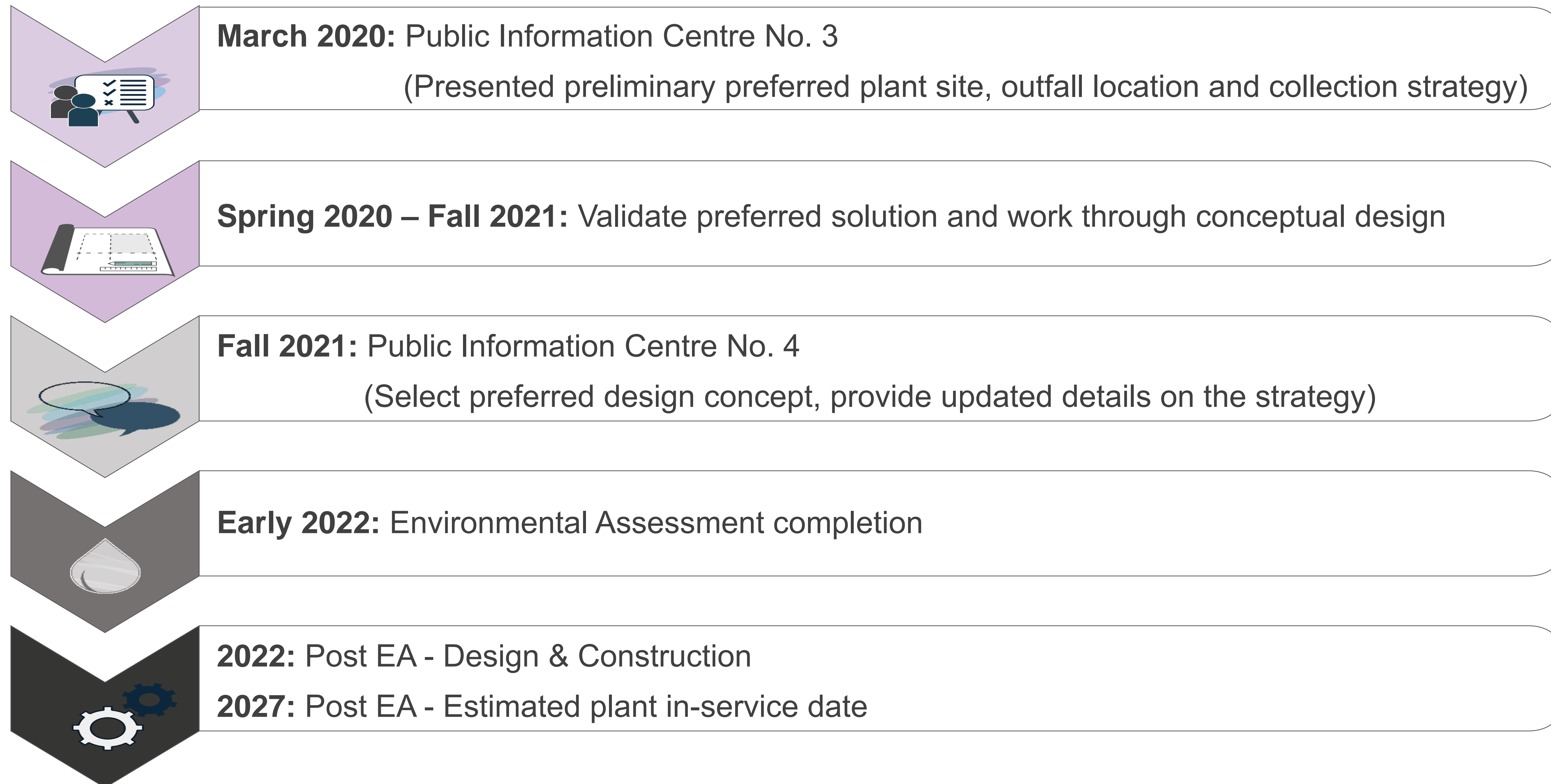
- An accredited property appraisal has been completed
- Open discussions with the property owner have been undertaken to date
- Regional staff will be providing the owner with an offer
- If the offer is not accepted by the owner, Regional staff with external legal counsel will request to initiate formal expropriation proceedings to acquire the property
 - 3rd party adjudicated process
 - Helps finalize price
- Region staff and the property owner have made continued effort to work through the process and acquire the land amicably
- The property appraisal value for the preferred WWTP site is within the approved property budget. Final property purchase costs are not yet known. Staff will reengage Council as necessary throughout the property acquisition process.
- Recommend clarity on property status before filing Class EA document. Final property transfer required prior to 2024.



- SNF WW Program is a significant infrastructure program for the Region
- Multi-generational project, “100 year” investment
- SNF WW Program provides benefit to multiple municipalities
- The infrastructure is strategically located to support key planned and future growth areas
 - South Niagara Hospital
 - Active development interests
- A sustainable financial plan has been established to deliver the program
 - Balancing funding, DC, budget impacts
 - Region can continue to support ongoing capital programs and future budgets
 - Achieving goal of cost estimate transparency/clarity and understanding full program costs
 - Acknowledge that scope and costing will continue to be refined/updated as the process moves through detailed design and tendering
- There is a greater understanding of project risks and constructability at the Class EA stage of the program
 - Greater level of effort now to minimize surprises later during design and tendering
- Continued development of project plan and risk management plan
- Class EA process has been positive and successful to date
- Critical component of the Region’s Strategic Plan and “How We Grow”



Schedule:



**South Niagara Falls Wastewater Solutions
Class 'C' Environmental Assessment Update
Brief and Frequently Asked Questions for Council
to accompany Report PW 39-2021**

Purpose

Report PW 39-2021 recommends Regional Council “consider a budget increase to the capital projects associated with the new South Niagara Falls Wastewater Treatment Plant as part of the 2022 budget process.”

The project team has prepared this document to help clarify and emphasize key points in the report, to answer anticipated questions, and to support elected officials in your conversations with members of the community.

Key takeaways

- The project is an investment in Niagara region’s future for the next 100 plus years. It is an investment today to ensure we have the infrastructure we need to attract and serve people who live, work, visit and invest in our community for generations to come.
- The EA has validated the preferred solution, which will open up opportunities for:
 - ✓ growth and development
 - ✓ environmental sustainability
 - ✓ more efficient and flexible wastewater servicing
 - ✓ reduced future operating costs
 - ✓ benefits to Niagara Falls, Thorold, St. Catharines, and Niagara-on-the-Lake.
- The latest information is informed by extensive field testing and consultation and collaboration with internal teams, local municipalities, key stakeholders and the public.
- There is still work to do. We are on track, and the EA has been positive and successful to date. Through this comprehensive process, we are doing a lot of up-front work to identify potential issues now, so the Region is best positioned to plan ahead, anticipate challenges and mitigate risks. We know more today than we did a year ago and we are keeping our commitment to keep Council and the public up to date as we learn more.
- The 19% increase of the total budget estimate detailed in the report is well within the level of accuracy anticipated for this stage of the EA process. A sustainable financial plan has also been developed to deliver the program.

Frequently Asked Questions

1. *Why have the estimated costs risen?*

Good information takes time to get, and we are able to give better estimates now as we complete Phase 3 of the EA, than we could when we presented to Council a year ago at the end of Phase 2.

The most significant financial impacts are related to soils (geotechnical conditions) in the area and the trunk sewer alignment. Together, they represent approximately half of the increase we are presenting now, compared to 2020. Other factors in the increase include ensuring the scope allows us to optimize the design for future expansion and to leverage green energy applications.

There are also two projects with revised cost estimates less than the approved budgets. These total a more than \$14 million reduction.

It is important to note that the COVID-19 pandemic presents challenges in predicting cost estimates. It is likely that fluctuations in market conditions for materials, equipment costs and labour will persist for the next several years.

2. *Will costs increase again?*

Cost estimates are likely to be adjusted again as we move into the detailed design stages and continue to gather more information. At this stage, we are still within the level of accuracy expected. We will come back to Council on a regular basis with more realistic estimates as we progress. Please note that 3rd party certified cost estimator has been used in the EA. Another review will be completed before the EA is completed.

3. *How will these increased costs be covered?*

The increase costs will be funded with a combination of debt and external funding, as per our previous strategy in 2021. We are using the same formula to estimate external funding where we expect that two thirds of the treatment plant costs (excluding design and land) will be funded with external grants (\$36.67M).

The remaining \$37.87M will be funded by debt: \$29.23M will be recovered by development charges; the remaining \$8.64M will be funded from the rate requisition, resulting in a reduction in funds transferred to capital reserves.

4. *Is this solution still preferred over the “Go North” solution?*

Yes. Based on the cost benefit analysis, this EA has validated the approach approved as part of the 2017 Master Servicing Plan. The “Go North” option would be subject to the same inflation costs, anticipated poor soils, a confined area for construction, additional property acquisition needs and technical challenges, as well as managing social and environmental issues, and needed upgrades to the Stanley Avenue WWTP.

The long-term benefits achieved by building a new WWTP outweigh what could be achieved through the Go North option. As well, the latest growth projections through to

2051, also confirm the need for a South Niagara Falls Wastewater Treatment Plant and enhanced sewer system to take pressures off existing infrastructure.

5. *Will the Region be securing external funding for this project?*

Yes. Staff are targeting to secure two thirds of the estimated WWTP costs (\$145M) from external sources. This target is consistent with past investments made by other levels of government on large infrastructure projects, such as the new Niagara-on-the-Lake Wastewater Treatment Plant that received two thirds grant funding from Provincial and Federal sources. We are actively advocating for this funding now.

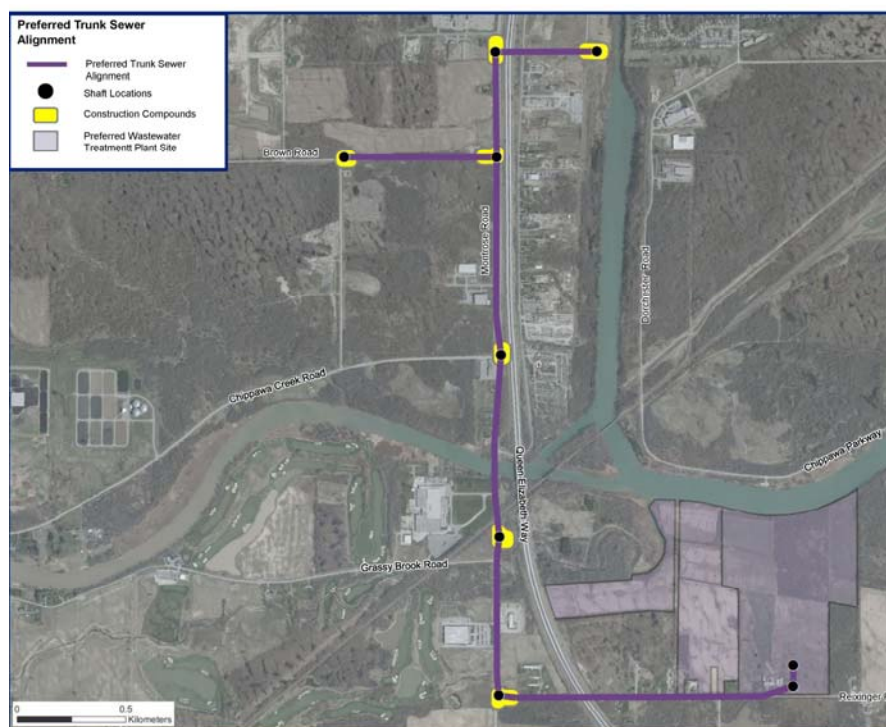
6. *Will the new wastewater treatment plant be completed in time to support for the new hospital?*

The project team has been working closely with the Niagara Health System project team. We are reviewing the impacts of the updated flow projections from the new hospital. While the new plant and sewer may not initially be ready in time, we have an interim solution for the hospital through upgrades to the Grassy Brook sewage pumping station.

7. *What is the route for the sewer in south Niagara Falls?*

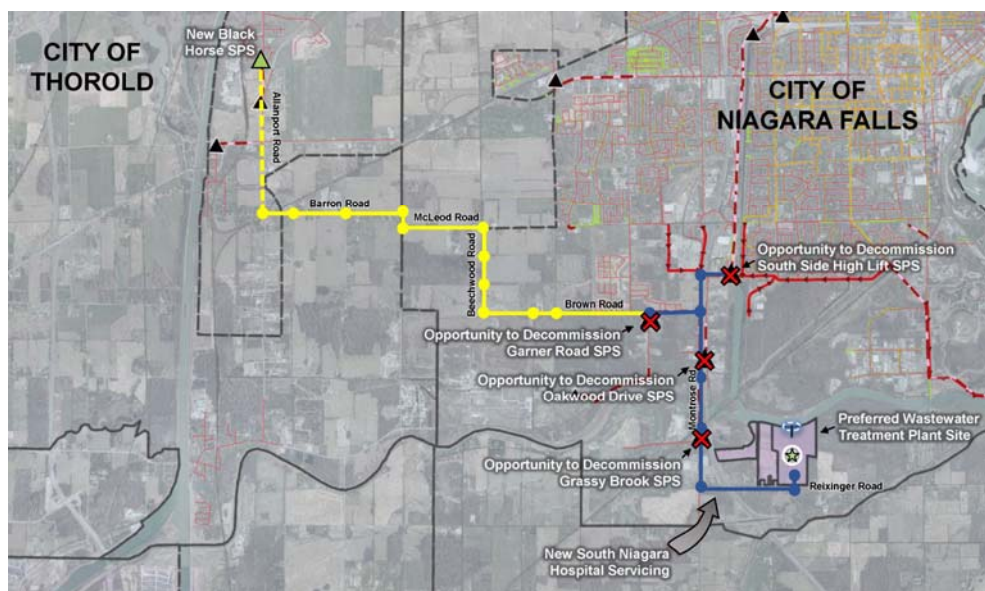
Based on our more detailed investigations, we now propose the trunk sewer alignment to be along Montrose Road, on the west side of the QEW. This information is new and will be formally presented at the public information centre planned for fall 2021.

We have been working closely with the Region staff team who leading the Montrose Road Widening and Development to align timing and ensure coordination.



8. *What is the preferred strategy to get existing and future flows from south Thorold to the new WWTP?*

As recommended by the 2017 MSP, the team has reviewed and evaluated several options for the south Thorold strategy. The proposed strategy is to reverse the flows from the Peel Street and Black Horse sewage pumping stations through a new forcemain south along Highway 58 / Allanport Road to a new gravity trunk east along Barron Road, McLeod Road, Beechwood Road and Brown Road. The new sewer will ultimately discharge to the new trunk sewer along Montrose Road. The project team has been working closely with the City of Niagara Falls and City of Thorold staff on this solution. As with the trunk sewer alignment, this information is new. We will be formally presenting it at the public information centre planned for fall 2021.



9. *The preferred site location is at 6811 Reixinger Road. What is the process and timing for the Region to purchase the property?*

The Region has had a 3rd party conduct an appraisal on the value of the property and we have provided the report to the owner. The owner may opt to conduct his own independent appraisal. The Region intends to make an offer to the owner.

Timing to complete the transaction depends on the owner's response. In the event that an agreement with the property owner cannot be reached, Regional staff, with external legal counsel, will request Council to approve the initiation of formal expropriation proceedings to acquire the property on a compulsory basis in accordance with the *Expropriations Act*. Expropriation allows for an adjudicated process to determine a price. This process could take up to 14 months. However, it remains our hope to avoid expropriation and acquire the lands amicably.

10. What is the schedule for the project?

The project team intends to have a final Public Information Centre by fall 2021 and complete the Environmental Assessment by early 2022. The detailed design of the new WWTP, plant outfall and the Montrose Road sewer will commence in 2022. Construction is expected to start in 2023 if all funding sources are secured.

Subject: South Niagara Falls Wastewater Treatment Plant – Budget and Property
Report to: Committee of the Whole
Report date: Thursday, August 5, 2021

Recommendations

That a budget increase to the capital projects associated with the new South Niagara Falls Wastewater Treatment Plant **BE CONSIDERED** as part of the 2022 budget process.

Key Facts

- The purpose of this report is to inform Council of the project status, provide an updated budget estimate for the capital projects associated with the new South Niagara Falls Wastewater Treatment Plant (SNF WWTP) including operating budget impacts, and ask Council to consider these project adjustments with the 2022 Capital Budget.
- Region staff will be presenting an offer to the property owner of the preferred site for the new WWTP based on the full narrative appraisal report prepared by an AACI-accredited appraiser. If accepted, staff will request approval to acquire the property from Council through a separate report. In the event that an agreement with the property owner cannot be reached, staff will request approval from Council through a separate report to initiate formal expropriation proceedings to acquire the property on a compulsory basis in accordance with the Expropriations Act.
- The new South Niagara Falls WWTP was recommended from the 2016 Water and Wastewater Master Servicing Plan (MSP) Update and endorsed by Regional Council on June 8, 2017.
- GM BluePlan Engineering Ltd is completing the Schedule 'C' Class Environmental Assessment (Class EA) for the program and is continuing to refine the recommendations from the MSP. The program provides a holistic study addressing the new wastewater treatment plant, major trunk sewer extensions, and the overall wastewater strategy for Niagara Falls, and for parts of the City of Thorold and Town of Niagara-on-the-Lake.

- In March 2020, the Region presented the selected preferred solution at a Public Information Centre (PIC) as part of the Class EA process, with the preferred site on Reixinger Road, east of the QEW.
- In September 2020, the Region and consultant project team provided Council a presentation on the project overview and cost estimate update to support the 2021 budget.
- Class D planning level cost estimates (+/- 50% level of accuracy) indicate that the total capital cost for the entire program could be \$399.64M (indexed to the year of cashflow), which includes design, property acquisition, construction and commissioning of all components. This represents an increase of approximately \$88.85M which is mitigated by a budget reduction of \$14.30M for two of the projects for a combined impact of \$74.55M
- Significant fieldwork and conceptual design is underway to improve the certainty of the cost estimate.
- The majority of the budget increase is growth related and the project revised estimates will be included in the 2021 Development Charge background study and 2022 DC by-law
- To better understand risks and costs associated with the preferred solutions, the project team has completed several field investigations during the Class EA, including geotechnical, hydrogeological, environmental site assessment, cultural heritage and archeology. The archaeological assessment has been partially completed on the preferred site. The progress of the remaining field work has been impeded by weather. The results are needed in order to fully understand the archeological potential on the site. The intention is to complete the work by the end of August 2021.
- Construction of most projects, including the new WWTP and trunk sewer are not anticipated to commence until 2023 and 2024, respectively.
- Region is actively pursuing funding from provincial and federal government.

Financial Considerations

The total approved budget for the SNF WWTP projects is \$325.1M across ten different projects. As of July 18, 2021, there is approximately \$2.8M spent and committed in the projects. The expenditures to date primarily consist of Environmental Assessment costs.

Of the approved budget of \$325.1M , approximately \$38.7M is initiated for the Class EA, land acquisition and design phases of four of the SNF WWTP projects (outlined in PW 39-2020). The remaining budget dollars will require subsequent reports to Council to initiate funds closer to the construction phases, with initiation contingent on confirmation of external funding. Staff continues to advocate with various levels of government for external funding to support the project.

Based on revised estimates to four of the SNF WWTP projects as described below, a total gross increase of \$88.85M will be requested through the 2022 Capital Budget process. There are also two projects with revised cost estimates less than the approved budgets in the amount of \$14.30M. The budget for those projects will be appropriately reduced to reflect the revised estimated value. Therefore the net increase to the SNF WWTP budgeted gross expenditures is \$74.55M. The full impact of the changes to the budget including funding sources is provided in Appendix 1.

The primary reasons for the increase in cost from the 2020 estimates as outlined in PW 39-2020 to the current 2021 estimates are as follows:

- The 2020 estimates were based on the conceptual information prepared during Phase 2 of the Class EA process. Phase 3 of the Class EA process is nearing completion. Detailed information on the infrastructure and facility requirements has been utilized to develop the current cost estimates.
- Most significantly, new information has been made available regarding the geotechnical conditions (soils) in the area for the WWTP site as well as the trunk sewer alignment. The WWTP site has soil conditions that will require deeper pile foundations and additional costs. The trunk sewer also has difficult soil conditions. The detailed geotechnical work undertaken under Phase 3 indicate these conditions are prevalent across the study area. Based on constructability reviews during the Class EA, a risk management and cost management plan has been developed for the project. Construction teams will be provided information regarding existing conditions, hydraulics and connections to allow the teams to determine their preferred methodology and approach to construct the infrastructure and manage costs. The geotechnical conditions represent an increase from 2020 of approximately \$20M at the WWTP site and \$15M for the trunk sewer.
- The preliminary design of the new WWTP included best practice review, staff review, and project team workshops. The scope of the facility was optimized to

provide long term benefit for operation and maintenance, consideration for green / energy applications while being mindful of project budget. There are also some elements that have been sized to support future expansions. Areas that contributed to the additional costs (represents \$15 million increase) include:

- Optimal sizing for the inlet pumping station, headworks, digestion, and disinfection
 - Waste activated sludge thickening for improved operations
 - Enhanced road network, RV station and hauled sludge facility to support Region-wide activities
- Capital inflation rate of 4% per year dependent on timing of project cash flow/construction has been estimated

The appraised value of the property is within the approved budget allocated for property purchase. The final purchase price of the property has not been finalized or negotiated. It should be noted that the overall wastewater strategy and capital cost estimates continue to be reviewed and refined under the Class EA process. Finalized Class C cost estimates (with +/- 30% level of accuracy) will be provided at the end of the Class EA.

Cost estimates have been reviewed as part of constructability reviews. Final Class C estimates will be reviewed by a certified cost estimator at the completion of the Class EA. Further to this cost estimate, the costs will continue to be refined and estimated with greater accuracy and detail as the projects move through detailed design and prior to tendering for construction. The cost estimates have been developed in accordance with Canadian construction cost estimation standards and industry best practice.

It should also be noted that during the recent year, particularly influenced by conditions related to COVID-19, it has been difficult to provide improved accuracy for the cost estimates as well predict forward looking indices. There has been significant fluctuation in the construction market conditions including material and equipment costs as well as tendered prices received. There is potential that these fluctuations could persist over the next few years that could further impact the program costs.

The incremental project budget increase of \$74.55M is to be funded as follows:

- \$36.67M external funding
- \$37.88M debt

Of the incremental debt, \$29.24M will be recovered by Development Charges (DCs) over the term of the debt (30 years). The difference of \$8.64M will be funded by the wastewater operating budget and rate requisition. Note that staff is monitoring the affect of debt on its Standard and Poor Ratio (S&P). Impacts on the S&P rating will be assessed by staff with the 2022 Capital Budget at Budget Review Committee of the Whole in October.

As discussed in PW 39-2020, staff are budgeting for 2/3 of the estimated plant costs as externally funded. External funding estimates are in alignment with the funding formula for the new Niagara-on-the-Lake WWTP of 2/3 grant funding from the Provincial and Federal sources. External funding pertaining to the incremental budget increase of plant construction is estimated at $\$55.01\text{M} \times 2/3 = \36.67M .

The 2/3 grant estimate excludes land and design costs as expenditures incurred before formal Federal/Provincial approval were historically ineligible costs under prior funding programs (and land costs in itself not typically eligible for funding). The total revised SNF WWTP budget excluding land and design costs (assuming the budget increase is approved with the 2022 budget) is $\$217\text{M} \times 2/3 = \145M total external funding budget.

The revised total estimated capital costs of the projects are \$399.64M. The revised total amount of debt to fund the SNF projects is approximately \$253.01M. Of this debt, \$177.45M will be recovered by development charges over the life of the debt (30 years). The difference of \$75.56M will be funded by the operating budget and rate requisition.

To fund the incremental capital budget of \$74.55M required for the SNF WWTP projects, an additional \$0.6M of non growth related debt charges is required to be funded from the operating budget. This will be accommodated by an equivalent reduction to transfer to capital reserves similar to the 2021 strategy. Staff is preparing the 2022 operating budget on the premise of a 5.15% rate increase in accordance with the W/WW financial plan as per CSD 40-2021. The incremental operating budget impacts are outlined below:

Table 1 – Summary of Annual Operating Budget Impact Changes

Description	2022 Financing Strategy	2021 Financing Strategy	Difference
Annual Debt Charge Budget (net of DC recovery)	\$15.0 M <u>(10.6) M</u> \$4.4M	\$12.5 M <u>(8.7) M</u> \$3.8M	\$0.6M
Transfer to WW Capital	\$12.2M	\$12.8M	(\$0.6M) *
Plant Operations	\$5.2M	\$5.2M	0

* Reduction in transfer to reserves required to offset increase in debt charges

In accordance to the strategy approved in PW 39-2020, the incremental \$0.6M of net debt charges will be transferred to the wastewater capital budget to fund replacement of existing infrastructure within each years capital budget until those funds are required for operating purposes. The above increased debt charges/contributions to capital reserve will be accommodated within the 5.15% financial sustainability plan annual increases.

With these revised capital budgets, the estimated impact on wastewater development charges levied to developers as part of the 2022 DC background study are an increase of 46% assuming all else being equal in the 2017 DC background study. For context, the impact of the SNF WWTP projects estimated an increase of approximately 34% based on project costs included in the 2021 capital budget (increase of 12%). The total increase on residential and non-residential DCs are estimated at 11% and 13% respectively assuming all else being equal in the 2017 DC background study and will be subject to change as the 2022 DC background study is developed.

Given the new information and the 2051 planning basis moving forward, the WWTP and associated projects have been re-evaluated. This has resulted in a change in proportion of costs attributed to Benefit to Existing (BTE), DC eligible, and Post Period Benefit/Out of By-Law (OBL). The DC cost proportions will need to be further reviewed as part of the current Niagara Region 2021 Master Servicing Plan Update and finalized at that time using best available information on the cost estimates and planning projections.

Analysis

Project History

As part of Niagara 2041, there was an update to the Water and Wastewater Master Servicing Plan (MSP). Niagara Region retained GM BluePlan Engineering Ltd. (GMBP)

to review, evaluate and develop water and wastewater servicing strategies for all servicing within the urban areas of the Region. The MSP Update used updated population and employment growth forecasts based on a 2041 planning horizon. Niagara Region is in the early stages of the current 2021 MSP Update which is looking at potential growth out to 2051. Based on the preliminary stages of the Niagara 2051 planning review, the implementation and timing of the preferred solution continues to be supported and is required to support growth.

In Niagara Falls, there is not enough capacity in the existing sewer system nor at the existing treatment plant to meet the increasing system demands resulting from growth as well as the increased wet weather flows due to aging infrastructure and climate change. The SNF Servicing Solution is essential to unlocking the development potential in the broader South Niagara area.

The ability to redirect existing flows to the south, provide additional capacity in the new trunk sewer, provide flexibility for storage in the trunk sewer, and ultimately treat the wastewater flows at the new WWTP all contribute to a significant wet weather management program. In addition, the location of the new WWTP will provide flexibility for the potential for additional wet weather management through potential connections of other service areas such as Chippawa.

Through the analysis undertaken as part of the Class EA process, it is estimated that the new South Niagara Wastewater Solutions strategy, will result in a reduction of over 60% of wet weather volume overflow to the environment.

Development Opportunities

There are increasing development pressures and a strong interest in the South Niagara Falls area for servicing capacity, which is currently impacted by wet weather constraints. The proposed capital program is anticipated to provide the much needed servicing capacity to unlock the development potential in this area. Some developments include Thorold South/Rolling Meadows, Grand Niagara Secondary Plan, redevelopment of existing golf courses, including Oaklands Golf Club and other potential employment interests. The City of Niagara Falls is working on an overall Secondary Plan Study for the South Niagara Falls area with a servicing strategy to align the anticipated growth and optimize this new investment in infrastructure.

This new WWTP is integral to the overall growth servicing strategy that supports the anticipated residential and employment growth in the Niagara Falls, NOTL, and Thorold South service areas. This total growth is estimated to be over 75,000 people and jobs in the area out to the year 2051 with the new WWTP servicing approximately half of this growth along with the existing residents and businesses in South Niagara Falls and Thorold South. The new WWTP and collection system strategy is also considering potential long term growth beyond 2051. There are also ongoing discussions with the Region and City Planning Departments considering the potential for any settlement urban boundary expansions. As the planning for the new WWTP progresses, development interest in South Niagara Falls continues to increase.

The South Niagara Hospital represents a significant investment of approximately \$1 Billion for health care in Niagara which will generate associated growth and development surrounding this area. The development along Fourth Avenue near the new St. Catharines Hospital is an example that demonstrates how a new Hospital is a catalyst for growth. The new WWTP will support this development area and timing of construction is being considered with intention to align in-service dates.

The capital program to support the new WWTP will provide greater flexibility for development servicing in St. Catharines, Niagara Falls, Thorold, and Niagara-on-the-Lake.

Environmental Assessment and Conceptual Design

In November 2018, in response to the recommendations from the MSP Update, the Region retained GMBP via a public, competitive bid process (2018-RFP-34) to complete a Schedule C Environmental Assessment (EA) and an enhanced conceptual design for the entire capital program associated with the new South Niagara Falls WWTP. This includes determination of the preferred site, outfall location and sewer alignments. Appendix 2 outlines the overall study area.

Since award, the team has been working diligently to develop a solution that will support servicing for growth, minimize sewage pumping stations, reduce combined sewer overflows and maximize flexibility for the future. The project team is continuing to conduct extensive consultation with key stakeholder groups, approval agencies, property owners, residents, and Indigenous communities. There have been three (3) public information centres held (May 2019, November 2019 and March 2020). The PICs were held prior to COVID-19 restrictions and were open house format with

representation from residents in the study area. The Region invited Councillors and media to dedicated sessions at each of the PICs.

As summarized in PW 39-2020, at the onset of the project, the project team reviewed the study area to determine suitable sites for the new WWTP that were the proper size, close to receiving waterbodies, close to existing and future service areas, and have limited environmental features. There were ten (10) long list site alternatives that were screened from a high level using multiple-bottom line criteria, including environmental, social-cultural, legal-jurisdictional, technical and financial. Four (4) site alternatives were screened for feasibility and were further evaluated using similar multiple-bottom line criteria. A map of the alternatives is available in Appendix 3. The following preferred solution was selected and presented to the public in March 2020:

- New WWTP site located at 6811 and/or 7047 Reixinger Rd.
- Plant outfall location at Chippawa Creek, east of the QEW
- New trunk sewer that will connect existing and future service areas from the existing South Side High Lift Sewage Pumping Station (SPS) to the new WWTP
- New SPS, forcemain and trunk sewer connecting existing and future services areas in South Thorold to the new WWTP
- Decommissioning of existing SPS in the study area that are no longer necessary with the implementation of the gravity sewer.

Throughout the study, the project team has actively been tracking and assessing project related risks. Specifically for due diligence, throughout 2020 and 2021, the project team conducted a comprehensive field study program to help better understand existing conditions and to support the preferred solution. This field study program is above the requirements of the Class EA, but is intended help manage risks and costs early on in the project. These site-specific field studies include archaeology, geotechnical, hydrogeological, natural environment, environmental site assessment (i.e. soil contamination) and cultural heritage. There is some remaining stage 2, as well as marine, archaeological assessment that is expected to be complete by August 2021.

These additional supporting investigations along with more detailed evaluation and engineering led to the refinement of the preferred solution. Supplemental field studies will still be required during detailed design.

The proposed trunk sewer alignment has been confirmed along Montrose Road, on the west side of the QEW. The gravity sewer ranges from 15 to 25m deep, and will connect the South Side High Lift Pumping Station catchment area to the new WWTP, with connections to existing and future growth areas throughout. The project team will formally present this information to the public at the Fall PIC.

The project team completed a comprehensive review and analysis of various layout configurations within the entire preferred site using the multiple bottom line criteria and assessing risks. The new WWTP and outfall pipe is proposed to be constructed solely at 6811 Reixinger Road. Utilization of the full property at 6811 Reixinger Road allows the Region to:

- Provide the maximize buffer from existing and future neighbouring properties
- Ensure available land is secured now for future expansion beyond the planning horizon
- Optimize WWTP layout and process configuration within the preferred site
- Minimize the required archaeological remediation and impact to environmental features.
- Coordinate the property purchase with a single land owner

The Ministry of Environmental Conservation and Parks (MECP) is undertaking amendments to the guidelines related to separation distances between wastewater facilities and sensitive land uses. The amendment includes increasing the minimum separation distance between WWTP similar in size to the new WWTP and sensitive land uses from 150 metres to 500 metres from property line. This is based on 10 years of MECP's documented complaint data for noise, dust and odour.

The project team has considered the applicable guidelines, together with the Region's need to accommodate ultimate build-out and minimize archaeological and environmental impact when developing the land needs for the WWTP site, the plant layout and the configuration within the preferred site.

With these additional risks and field conditions that were discovered and as cost estimates have been refined through the Class EA process, the project team reconfirmed the MSP recommendation of building a new WWTP as well as the proposed associated preferred solution from the EA.

For reference, the MSP had previously evaluated the new WWTP option versus constructing new trunk infrastructure through the existing built area of Niagara Falls and expanding the existing Stanley Ave WWTP (“Go North”). The Go North option would be similarly subject to inflation costs, anticipated poor soils, confined area for construction, additional property acquisition, technical challenges related to twinning Stamford Interceptor through the OPG corridor or surrounding area as well as managing social and environmental issues. The existing Niagara Falls WWTP on Stanley Avenue would require significant structural and process upgrades, management of poor soil conditions, and property acquisition would be challenging given the constraints at each property limit.

Building the new WWTP is still required to support growth, free up capacity in the existing system and at the WWTP, better manage wet weather flows and allow operational flexibility at the existing WWTP. Expanding the existing system through the City would result in significant impact to the businesses, residents, their properties, tourism, major streets and the environment and is anticipated to be subject to similar cost increases. Furthermore, 6811 Reixinger Road is the optimal solution of the short-listed sites when considering all evaluation criteria. The solution best supports growth in South Niagara Falls and Chippawa, has adequate land size to support expansions well into the future will be positioned to minimize impact to sensitive land uses and archaeological and environmental features and is close to receiving water body that MECP supports.

The above-noted review and evaluation supports the recommendation for the South Niagara Falls Wastewater Solution including new WWTP.

It should be noted that the updated servicing strategy outlined above has not yet been presented publicly and is considered draft. Once the final investigations have been completed and the site is confirmed, the project team will provide a full project update, including additional information and evaluation process, to the public and stakeholders. The final Public Information Centre (PIC) is tentatively scheduled for late fall 2021.

The Class EA will fully document the evaluation process as well additional preliminary design details is anticipated to be complete and filed for public review by early 2022.

Property Acquisition

Like with many public infrastructure projects, the acquisition of private property is required to accommodate the construction of the new SNF WWTP. Phase 2 of the Class EA process identified a larger block near Reixinger Road, east of the QEW. From the detailed review during Phase 3 of the Class EA process, it is recommended to locate the WWTP on 6811 Reixinger Road.

Municipally known as 6811 Reixinger Rd, the land comprises an area of 109 acres and is currently held by a single property owner. The land is zoned industrial and the Official Plan identifies it as Resort Commercial. The full 109 acres is required for the ultimate planning for the facility and it is anticipated the full acquisition will benefit the property owner by not severing the block of land and devaluing remaining areas.

Regional staff will be providing the owner with an offer based on an independent opinion of value in the form of a full narrative appraisal report prepared by an AACI-accredited appraiser. In an effort to acquire the property amicably, the owner has been provided a copy of the appraisal report, and staff have offered the owner funds to commission his own independent valuation of the site.

If the offer is not accepted by the property owner, at the appropriate time, Regional staff with external legal counsel will be requesting to initiate formal expropriation proceedings to acquire the property on a compulsory basis in accordance with the Expropriations Act. The Region's external counsel have advised that obtaining possession of the lands through expropriation can take up to 12 to 14 months by virtue of the steps prescribed in the legislation. With that said, they have also undertaken to make every effort to condense this timeframe and have also advised us that negotiations with the owner ought to and can continue in parallel with the expropriation process. The owner has been cooperative to date and understands the need of the wastewater treatment plant. The expropriation process will allow third party adjudication to decide the final purchase price.

In summary with respect to property acquisition, Regional staff will make further efforts to acquire the required lands amicably, but if necessary will proceed with expropriation in the near future to maintain project timelines. The expropriation requirements and Council approval will be provided under separate report at that time.

Project Resources

[How We Flow \(Master Servicing Plan\)](https://www.niagararegion.ca/2041/master-servicing-plan/default.aspx) (https://www.niagararegion.ca/2041/master-servicing-plan/default.aspx)

[SNF WW Solutions Project Webpage](https://www.niagararegion.ca/projects/south-niagara-falls-treatment-plant/default.aspx) (https://www.niagararegion.ca/projects/south-niagara-falls-treatment-plant/default.aspx)

Alternatives Reviewed

The SNF WW Solutions program is being completed as a Schedule C project as part of the Municipal Class Environmental Assessment process. The project team reviewed the study area to determine suitable sites for the new WWTP that were the proper size, close to receiving waterbodies, close to existing and future service areas, and have limited environmental features. There were ten (10) long list site alternatives that were screened from a high level using multiple-bottom line criteria, including environmental, social-cultural, legal-jurisdictional, technical and financial. Four (4) site alternatives were screened for feasibility and were further evaluated using similar multiple-bottom line criteria. The study has included enhanced public and stakeholder consultation.

The information provided within this report aligns with the Class EA process and satisfies the study objectives. Therefore, staff do not recommend the consideration of any further alternatives.

Relationship to Council Strategic Priorities

The SNF WW Solutions capital program achieves several priorities of the 2019-2022 Council Strategic Plan, including the following:

- Supporting Businesses and Economic Growth - The servicing strategy will help support growth by providing new servicing options south of Welland River.
- Healthy and Vibrant Community – Improving wastewater infrastructure in south Niagara Falls supports the Growth Plan for the Greater Golden Horseshoe. This project protects what matters most by improving Niagara’s ability to manage wastewater and help mitigate future impacts of climate change that translates into the effective safeguarding of our Great Lakes and generating healthy sustainable communities.

- Responsible Growth and Infrastructure Planning – Planning for growth enables Niagara to remain open for business, strengthens local employment, and delivers the critical infrastructure that meets the needs of residents and businesses

Other Pertinent Reports

CL-C 24-2017 Waste & Wastewater Services Master Servicing Plan (How We Flow)
Project Update – South Niagara Falls Treatment Plant Review

PW 8-2019 – South Niagara Falls Wastewater Treatment Plant – Project Update and
Award Notice

PW 39-2020 – South Niagara Falls Wastewater Treatment Plant Update

BRC-C-1-2020 – Councillor Information Requests from October 15, 2020 Budget
Review Committee of the Whole

Prepared by:

Lisa Vespi, P.Eng.
Senior Project Manager
Public Works Department

Recommended by:

Bruce Zvaniga, P.Eng.
Commissioner of Public Works (Interim)
Public Works Department

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in consultation with Dan Ane, Manager Program Financial Support, and reviewed by Tony Cimino, Associate Director W-WW Engineering and Joseph Tonellato, Director Water and Wastewater Services.

Appendices

Appendix 1 Project Estimates and Funding

Appendix 2 Study Area Overview

Appendix 3

Alternative Wastewater Treatment Plant Sites

Project Estimates and Funding

Approved Budget to Date							
Project	DC Portion	Total Project Cost	External Funding	DCs	DCs Debt	Debt	Total
New SNF WWTP (NF) - prior to 2021	65%	\$ 4.91	\$ -	\$ 1.96	\$ -	\$ 2.95	\$ 4.91
New SNF WWTP (NF) - approved in 2021	65%	187.74	108.00		51.84	27.90	187.74
Total SNF WWTP		192.65	108.00	1.96	51.84	30.85	192.65
New South West Trunk Sewer - South Niagara Falls (NF)	70%	85.34	-	-	59.74	25.60	85.34
New South West Trunk Sewer (NF/TH)	85%	9.77	-	-	8.30	1.47	9.77
Black Horse Sewage Pumping Station (SPS) (TH)	85%	4.39	-	-	3.73	0.66	4.39
New SNF WWTP Outfall (NF)	65%	10.63	-	-	6.91	3.72	10.63
Black Horse Forecemain (TH)	85%	12.73	-	-	10.82	1.91	12.73
Peel Street SPS Upgrades and Forcemain (TH)	85%	5.92	-	-	5.03	0.89	5.92
South Side High Lift Pumping Station Decommissioning (NF)	50%	0.63	-	-	0.32	0.32	0.63
Garner, Oakwood, Grassy Brook SPS Decommissioning (NF)	50%	1.14	-	-	0.57	0.57	1.14
McLeod Road Overflow Diversion (NF)	50%	1.89	-	-	0.95	0.95	1.89
Total SNF Projects		\$ 325.10	\$ 108.00	\$ 1.96	\$ 148.20	\$ 66.94	\$ 325.10
						Total Debt	\$ 215.14

Project Estimates and Funding

Revised Budget Estimates (per PW-39-2021)							
Project	DC Portion	Total Project Cost	External Funding	DCs	DCs (Debt)	Debt	Total
New SNF WWTP (NF) - prior to 2021	65%	\$ 4.91	\$ -	\$ 1.96	\$ -	\$ 2.95	\$ 4.91
New SNF WWTP (NF)	59%	242.75	144.67		57.87	40.21	242.75
Total SNF WWTP		247.66	144.67	1.96	57.87	43.16	247.66
New South West Trunk Sewer - South Niagara Falls (NF)	80%	107.82	-	-	86.26	21.56	107.82
New South West Trunk Sewer (NF/TH)	80%	19.61	-	-	15.68	3.93	19.61
Black Horse Sewage Pumping Station (SPS) (TH)	80%	5.91	-	-	4.73	1.18	5.91
New SNF WWTP Outfall (NF)	64%	5.74	-	-	3.67	2.07	5.74
Black Horse Forecemain (TH)	80%	3.32	-	-	2.66	0.66	3.32
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Total SNF Projects		\$ 399.64	\$ 144.67	\$ 1.96	\$ 177.45	\$ 75.56	\$ 399.64
Total Debt						\$ 253.01	

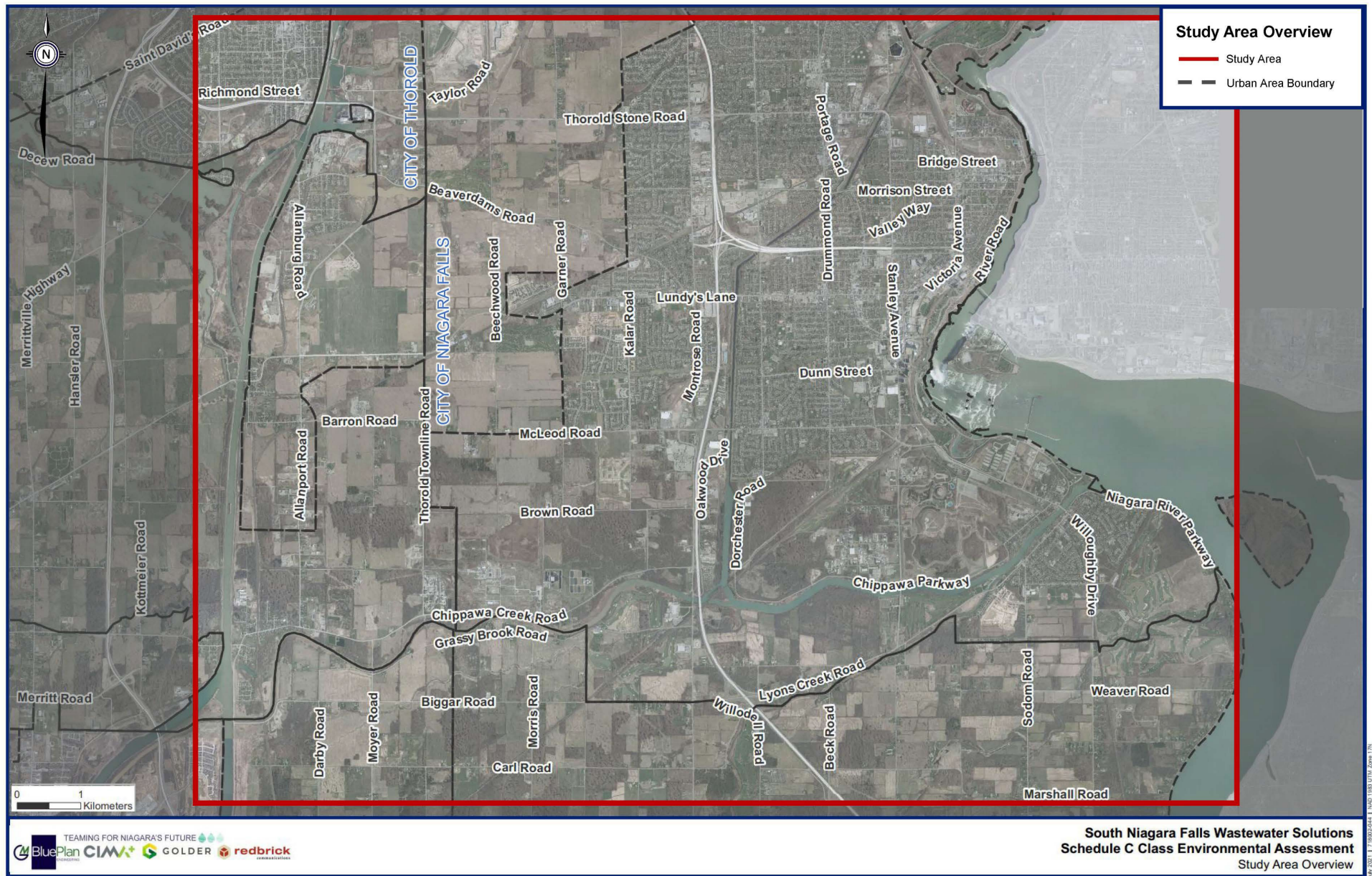
Project Estimates and Funding

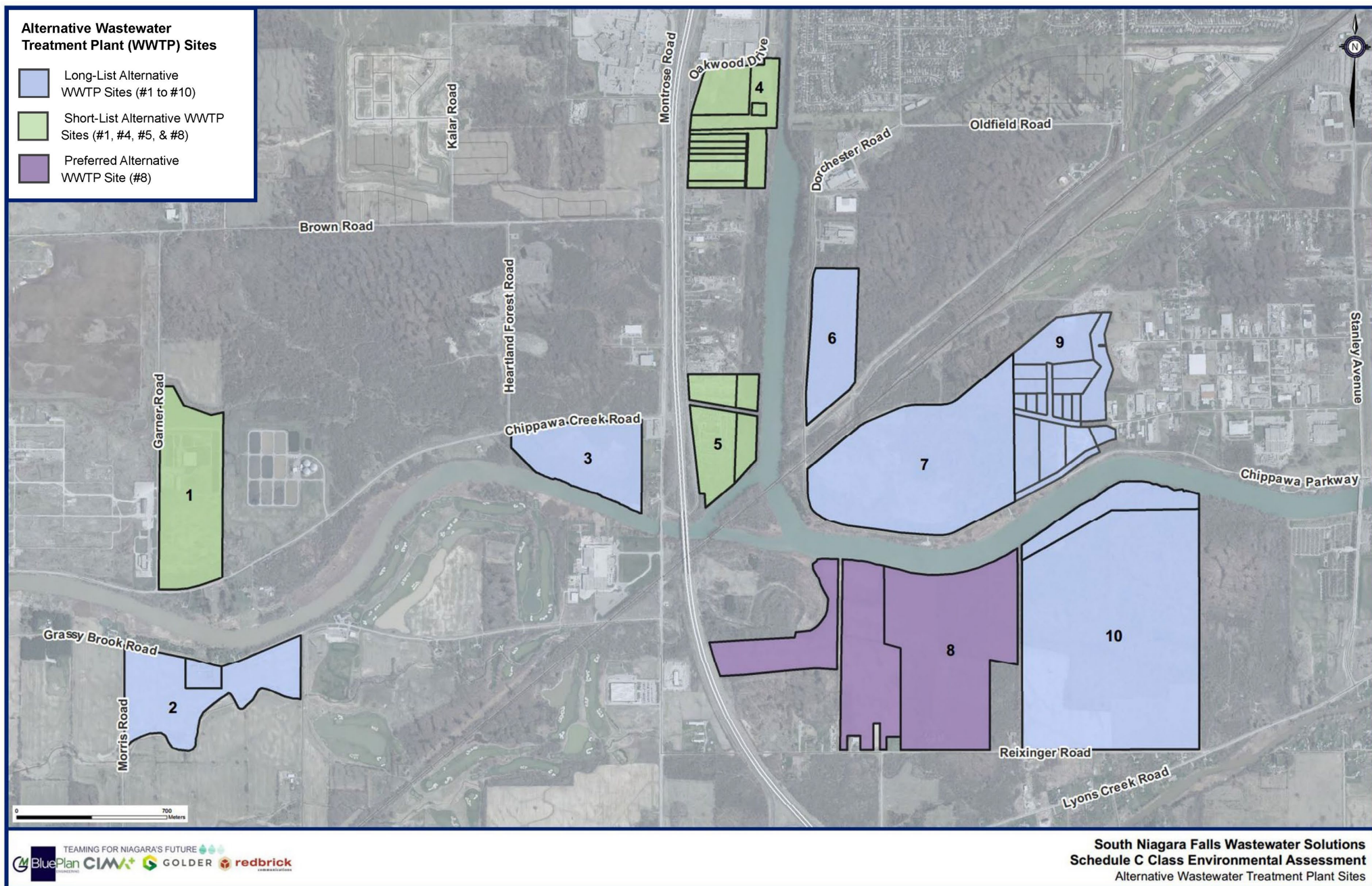
Differences							
Project	DC Portion	Total Project Cost	External Funding	DCs	DCs (Debt)	Debt	Total
New SNF WWTP (NF)	-6%	\$ 55.01	\$ 36.67	\$ -	\$ 6.03	\$ 12.31	\$ 55.01
New South West Trunk Sewer - South Niagara Falls (NF)	10%	22.48	-	-	26.52	(4.04)	22.48
New South West Trunk Sewer (NF/TH)	-5%	9.84	-	-	7.38	2.46	9.84
Black Horse Sewage Pumping Station (SPS) (TH)	-5%	1.52	-	-	1.00	0.52	1.52
Project Additions		88.85	36.67	-	40.93	11.25	88.85
New SNF WWTP Outfall (NF)	-1%	(4.89)	-	-	(3.24)	(1.65)	(4.89)
Black Horse Forecemain (TH)	-5%	(9.41)	-	-	(8.16)	(1.25)	(9.41)
Project Reductions		(14.30)	-	-	(11.40)	(2.90)	(14.30)
Peel Street SPS Upgrades and Forcemain (TH)	-5%	(0.00)	-	-	(0.29)	0.29	(0.00)
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Garner, Oakwood, Grassy Brook SPS Decommissioning (NF)	0%	-	-	-	-	-	-
McLeod Road Overflow Diversion (NF)	0%	-	-	-	-	-	-
Total SNF Projects		\$ 74.55	\$ 36.67	\$ -	\$ 29.24	\$ 8.64	\$ 74.55

Total Debt \$ 37.88

Municipality Located:

- (NF) - Niagara Falls
- (TH) - Thorold





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Project Estimates and Funding

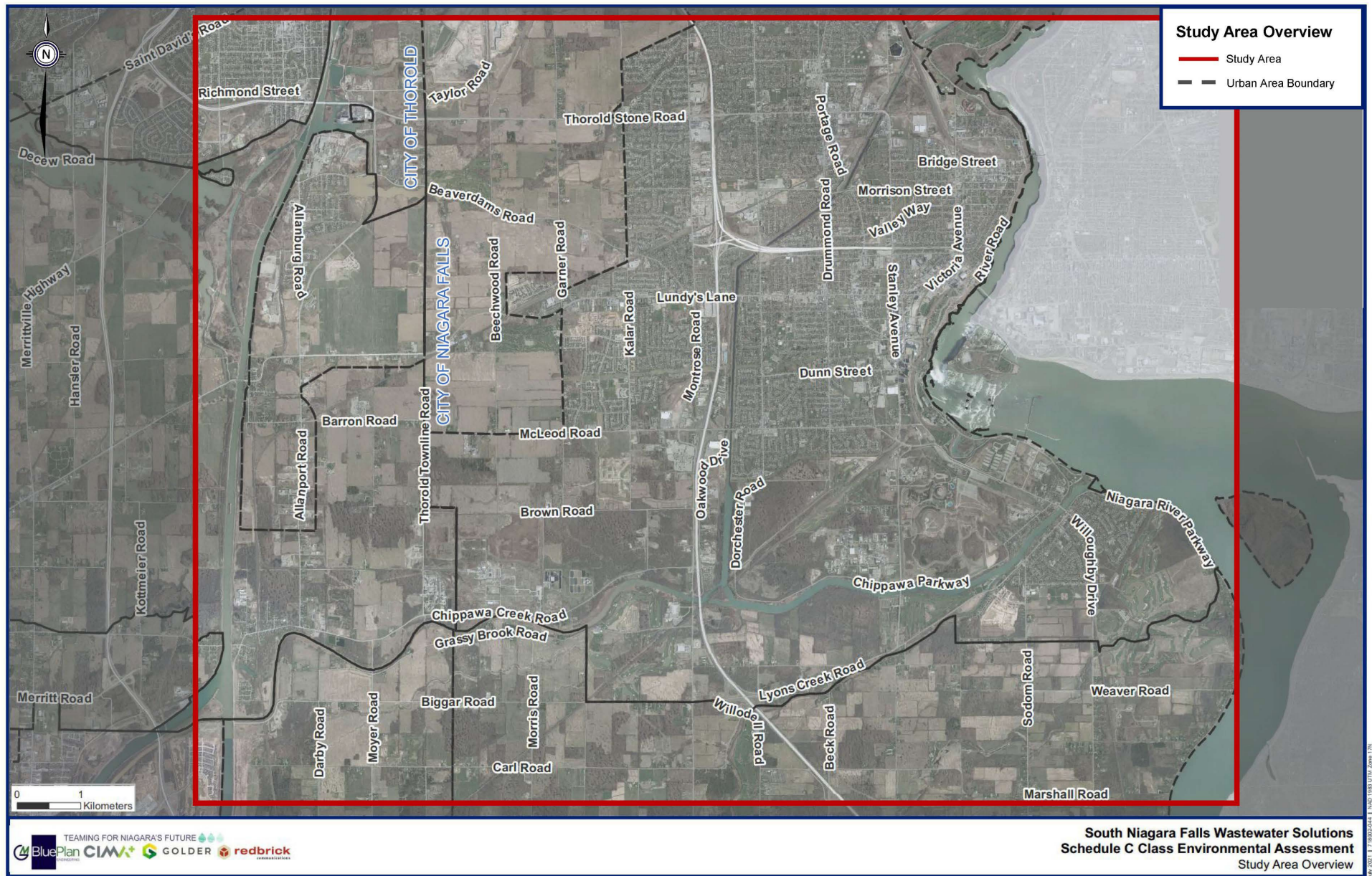
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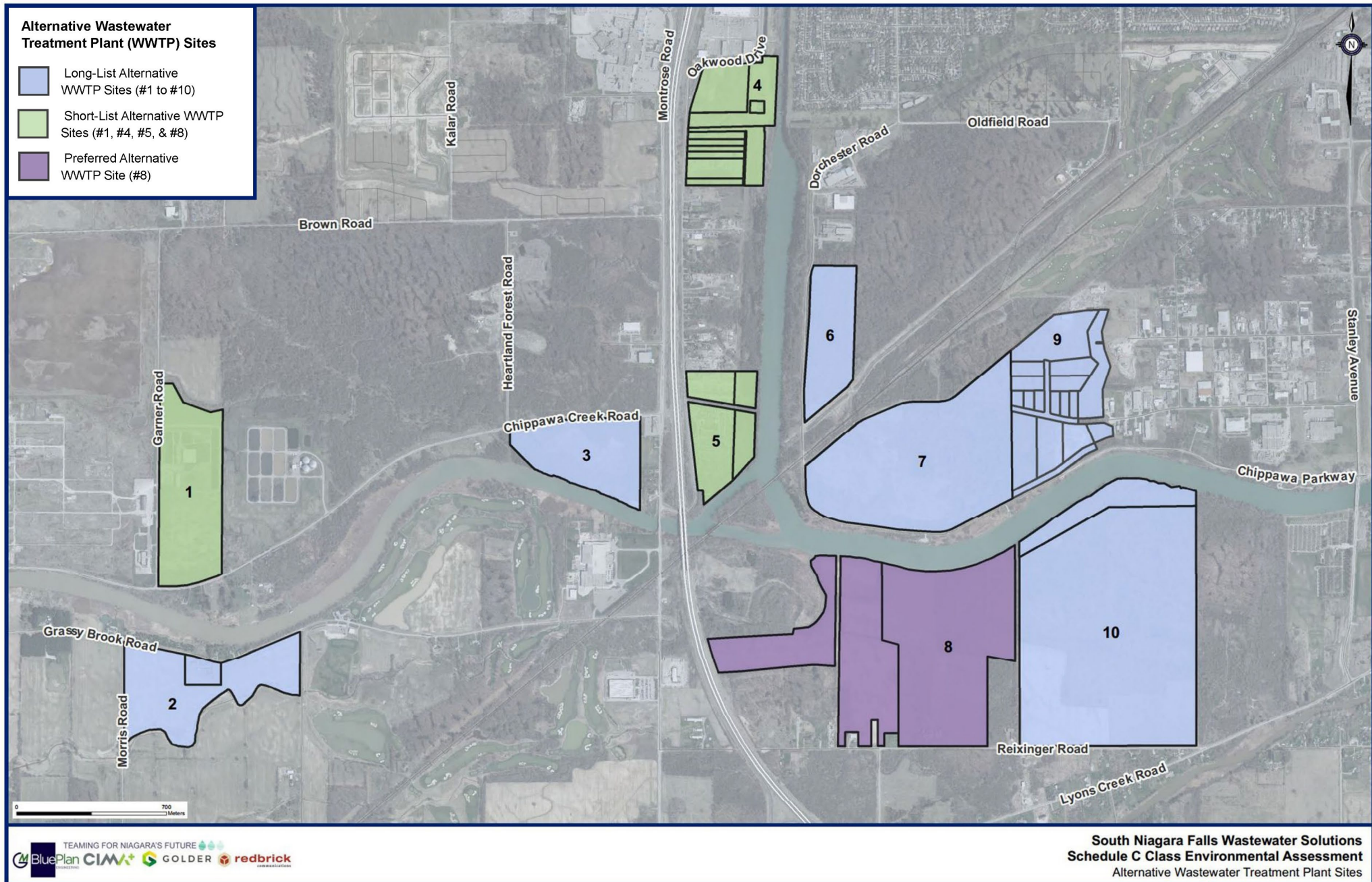
Total Debt \$ 37.88

Municipality Located:

(NF) - Niagara Falls

(TH) - Thorold





The background features a large, light gray, stylized outline of a house. Inside the house's footprint, there is a bar chart with four bars of increasing height from left to right. The text is overlaid on this graphic.

Niagara Region: Core Housing Need and Growth Management

September 2021

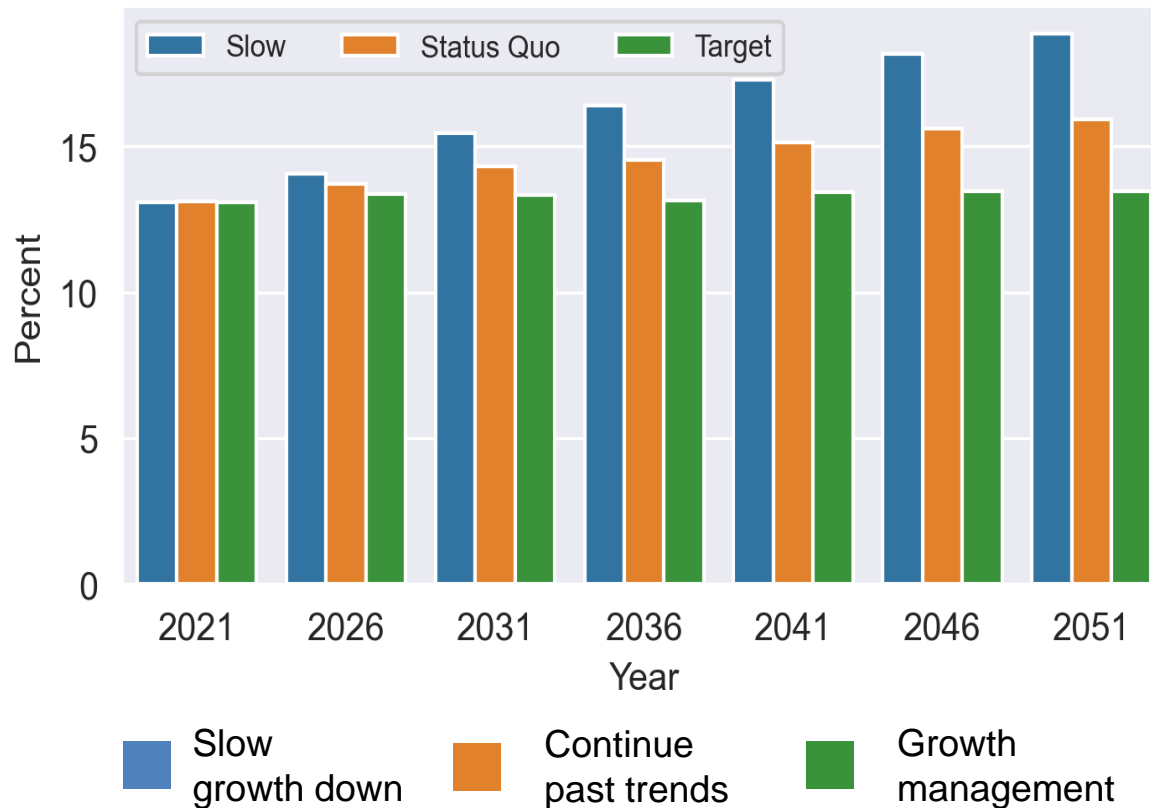
**CANADIAN CENTRE FOR
ECONOMIC ANALYSIS**

Background

- In 2020, the Province released updated regional growth targets up to 2051.
- Implications for growth management and core housing need in Niagara Region.
- CANCEA has performed several studies across the Niagara Region over the past 3 years.
- This brief update borrows from that work.

Construction Rates and Core housing Need

Percent Of Households In Core Housing Need

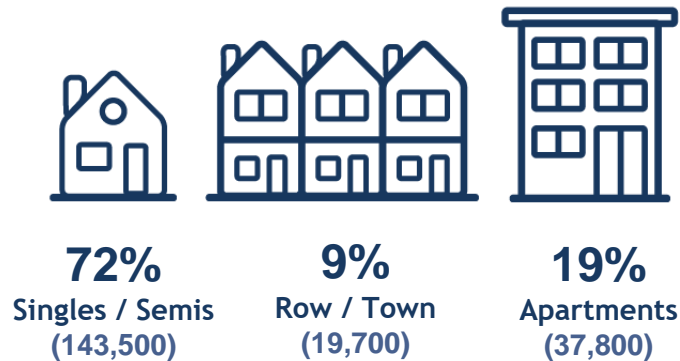


**Core housing need =
unaffordability and/or
overcrowding**

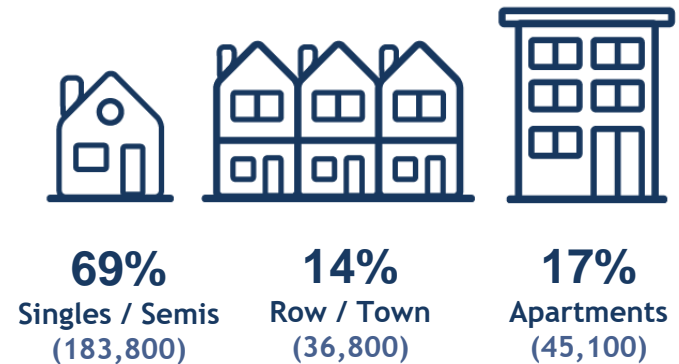
**Growth on its own
cannot solve core
housing need.**

Core Housing Need is Growing

Housing Stock Now

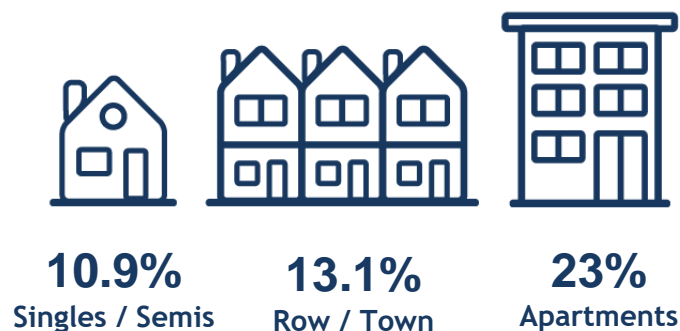


Housing Stock Trend by 2051



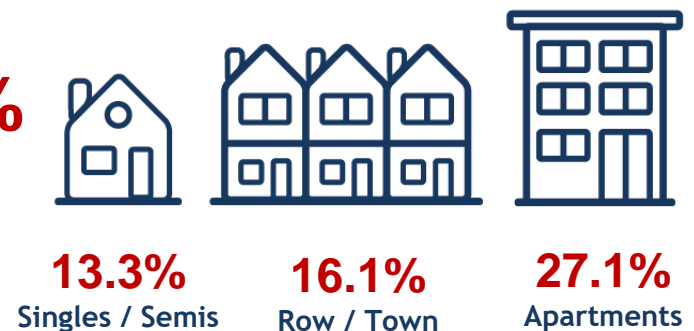
Trend Balance **+40,300** **+19,700** **+7,300**

Core Housing Need **13.4%**



↑20%

Core Housing Need **16.1%**



Has consequences

Consequences of Growing Core Housing Need

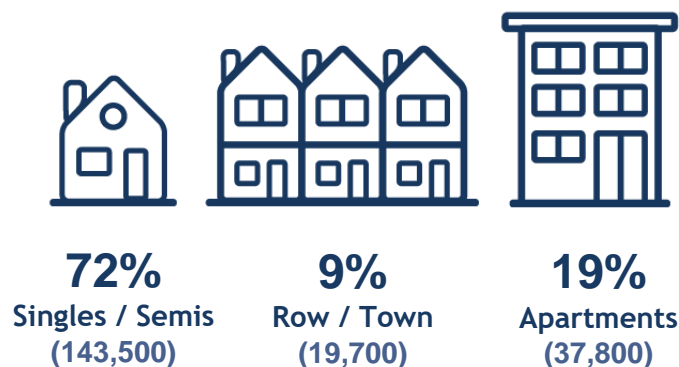
- Unaffordability and overcrowding increases 20%
 - 32% more pressure on young adults, renters, elderly (1.5 to 3.5 times at risk)
 - 33% more pressure on community social services
- Residents can't find right size housing at right cost
 - Retirees restricted from retiring in the community
 - Resident children can't continue to live in the community

Consequences of Growing Core Housing Need

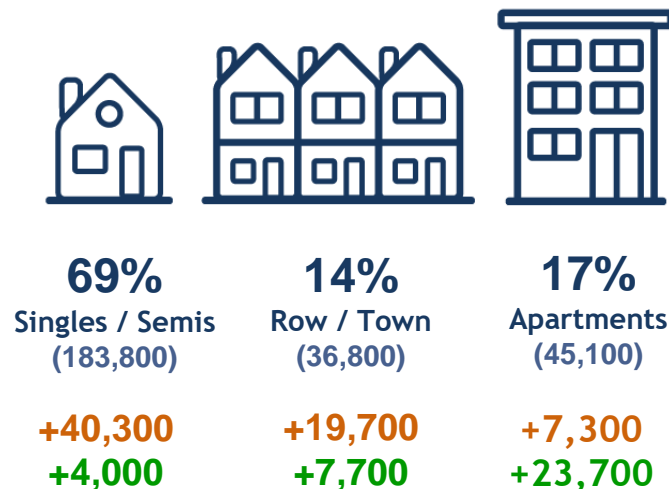
- Workers and young families restricted from living in the area
 - 7.3% less workforce in the region (24,000 missing)
 - Higher cost of business for industry
- Aging population
- Limits the growth of the region's tax base

Balanced Growth Management

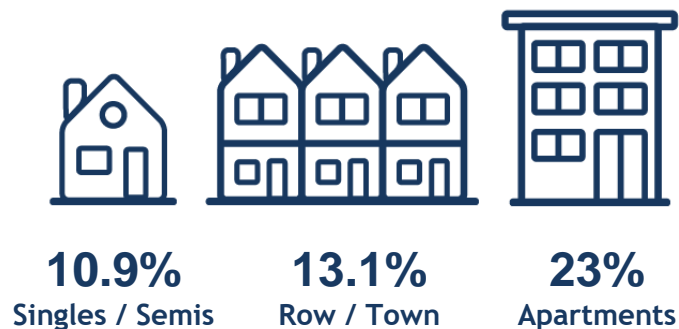
Housing Stock Now



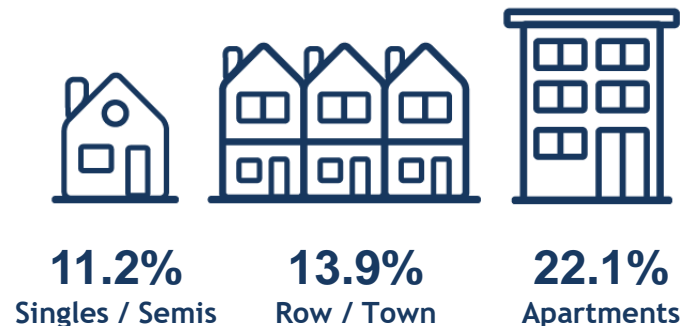
Housing Stock with Growth Management by 2051



Core Housing Need **13.4%**



Core Housing Need **13.9%**



Balanced Growth Management

Housing Stock with Growth Management by 2051



62%

Singles/Semis

+44,300

Larger homes
**Families and
couples.**



15%

Row / Town

+27,400

Mid-priced and
mid-sized
**Young families and
retirees**



23%

Apartments

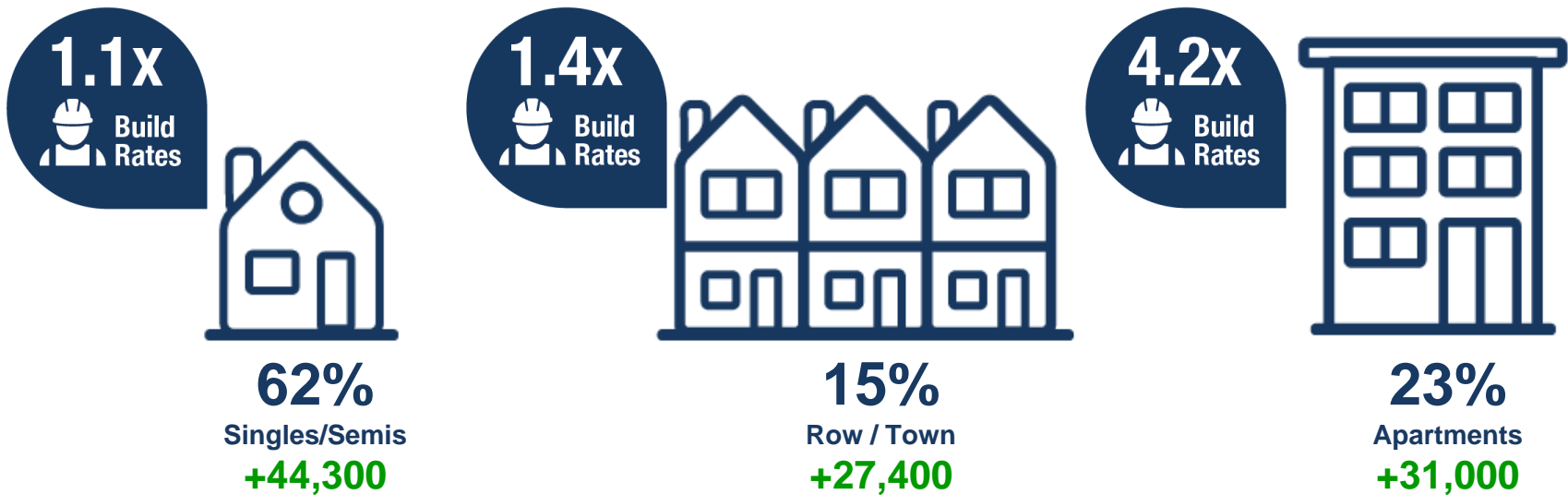
+31,000

Lower price and size
**Singles, lower income
households, workers
and retirees**

- ✓ Avoid consequences of excessive growth in core housing need
- ✓ 34,000 more workers in the region (10.3% of labour force)
- ✓ Region's tax base grows per capita

Balanced Growth Management: Making it happen

Housing Stock with Growth Management by 2051



Leveraging market forces



SHORTEN THE APPROVAL TIMES



REDUCE THE RISK TO PRIVATE INVESTORS

CREATE POLICY THAT SUPPORTS PRIVATE MARKET INVESTMENT



Niagara's Affordable Housing Strategy

Committee of the Whole

September 9, 2021

Adrienne Jugley, Commissioner of Community Services

Michelle Sergi, Commissioner, Planning and Development Services

NIAGARA'S AFFORDABLE HOUSING STRATEGY

COMMITTEE OF THE WHOLE

September 9, 2021

Presented by: Adrienne Jugley, Commissioner of Community Services
Michelle Sergi, Commissioner, Planning and Development Services

OVERVIEW

- PART 1 Housing Terminology 101
- PART 2 What is Niagara Region's Role?
- PART 3 Niagara Region's Strategies to Address the Housing Crisis
- PART 4 Activities to Support the Strategy

PART 1

Housing Terminology 101

PART 1: Housing Terminology 101

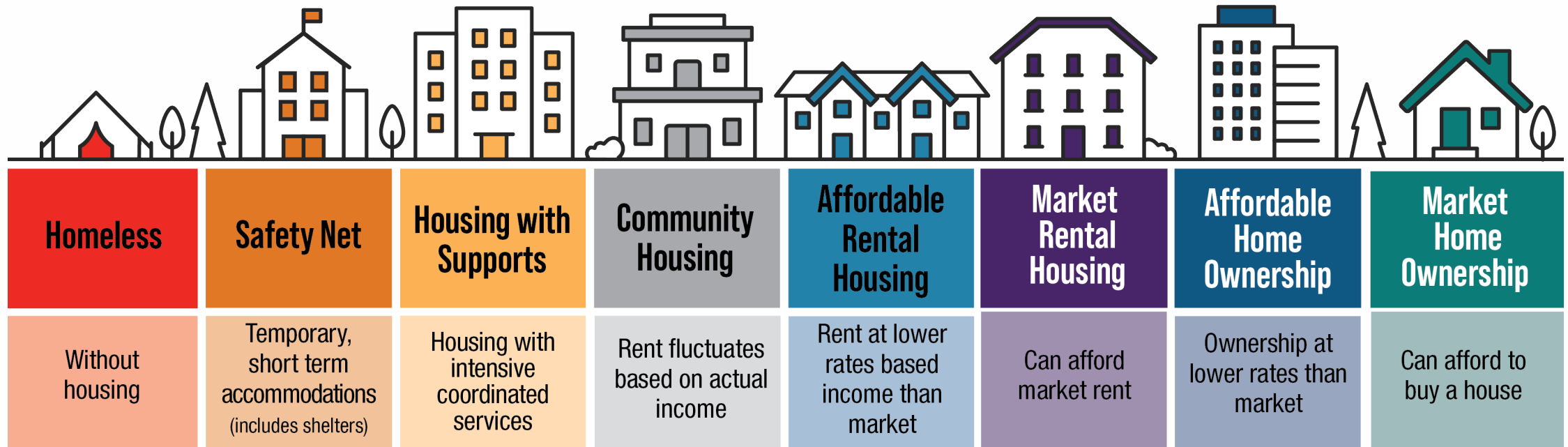
Key Terms:

Affordable housing costs less than 30% of a household's before tax income

Households	Annual Income	Can Afford (Monthly)	Needed Housing Supply
Low income Household	Up to \$29,400	Up to \$735	Community Housing and Rent Supports
Moderate Income Household	\$29,401 to \$52,500	Up to \$1,313	Affordable Market Housing (Rental and Ownership)
Medium Income Household	\$52,501 to \$83,900	Up to \$2,098	Attainable Market Housing (Rental and Ownership)

PART 1: Housing Terminology 101

A Spectrum of Housing Options



PART 2: What is Niagara Region's Role?

Future Local Housing Need

TOTAL HOUSING SUPPLY
IN 2021

199,064 UNITS



TOTAL HOUSING UNITS
FORECASTED FOR 2051

298,645 UNITS



TOTAL NUMBER OF
ADDITIONAL STOCK
NEEDED EVERY 5 YEARS

17,050 UNITS



PART 2

What is Niagara Region's Role?

PART 2: What is Niagara Region's Role?

Service Manager for Housing and Homelessness

Legislation and Provincial Policy:

Housing Services Act, 2011

- Have a Housing and Homelessness Action Plan (HHAP) and meet objectives and targets related to housing and homelessness
- Provide housing directly and establish, administer and fund housing programs and homelessness programs
- Niagara Regional Housing manages all owned units

PART 2: What is Niagara Region's Role?

Providing Guidance for Growth and Development

Legislation and Provincial Policy:

Planning Act (1990)

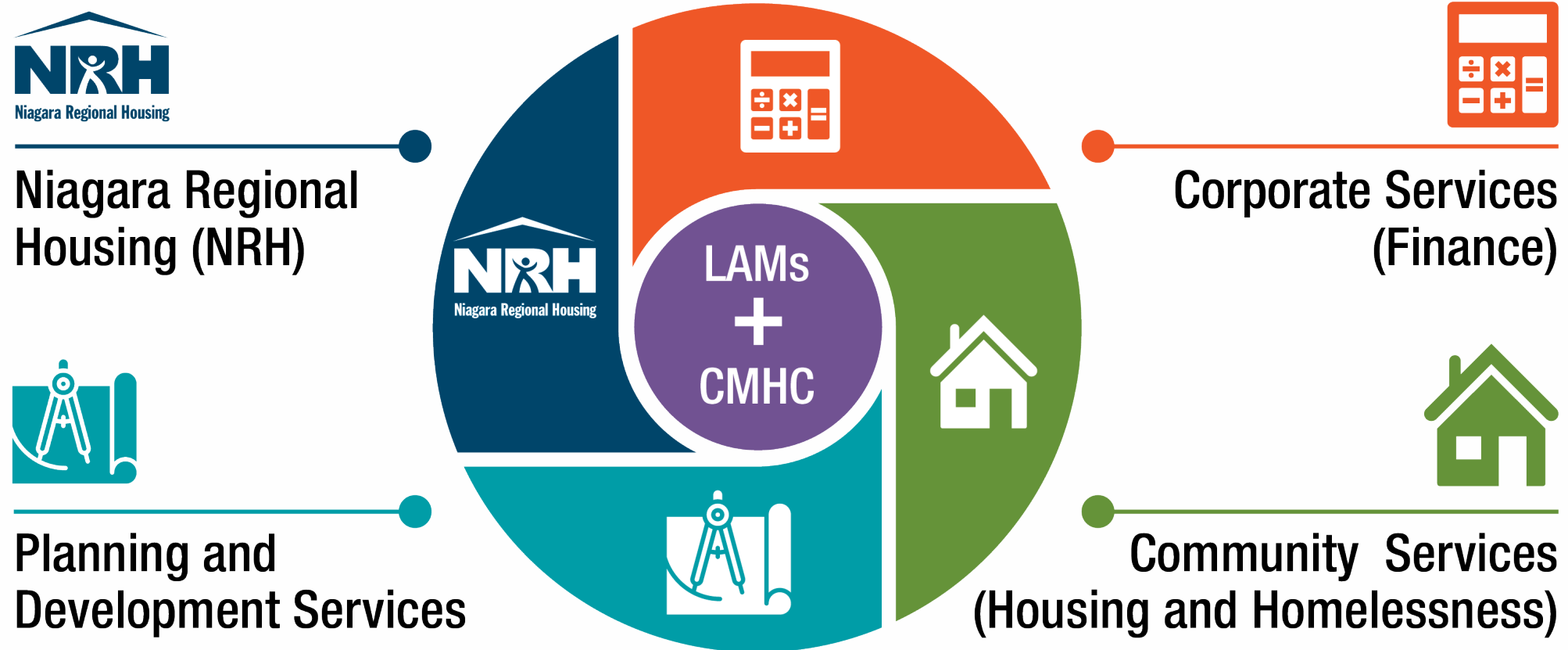
A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2019)

Provincial Policy Statement (2020)

- Determine how and where Niagara is going to grow in the next 30 years
- Support policy implementation at the local municipal level through local Official Plans, Zoning By-laws, Secondary Plans, and Community Improvement Plans

PART 2: What is Niagara Region's Role?

Internal Coordinated Effort (2018 to present)



Summary of Region Responsibilities

- Coordinate between housing and land use planning
- Identify affordable housing target(s), land use tools, and financial incentive tools to provide affordable housing
- Ensure there is an appropriate supply and mix of housing
- Protect the Region's existing rental housing stock

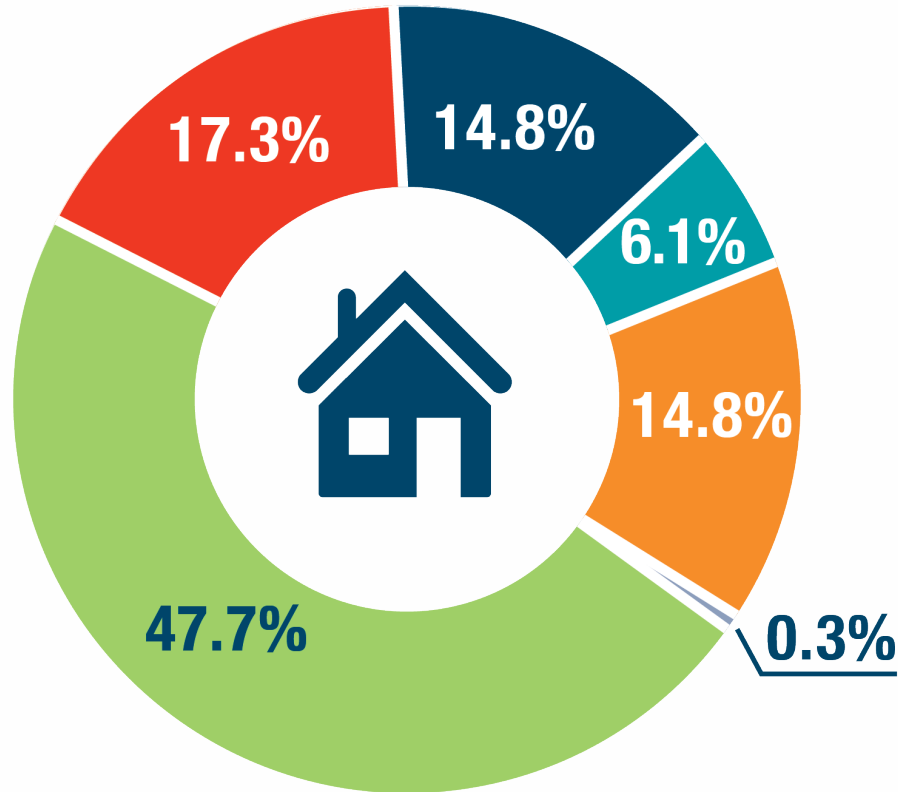
PART 2: What is Niagara Region's Role?

Summary of Region Responsibilities (continued)

- Provide financial support for capital and operating costs to meet service manager requirements for Community Housing
- Work with non-profit and cooperative housing providers
- Engage with private sector on a mix of housing options
- Connect with relevant systems (health, corrections)

PART 2: What is Niagara Region's Role?

Coordinating Investments in Affordable Housing

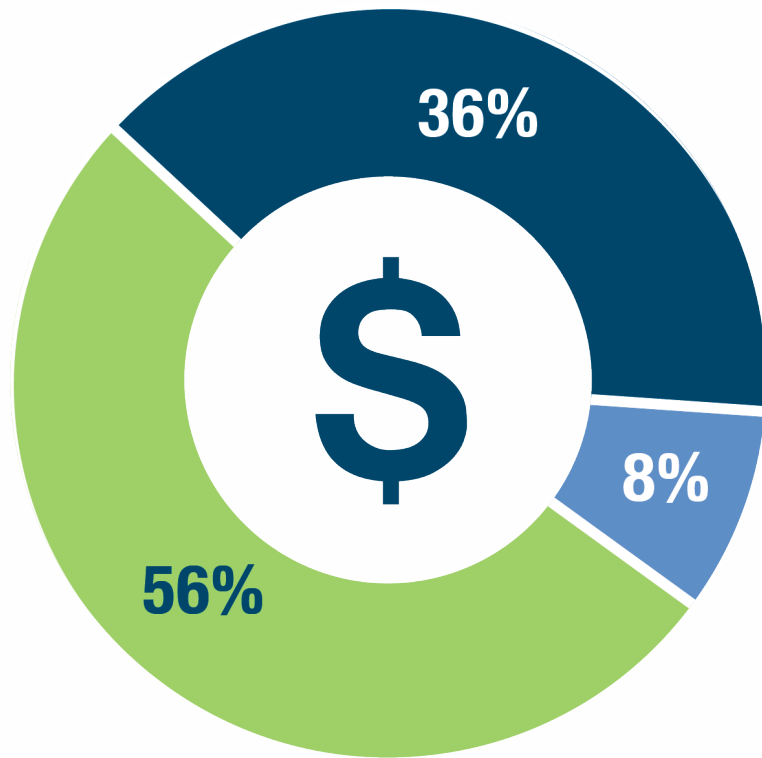





- Regional Levy/Reserves/Debt- 47.7%
- Provincial- 17.3%
- Federal- 13.8%
- Development Charges- 6.1%
- Other (Tenants, etc.)- 14.8%
- Local Area Municipalities- 0.3%

Based on capital and operating supports of all of housing, homelessness, cumulative for the term of council i.e. 2019-2021.

PART 2: What is Niagara Region's Role?

How We Deliver Housing and Homelessness Services (three divisions with net total levy of \$40.4 million)



-  Housing Services (Niagara Region)
\$22,534,576 - 56%
-  Housing Operations (NRH Owned Units)
\$14,753,478 - 36%
-  Homelessness Services (Niagara Region)
\$3,111,455 - 8%

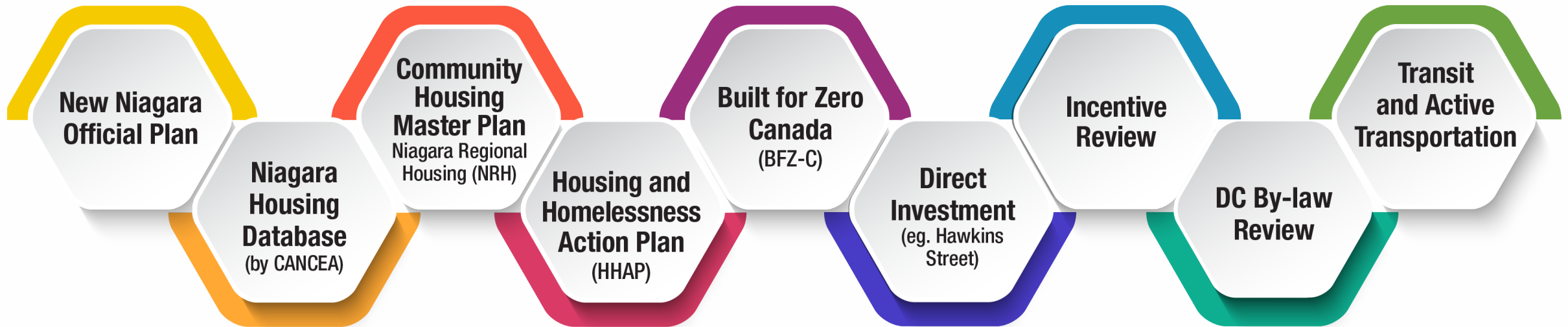
Based on 2021.

PART 3

Niagara Region's Strategies to Address the Housing Crisis

PART 3: Niagara Region's Strategies to Address the Housing Crisis

Niagara's Interconnected Strategies



PART 3: Niagara Region's Strategies to Address the Housing Crisis

Land Use Policy

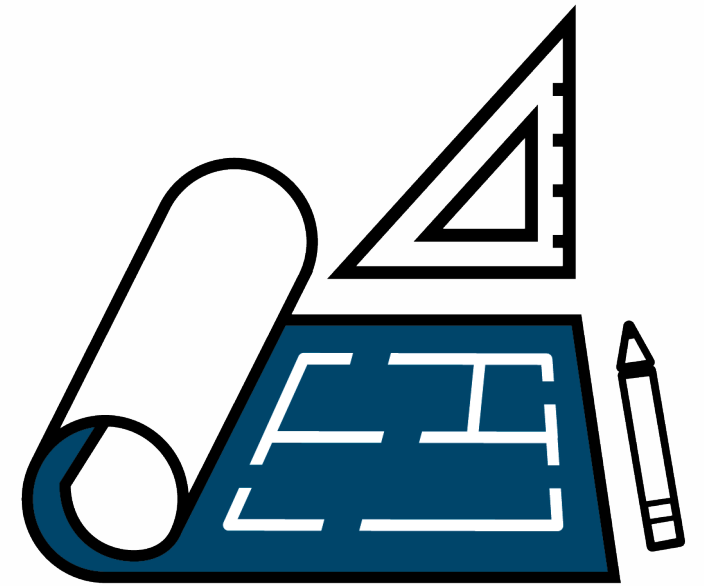
- Increased mix of units/ forecasts
- Intensification rates and Strategic Growth Areas
- Affordable housing targets
- Additional residential units
- Condominium conversion policies



PART 3: Niagara Region's Strategies to Address the Housing Crisis

Land Use Policy (Continued)

- Flexible zoning permissions
- Inclusionary Zoning (Protected Major Transit Station Areas)
- Coordination with transit, active transportation and employment opportunities
- Informs incentive programs



PART 3: Niagara Region's Strategies to Address the Housing Crisis

NRH Community Housing Master Plan

- Increase Community Housing Supply
- Achieve Financial and Environmental Sustainability
- Optimize Equity Investment
- Solve Asset and Service Challenges
- Create Healthy and Vibrant Communities



PART 4

Activities to Support the Strategy

PART 4: Activities to Support the Strategy

Maintaining Existing Community Housing Stock



Niagara Regional Housing

2,684

NIAGARA REGIONAL
HOUSING OWNED UNITS



3,659

HOUSING PROVIDER UNITS

60 non-profit and
co-operative
housing programs



1,465

RENT SUPPLEMENT
UNITS

(as of Q2 2020)

PART 4: Activities to Support the Strategy

2021 Housing Projects to Address Pressing Local Need

Bridge Housing Project

(Victoria, Niagara Falls)



Supportive Housing Project

(Niagara Falls)



Hawkins Avenue

(Niagara Falls)



Rapid Housing Initiative

(Welland)
(Submission Aug. 2021)



- 734 units in development under Provincial and Federal programs
- Intensification projects (73 units at Hawkins/Dell, 12 stacked townhouses at Roach)

Supporting Community Partners to Develop

- Streamlining Development Approvals
- Monitoring Program Performance Indicators
- Active Transportation and Transit
- Three Affordable Housing Project Managers to Support Community Projects
- HHAP Housing Affordability Innovation Working Group
- Promoting Innovative Design and Construction

PART 4: Activities to Support the Strategy

Potential Development Incentive Programs

- Grants for Residential Rental, Secondary Suites and Small Building construction
- Development Charge deferrals for Affordable and Supportive Housing construction
- Suite of enhancements to the continuing Partnership Housing Program
- Provincial programs currently administered by Housing Services

PART 4: Activities to Support the Strategy


Collaboration With Local Area Municipalities

Supporting Local Housing Strategies

- District and Secondary Plans
- Local municipal land

Additional Projects

 **200+ UNITS**
through RFP in
Niagara Falls

 Will include
50 RENT GEAR TO
INCOME (RGI)
UNITS

 **RAPID HOUSING
INITIATIVE**
Welland gives
expedited service

PART 4: Activities to Support the Strategy

Options for additional funding equivalent to 1% of the Levy (\$4 million):

1. Add 10% to housing operating budget - does not increase supply
2. Add to capital to build units - increases supply of 12 purpose built rental units (\$300-400 thousand/unit to develop owned units)
3. Add to incentives budget - could increase supply of 20-40 affordable purpose built rental units and leverage private funding to partner on 60 to 120 additional purpose built rentals

PART 4: Activities to Support the Strategy

Key Decision Points to Drive Affordable Housing

Key Decision Point	When
Contribution to reserves, for shovel ready projects	Ongoing
DC Bylaw – collecting DCs for direct investment in Community Housing (e.g. Hawkins funded by DC revenue)	Ongoing
DC deferrals and grants – Mandated in Act, provided in DC By-law and Incentive Review	Ongoing
Incentive Review and Policy	Q4 2021
Niagara Official Plan	Q1 2022
Development Applications at the Local Municipal level	Ongoing
Addressing NIMBY (not in my backyard) as a barrier to development	Ongoing

NIAGARA REGION: AFFORDABLE HOUSING STRATEGY

KEY DEFINITIONS

Affordable Housing: Rental or ownership housing that costs less than 30% of a household's total annual income.

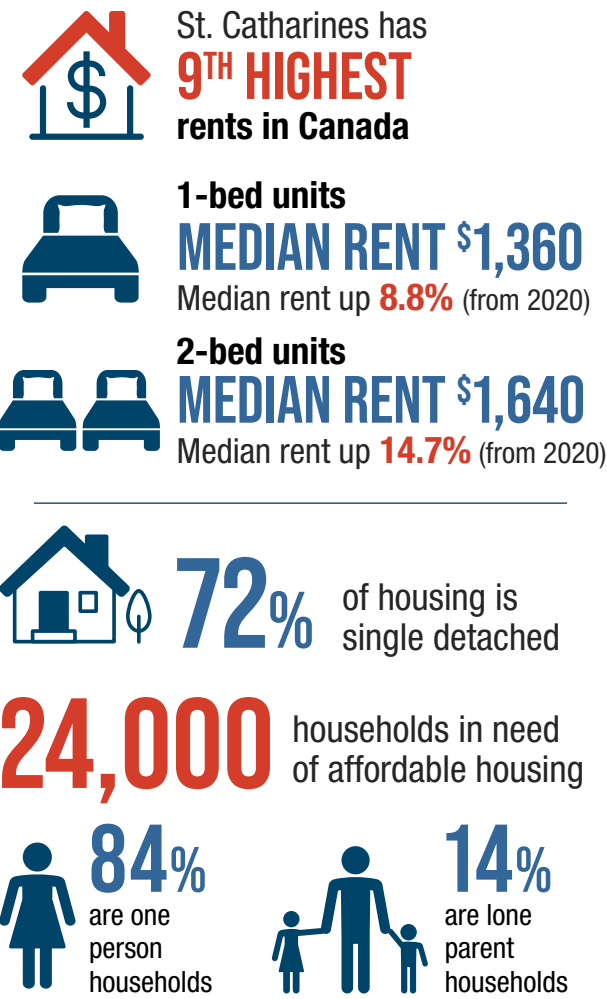
Community Housing: Usually geared toward low income households, it refers to housing that was built or funded under a range of federal, provincial or municipal housing programs and is provided to eligible tenants on the basis of defined need.

Affordable Market Housing: Rental or ownership housing provided by the market for low and moderate income households

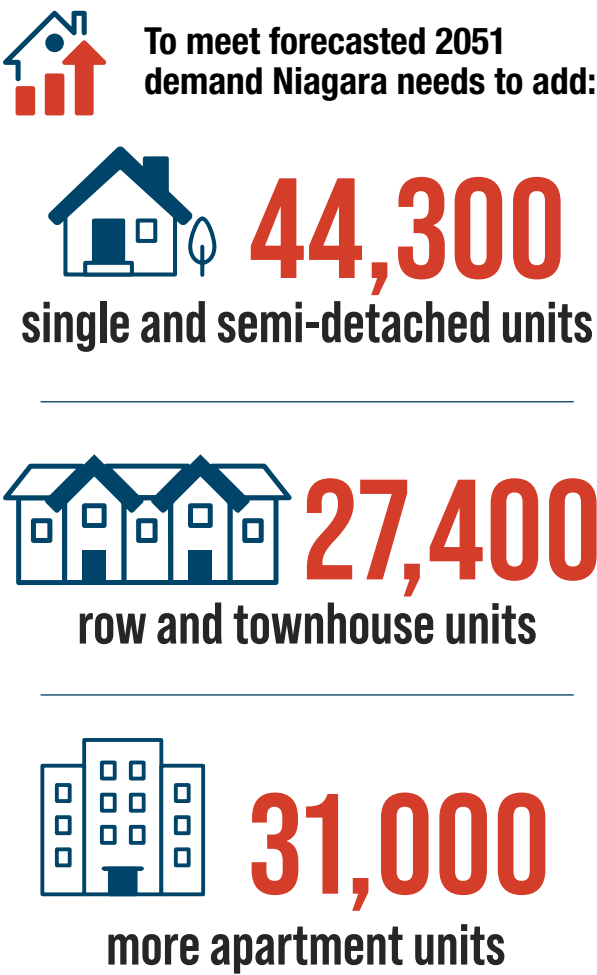
Attainable Market Housing: Rental or ownership housing provided by the market for medium income households, that may be challenged to access rental and ownership options.

Households	Annual Income	Can Afford (Monthly)	Needed Housing Supply
Low income Household	Up to \$29,400	Up to \$735	Community Housing and Rent Supports
Moderate Income Household	\$29,401-\$52,500	Up to \$1,313	Affordable Market Housing (Rental and Ownership)
Medium Income Household	\$52,501-\$83,900	Up to \$2,098	Attainable Market Housing (Rental and Ownership)

THE CURRENT HOUSING CRISIS



NEEDED HOUSING SUPPLY AND MIX (Rental and Ownership)



REGIONAL ACTIVITIES ADDRESSING THE CRISIS

- MAINTAIN EXISTING COMMUNITY HOUSING STOCK**
 - 2,684 Niagara Regional Owned Units
 - 3,659 Housing Provider Units, 60 non-profit and co-operative housing programs
 - 1,465 Rent Supplements Units (as of Q2 2020)
- NEW COMMUNITY HOUSING DEVELOPMENT (2021 PROJECTS)**
 - Community Housing Master Plan
 - Bridge Housing Project (Victoria, Niagara Falls)
 - Supportive Housing Projects (Niagara Falls)
 - Hawkins Avenue (Niagara Falls)
 - Rapid Housing Initiative (Welland)(Submission Aug. 2021)
- SUPPORTING PARTNERS TO DEVELOP**
 - Streamlining Development Approvals
 - Development Incentives and DC deferrals
 - Three project managers to support Non-Profit housing projects
- COLLABORATING WITH LOCAL AREA MUNICIPALITIES**
 - Supporting District and Secondary Plans
 - Leveraging municipal lands
 - Collaborating on local municipality projects
- INNOVATION**
 - modular construction and micro-condominiums

MEMORANDUM

CWCD 2021-191

Subject: Response to Councillor Information Request re Ministry of Environment, Conservation and Parks Investigation

Date: September 3, 2021

To: Regional Council

From: Bruce Zvaniga, P.Eng., Commissioner of Public Works (Interim)

At the meeting of Niagara Region Council on August 26, 2021 in relation to correspondence item CWCD 2021-179, Councillor Gale asked:

1. Did staff advise the independent investigators from Kroll, that the Ministry of Environment was also investigating Thomas Nutrient Solutions?
2. Why was Council not informed of the Provincial investigation into Thomas Nutrient Solutions?
3. Why was the Province requested by the Region to file an FOI for specific information being requested; and,
4. What was the result of the Provincial investigation into Thomas Nutrient Solutions related to the Region's biosolids program? Or is it still ongoing?

Key Facts:

- On February 25, 2020, a letter (attached as Appendix 1) from the Ministry of Environment, Conservation and Parks (MECP) Investigations and Enforcement Branch was received by Niagara Region. The letter requested information to assist in the investigation of alleged offences by Thomas Nutrients under the Ontario Water Resources Act and the Nutrient Management Act related to material generated by Niagara Region during the period September 1, 2019 to November 30, 2019. The Region was not the subject of the investigation.
- On March 10, 2020, Regional staff advised the MECP investigator that they would provide information responsive to their requests with the exception of the requested copies of contract documents. The MECP was directed to use the FOI process to request contract documents, which is a standard response, to ensure that the Region complied with its obligations under the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) regarding third party commercial information contained in those documents that may be confidential.
- The MECP did not subsequently make a FOI request for a copy of the contract.

- On May 6, 2020, Niagara Region staff provided a final response to the MECP investigation including a detailed description of the source and composition of hauled materials, and land application logs for the September 1 to November 30, 2019 period. All requested information was provided directly with the exception of the contract document.

Response to Questions:

1. Staff did not advise Kroll, and Kroll has confirmed this on August 30, 2021 that, “We were not aware that the MECP was/is investigating Thomas Nutrient Solutions – no staff, the Whistleblowers or Councillor Gale mentioned this to us.” At the time of the Kroll investigation, the MECP had not (and still has not) provided any findings/actions to the Region for consideration.
2. In the normal course of business, Niagara Region Council is informed of investigations where the Region itself is being investigated; or where, the MECP has formally advised Regional staff that an investigation has concluded with findings/actions that impact our activities. In this specific event, the only communications from the MECP has been that they are investigating allegations against a contractor to the Region. No details of the nature or substance of the allegations has been shared; nor has any information been provided about how this may impact our operations.
3. As noted in the key facts, Niagara Region provided all requested information to the MECP investigator with the exception of contract documents. These documents may contain commercial confidential information that is protected by the MFIPPA legislation. The FOI process ensures the release of all requested information that is not specifically protected by MFIPPA. To date, MECP has not initiated the FOI process in relation to this investigation.
4. On August 31, 2021, the MECP Manager of Investigations advised: “Regarding 2386246 Ontario Inc. o/a Thomas Nutrient Solutions, the Ministry is continuing to investigate alleged violations of the Ontario Water Resources Act and the Nutrient Management Act. It would be inappropriate to provide any additional comment at this time.”

Respectfully submitted and signed by

Bruce Zvaniga, P.Eng.
Commissioner of Public Works (Interim)

Appendix 1: Letter dated February 25, 2021 from MECP Investigations and Enforcement Branch

**Ministry of the Environment,
Conservation and Parks**

**Ministère de l'Environnement,
de la Protection de la nature et des Parcs**



**Environmental Enforcement and
Compliance Office**

**Bureau de l'application des lois
environnementales et de la conformité**

733 Exeter Road
London, ON N6E 1L3
Tel.: 519-873-5000
Fax.: 519-873-5020

733 rue Exeter
London, ON N6E 1L3
Tél.: 519-873-5000
Télééc.: 519-873-5020

February 25, 2020

Mr. Jason Oatley
Manager, Quality and Compliance
Water and Wastewater Services
Regional Municipality of Niagara
1815 Sir Isaac Brock Way,
Thorold, ON
L2V 4T7

Dear Mr. Oatley,

RE: Investigation into Thomas Nutrient Solutions

The Ontario Ministry of the Environment, Conservation and Parks is currently investigating 2386246 Ontario Inc. o/a Thomas Nutrient Solutions for alleged offences under the Ontario Water Resources Act and the Nutrient Management Act. The alleged offences relate to material that is generated by the Regional Municipality of Niagara.

The Regional Municipality of Niagara is not the subject of this investigation.

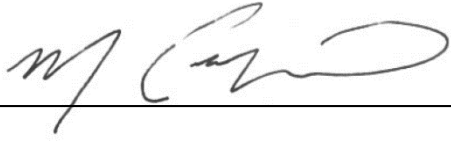
I'm writing to inquire as to whether the Regional Municipality of Niagara is willing to voluntarily provide me with information relating to this investigation. If so, I am formally requesting the following:

1. A description of any material in the possession of the Regional Municipality of Niagara that is hauled off-site by Thomas Nutrient Solutions.
2. Any documentation relating to the source and composition of this material.
3. A copy of any contracts between the Regional Municipality of Niagara and Thomas Nutrient Solutions.
4. Any invoices or bills of lading relating to Thomas Nutrient Solutions hauling the material off-site between September 1 and November 30, 2019.
5. Any information relating to land application of the material, including date, location, and quantity of material applied between September 1 and November 30, 2019.
6. Any other information or documentation relating to this investigation that you may wish to provide.

Should you have any questions or concerns regarding this request please contact me by telephone at

519-200-8267 or by email at Matthew.Crawford@Ontario.ca.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Crawford', is positioned above a solid horizontal line.

M. Crawford

Investigator, Badge #1544

Ministry of the Environment, Conservation and Parks

Environmental Enforcement and Compliance Office

Investigations and Enforcement Branch