

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.

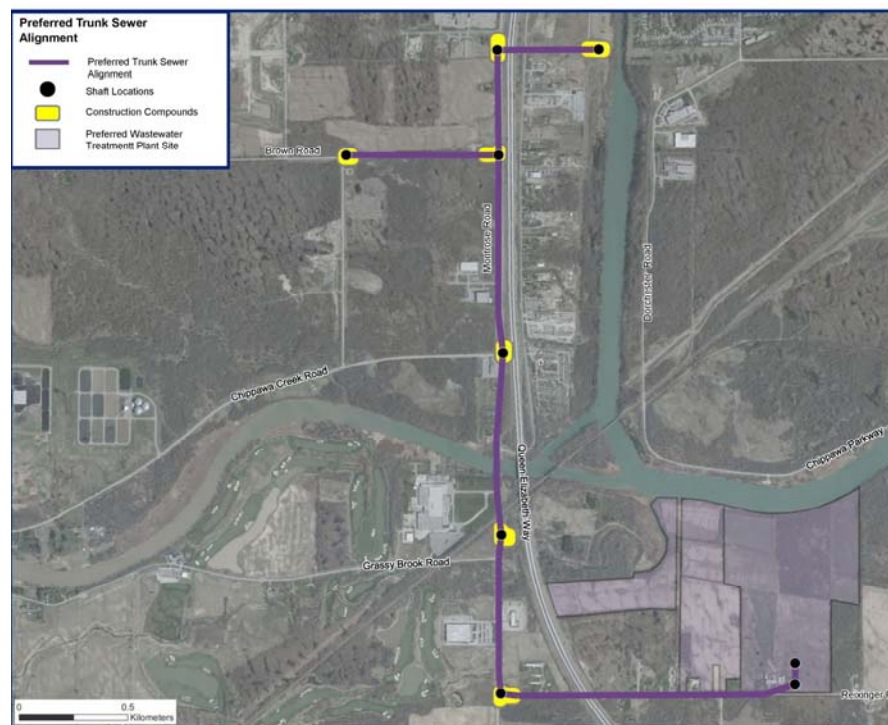
6. *Will the new wastewater treatment plant be completed in time to support for the new hospital?*

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?*

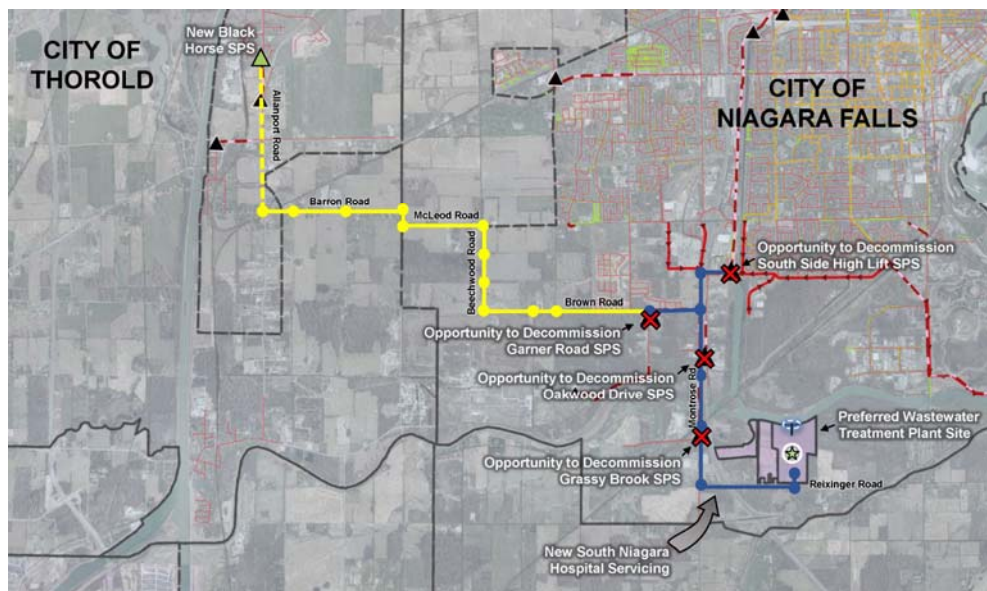
Based on our more detailed investigations, we now propose the trunk sewer alignment to be along Montrose Road, on the west side of the QEW. This information is new and will be formally presented at the public information centre planned for fall 2021.

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.

