

WATER & WASTEWATER:

Infrastructure

Planning for the future

Water and Wastewater Current State

Current replacement value of infrastructure

- **Water assets \$1.5B**
- **Wastewater assets \$2.9B**

609 million litres of water treated per day capacity

329 million litres of wastewater treated per day capacity



Water and Wastewater Current State

We have no redundancies for proper maintenance

No redundancies for equipment failures

Need to keep our current system functioning

No Plan B if system fails



Environmental Changes and Emerging Issues:

Increase in severe weather events

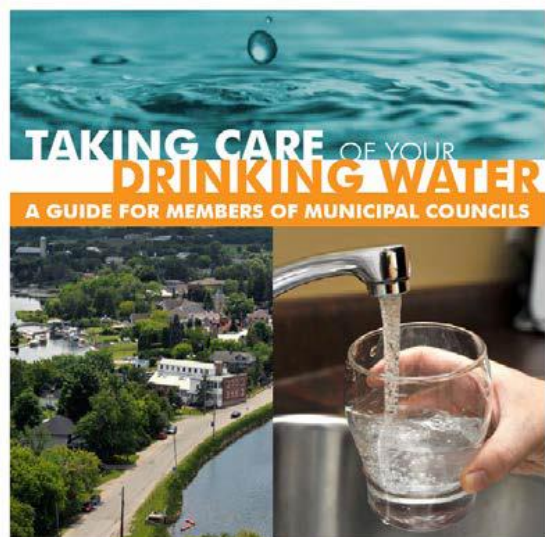
Warmer temperatures can lead to increases in algae and other contaminants

Rise in pharmaceuticals in our water



Changing Provincial & Federal regulations





www.ontario.ca/drinkingwater

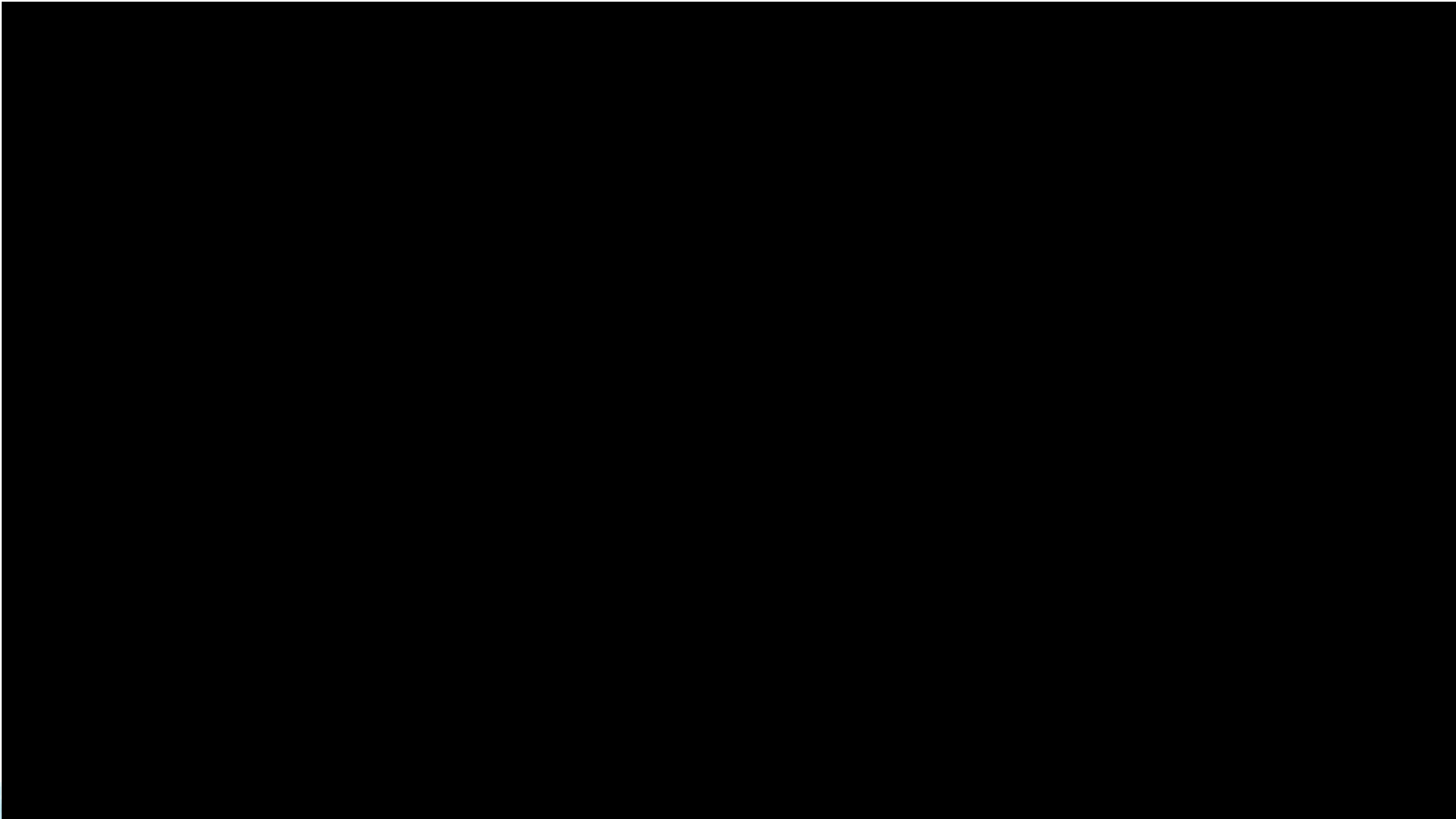


Standards of Care

- **Wastewater is much further behind than Water**
- **More of the incremental transfer is allocated here**
- **Lower reserve balances causes a higher reliance on debt**

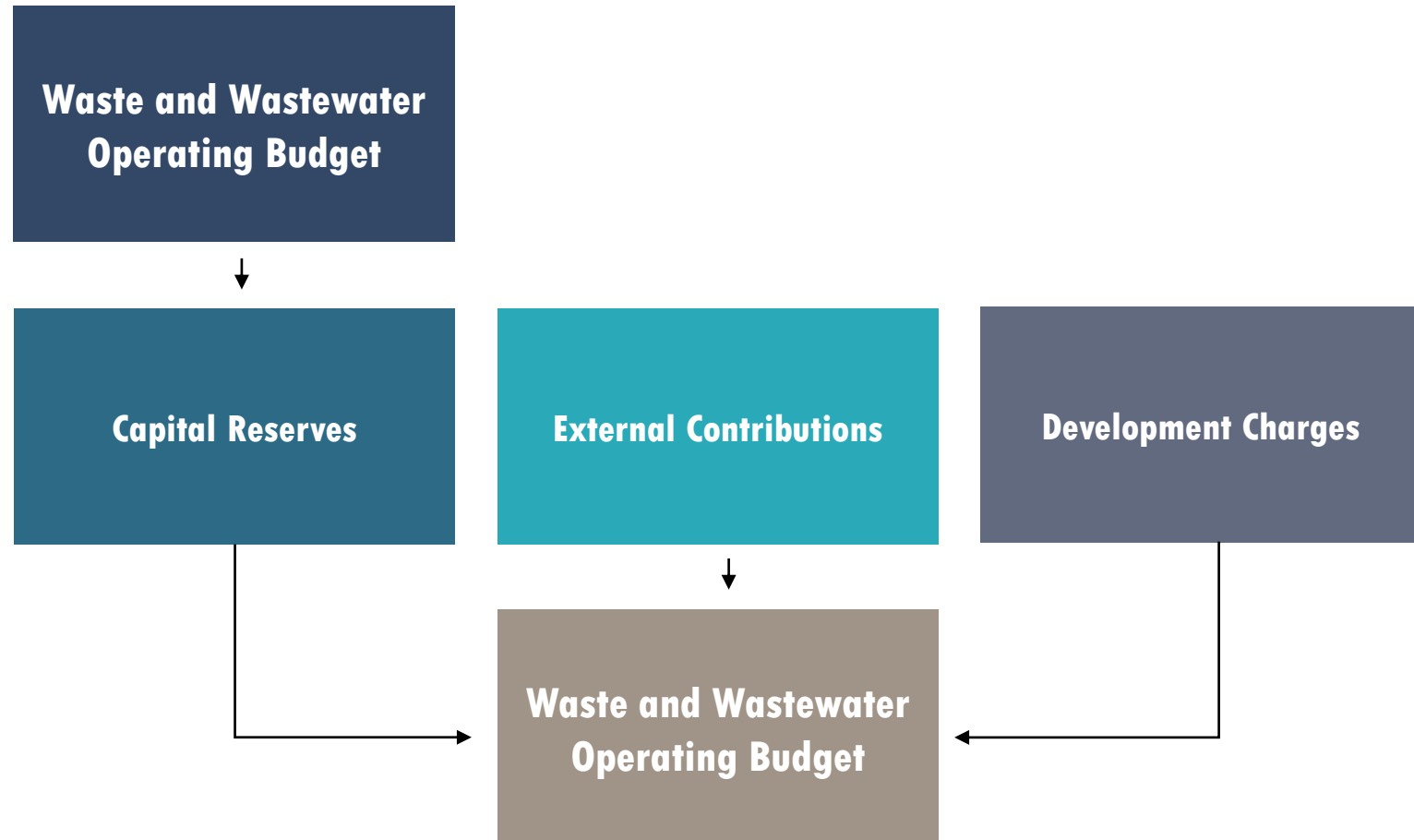


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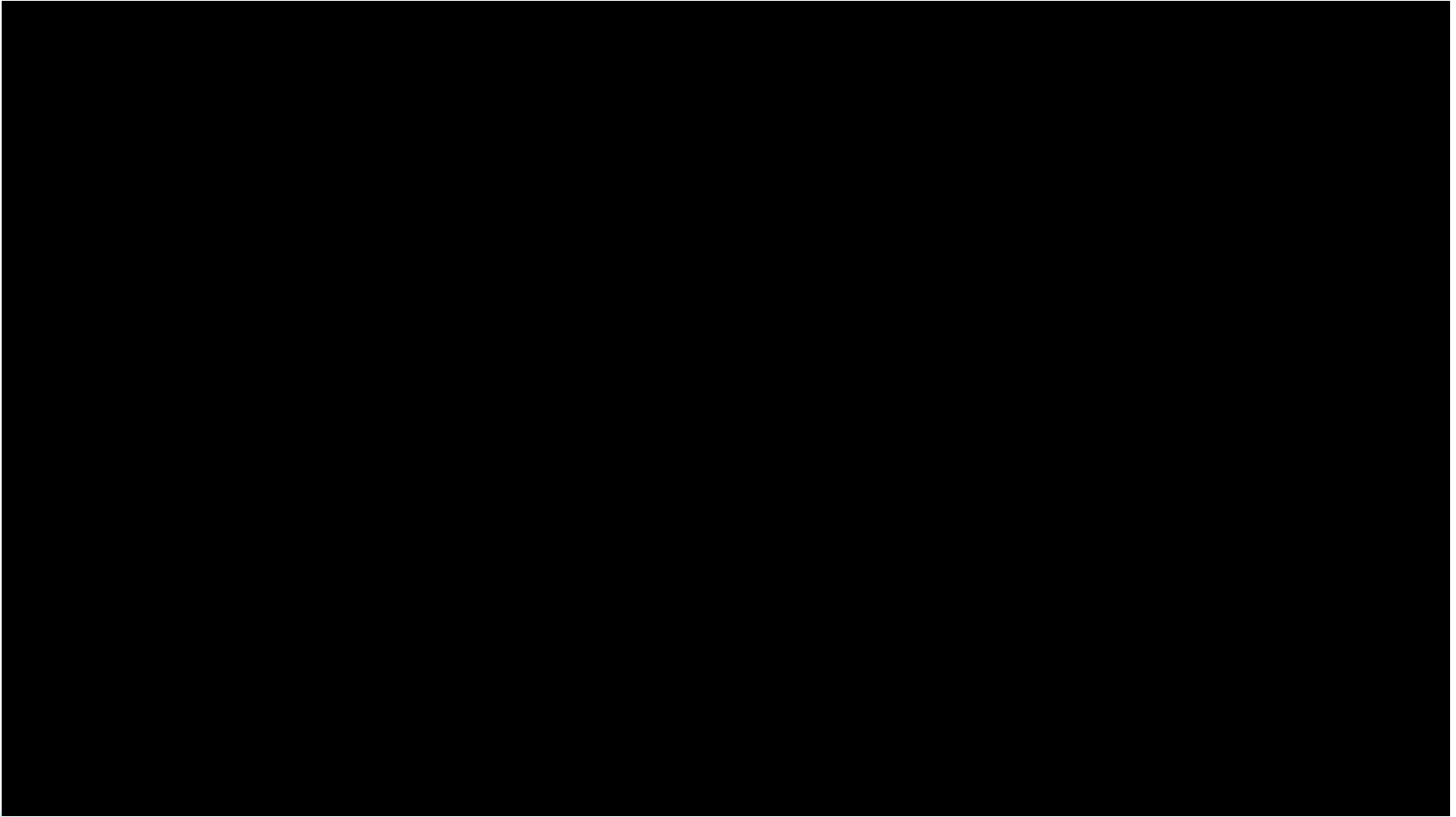


<https://www.youtube.com/watch?v=l709NKHfQ7Q&feature=youtu.be>

How Water and Wastewater Projects are Funded



Water and Wastewater



<https://www.youtube.com/watch?v=I7c9sbuKeGM&feature=youtu.be>

Some Current Repair/ Replacement Projects

Niagara Falls Wastewater Treatment Plant

- Current MECP non-compliance order
- Replacement of secondary treatment and digesters

Port Dalhousie Wastewater Treatment Plant

- Aeration system in continuous service since late 1960s
- New technology needed to improve the process and save energy

Welland Water Treatment Plant Phase Two Upgrade

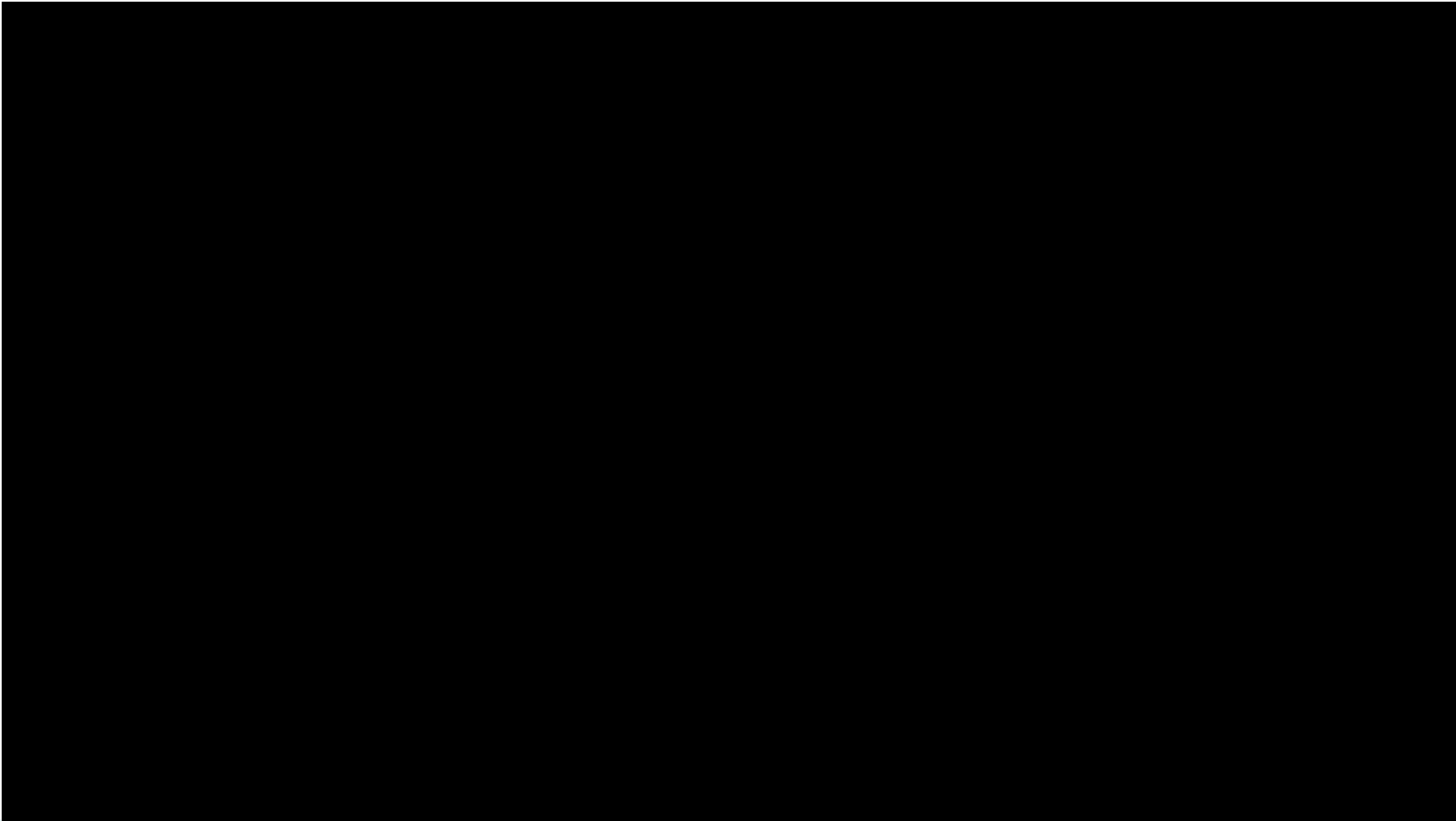
- Original plant = 1926, expanded in 1956
- Complete replacement of original plant and process train



Risk & Funding Challenges

- **Current rate requisitions does not meet future needs**
- **Potential reductions or cuts to existing programs**
- **Increased financial risk if further infrastructure failures**
- **Increased risk of non-compliance due to aged and failing infrastructure**
- **No quick fixes**

Water and Wastewater



<https://www.youtube.com/watch?v=dn3TR900vio&feature=youtu.be>

Not just a Niagara Problem

York Region

York Council approved the first 6 years of rate increases for the phase in of full cost recovery pricing beginning April 1, 2016 as follows:

2016	2017	2018	2019	2020	2021
9.0%	9.0%	9.0%	9.0%	9.0%	9.0%

- Forecasted increases beyond the 6 years are \$47M in 2022, \$48M in 2023, \$29M in 2024 and \$51M in 2025 or 2.9% a year
- Targeted rate increases are part of a comprehensive Water and Wastewater financial sustainability Plan

Next Steps

Safe Drinking Water Act Financial Plan

Water and Wastewater Capital and Operating budgets

Asset Management

