

**Minutes – Standing Policy Committee on Finance and Economic Development –  
February 5, 2024**

**REPORTS**

**Item No. 1                NEWPCC Upgrade: Biosolids Facilities,  
Project ID: 203110028B,  
Quarterly Project Status Report No. 4  
For the Period Ended November 30, 2023**

**STANDING COMMITTEE DECISION:**

The Standing Policy Committee on Finance and Economic Development concurred in the recommendation of the Winnipeg Public Service and received the financial status of the NEWPCC Upgrade: Biosolids Facilities, as contained in this report, as information.

**Minutes – Standing Policy Committee on Finance and Economic Development –  
February 5, 2024**

**DECISION MAKING HISTORY:**

Moved by Councillor Lukes,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

## ADMINISTRATIVE REPORT

**Title:** NEWPCC Upgrade: Biosolids Facilities,  
Project ID: 203110028B,  
Quarterly Project Status Report No. 4  
For the Period Ended November 30, 2023

**Critical Path:** Standing Policy Committee on Finance and Economic Development

### AUTHORIZATION

Author	Department Head	CFO	CAO
C. D. Wiebe, P. Eng., CAMP, Manager, Engineering Services	T. W. Shanks, M. Eng., P. Eng. Director, Water and Waste Department	C. Kloepfer	M. Jack

### EXECUTIVE SUMMARY

**Project On Schedule:** Yes ☒ No ☐

**Project On Adopted Budget:** Yes ☒ No ☐

**Percent of Schedule Complete:** 0.42%

**Percent of Adopted Budget Spent:** 0.42%

On September 29, 2023 Council approved an increase of \$482 million above the original adopted budget of \$552 million, for a revised class 3 budget of \$1.035 billion. The current Investing in Canada Infrastructure Program (ICIP) funding is based on a budget of \$552 million. The City continues to seek additional cost sharing from other levels of government consistent with the initial intent of the program.

Expenditures to date total \$4.4 million. A total of \$493,000 was spent during this reporting period on consulting services and overhead costs.

Key project developments this quarter:

- Request for Proposal (RFP) Step 1 concluded and Graham/PCL Joint Venture and Red River Biosolids Partners Joint Venture were announced as shortlisted proponents.
- RFP Step 2 was posted to the two shortlisted proponents.

The Advisory Committee has reviewed this report and recommends that the report be sent to the Standing Policy Committee on Finance and Economic Development.

### RECOMMENDATIONS

That the financial status of the NEWPCC Upgrade: Biosolids Facilities, as contained in this

report, be received as information.

## REASON FOR THE REPORT

The Asset Management Administrative Standard FM-004 requires all projects with a total estimated cost of \$25 million (2023) or more report quarterly to the Standing Policy Committee on Finance and Economic Development. This threshold is reviewed at the beginning of each multi-year budget cycle. The Standing Policy Committee on Finance and Economic Development may also request reporting on any capital project.

## IMPLICATIONS OF THE RECOMMENDATIONS

No implications.

## HISTORY/DISCUSSION

See Appendix C – Key Project Events (History)

### **Procurement** (Update from last report)

On November 7, 2023, RFP No. 779-2021A Step 1 of the Progressive Design Build (PDB) procurement closed on MERX. Two proposals were received. The submissions were evaluated by both technical and financial evaluation teams for the project. On November 29, 2023, the leads of both teams presented their team's consensus results and recommendations to the Winnipeg Sewage Treatment Program (WSTP) Advisory Committee Review Team.

- **RFP 182-2015 – Biosolids Procurement:** AECOM (owner's advisor) continues to support the RFP Step 2 procurement process
- **RFP 182-2015 – Biosolids Early Works:** AECOM continues to prepare the detailed design for the subsurface Canadian Pacific Railway crossings, land drainage, water main extensions, construction office, and environmental remediation in advance of the PDB contract.
- **RFP 102-2017:** Blakes Cassels & Graydon LLP (legal advisor) continues to be involved in the RFP Step 2 procurement process.
- **RFP 7-2017:** P1 Consulting Inc. (fairness advisor) continues to provide fairness monitoring and advisory services through the RFP Step 2 procurement process.
- **RFP 155-2023:** Hanscomb Limited will prepare a 2024 cost estimate for construction of the biosolids facilities.

Table 1 – Contracts

Contracts							
Bid Opportunity #	Company Name	Description	Original Contract Award Value (GST & MRST extra as applicable)	Total Approved Over-Expenditures (Over-Expenditure amount only)	Date of Award	Date of Total Completion	Estimated % Complete
182-2015 (Biosolids - Procurement)	AECOM Canada Ltd	Owner's Advisor	\$ 6,521,026	\$ -	4-Aug-2022	-	32
182-2015 (Biosolids - Early Works)	AECOM Canada Ltd	Professional Engineering Services for Early Works	\$ 2,519,308	\$ -	23-Jun-2023	-	8
102-2017 (Biosolids Procurement)	Blakes Cassels & Graydon LLP	External Legal Counsel	\$ 804,373	\$ -	14-Sep-2022	-	25
9-2017 (Biosolids Procurement)	P1 Consulting Inc	Fairness Advisor	\$ 124,505	\$ -	14-Oct-2022	-	5
155-2023	Hanscomb Limited	Cost Consulting Services	\$ 132,900	\$ -	28-Feb-2023	-	64
		<b>Total</b>	<b>\$ 10,102,111</b>	<b>\$ -</b>			

**Upcoming Procurements:**

Description	Anticipated Award Date
779-2021B Development Phase Agreement	Q2 2024

**Schedule** (Update from last report)

The key schedule milestones for the Biosolids Facilities project have been included in Table 2.

Table 2 – Milestones

Milestones					
Deliverable		Original Targeted Completion Date	Revised Targeted Completion Date	Actual Completion Date	Estimated % Complete
1	Preliminary Design Report	2022 Q1	2022 Q1	2022 Q1	100
2	2022 Cost Report <sup>1</sup>	2022 Q1	2022 Q1	2022 Q1	100
3	2023 Cost Report <sup>1</sup>	2023 Q2	-	2023 Q2	100
4	2024 Cost Report <sup>1</sup>	2024 Q2	-	-	-
5	RFP Step 1 Posted	2023 Q1	2023 Q2	2023 Q3	100
6	RFP Step 2 Posted	2023 Q4	-	2023 Q4	100
7	Development Phase Agreement Award	2024 Q2	-	-	-
8	Design Build Agreement Award	2025 Q4	-	-	-
9	Design Build Substantial Completion	2030 Q4	-	-	-
10	Design Build Final Completion	2032 Q4	-	-	-

<sup>1</sup> Cost Consultant Class 3 Estimate

### **Risk** (Update from last report)

The approved 2023 budget for this project is \$1.035 billion. The current ICIP funding is based on the 2018 budget of \$552 million. The increased cost may have a substantial impact on rate payers and affordability for services. The estimated average household water and sewer bill impact under different Biosolids funding scenarios (family of four, 200 m3 annual consumption) could increase by approximately 7% per year starting in 2029.

On September 1, 2023, the Mayor sent a letter to the Prime Minister and Premier of Manitoba requesting additional cost sharing for the ICIP funded projects consistent with the initial intent of the program (funding split for eligible costs of 40% Federal, 33.33% Provincial, and 26.67% City).

Table 3 – Significant Risks and Mitigations Strategies

<b>Significant Risks and Mitigation Strategies</b>	
<b>Risk Statement and Explanation</b>	<b>Risk Mitigation Management Plan</b>
<b><u>New:</u></b>	
<b><u>Ongoing:</u></b>	
The City is currently funding 64% of the Biosolids budget of \$1.035 billion	Seek additional external funding sources for consistent cost sharing.
The draft ICIP funding agreement from the Province of Manitoba remains outstanding	Ongoing communications with the Province
<b><u>Mitigated:</u></b>	
No competition on a design-build procurement for the Biosolids Facilities project due to only one bidder	Changed project delivery model to Progressive Design Build and shortlisted two proponents

**Financial** (Update from last report)

For further information, refer to Appendix B – Financial Forecast

**Funding** (Update from last report)

No change.

Table 4 – Project Funding Forecast

Funding Forecast			
Funding Source	Adopted Budget (in millions)	Amended Budget ** (in millions)	Committed (in millions)
Class of Estimate	Class 3	Class 3	Class 3
NEWPCC Upgrade: Biosolids Facilities			
External Debt	184.46	490.75	490.75
Federal Government	200.87	200.87	200.87
Provincial Government	167.38	167.38	167.38
Retained Earnings		106.00	106.00
Environmental Projects Reserve		70.00	70.00
<b>Total</b>	<b>552.71</b>	<b>1,035.00</b>	<b>1,035.00</b>

\*Refer to Funding Forecast table under "Appendix C – Key Project Events (History)" for funding details.

\*\*On September 29, 2023 Council approved a budget increase of \$482.29 million funded by \$351.62 million debt, \$76 million retained earnings and \$54.67 million Environmental Projects Reserve.

#### **Property Acquisition** (Update from last report)

N/A

#### **Stakeholder Engagements/Communications** (Update from last report)

The City continues to work with a number of stakeholders on this project including:

- Peguis First Nation regarding the cultural interest in the NEWPCC lands for the Biosolid Facilities project
- The Manitoba Government as the provincial regulator
- The International Institute for Sustainable Development, Lake Winnipeg Foundation, Lake Winnipeg Indigenous Collective as environmental stakeholders
- Manitoba Building Trades as a social procurement stakeholder

#### **Subsequent Events after Report Period End Date**

On December 1, 2023, two proponents were shortlisted from RFP Step 1. These two shortlisted proponents will move on to RFP Step 2, where one Development Partner will be selected. The two shortlisted proponents are:

- Graham/PCL Joint Venture (Graham Infrastructure LP and PCL Constructors Canada Inc. a Joint Venture); and



- Red River Biosolids Partners Joint Venture (Aecon Water Infrastructure Inc. and Oscar Renda Contracting of Canada, Inc. and Maple Reinders Constructors Ltd. Joint Venture)

On December 4, 2023, the City received a letter from Manitoba Building Trades (MBT) regarding their concerns about the social procurement targets. The Public Service has responded to the letter and has met with MBT to further discuss their concerns.

On December 11, 2023, RFP Step 2 was posted to the two shortlisted proponents. By the end of RFP Step 2, the Public Service will select one Development Partner.

<b>FINANCIAL IMPACT</b>
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**Financial Impact Statement****Date:** [January 15, 2024](#)**Project Name:****NEWPCC Upgrade: Biosolids Facilities,****Project ID: 203110028B****Quarterly Project Status Report No. 4****For the Period Ended November 30, 2023****COMMENTS:**

Financial Forecast for NEWPCC Upgrade Biosolids can be found in Appendix B.

Lucy Szkwarek, CPA, CGA

Lucy Szkwarek, CPA, CGA

Manager of Finance & Administration

## CONSULTATION

This Report has been prepared in consultation with:

N/A

## OURWINNIPEG POLICY ALIGNMENT

This report aligns OurWinnipeg 2045, Policy 2.17 Regional Water Resource Management, by addressing long-term capacity of water-related systems including wastewater management.

Objective: Protect and value ecosystems as essential components to quality of life through municipal activities and urban environment.

## WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

NEWPCC Upgrade: Biosolids Facilities Project aligns with the Strategic Opportunity #6 Waste Reduction and Diversion found on page 51 of the Climate Action Plan approved by Council on September 20, 2018, Key Direction 6.3 and 6.4.

The Water Protection Act requires the City to reuse the wastewater biosolids and to recover the nutrients from the biosolids to the maximum extent possible. The intent is for the facility to produce Class A Biosolids which can be reused resulting in diversion of biosolids from the landfill.

## WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

On February 24, 2022, Council directed that bidders for the Biosolids Facilities Project include the following in their submissions:

- Specific commitments to engage skilled labour including targets for employment of Indigenous peoples and other under-represented groups within the Manitoba market
- Proposed plans and partnerships with organizations to promote employment and training initiatives for Indigenous and other under-represented groups within the Manitoba market

This aligns with Goal 1 - Equity and a Culture of Caring are Demonstrated through Strategy Implementation and Systems Change; Topic- Community Benefits in City Projects; of the Winnipeg Poverty Reduction strategy Implementation Plan.

## SUBMITTED BY

**Department:** Water and Waste  
**Division:** Engineering Services  
**Prepared by:** Lana Obach, P.Eng., MASc., PMP  
**Date:** January 15, 2024  
**File:** S-1192

## **Appendices**

Appendix A – Key Project Facts

Appendix B – Financial Forecast

Appendix C – Key Project Events (History)

## Appendix A – Key Project Facts

Appendix A – Key Project Facts	
<b>Project Name</b>	NEWPCC Upgrade: Biosolids Facilities
<b>Business Owner (Department)</b>	Water and Waste Department
<b>Project ID</b>	203110028B
<b>Project Sponsor</b>	Director of Water and Waste
<b>Department Responsible for Project Delivery</b>	Water and Waste Department
<b>Consultant Engineer</b> (Company Name)	AECOM Canada Ltd.
<b>Adopted Budget</b>	\$ 552,712,000
<b>Class of Estimate (Adopted)</b>	3
<b>Range of Estimate (Adopted)</b>	-20% to +30%
<b>Amended Budget</b>	\$ 1,035,000,000
<b>Class of Estimate (Amended)</b>	3
<b>Range of Estimate (Amended)</b>	-20% to +30%
<b><u>Project Scope</u></b>	
The Biosolids Facilities project will address end of life equipment and regulatory requirements regarding the recovery of nutrients and maximize biosolids reuse. It will add new facilities to treat the sludge from City of Winnipeg's three sewage treatment plants and replace end-of-life equipment.	
<b>Major Capital Projects Advisory Committee Membership:</b>	
<ul style="list-style-type: none"> <li>- Michael Jack, Chief Administrative Officer</li> <li>- Moira Geer, Deputy Chief Administrative Officer</li> <li>- Catherine Kloepper, Chief Financial Officer</li> <li>- Geoffrey Patton, Director of Assets and Project Management</li> <li>- Danny Tooth, Acting Manager of Major Projects Oversight</li> <li>- Tim Shanks, Director of Water and Waste</li> <li>- Lucy Szkwarek, Manager of Finance and Administration, Water and Waste</li> <li>- Linda McCusker, Acting Project Director, Winnipeg Sewage Treatment Program, Water and Waste</li> </ul>	

## Appendix B – Financial Forecast

Appendix B - Project North End Sewage Treatment Plant (NEWPCC) Upgrade: Biosolids Facilities Project Financial Forecast  
As at November 30, 2023

Project Component Deliverables	Budget (in 000's)			Actual Costs To November 30, 2023	Expenditure Forecast (in 000's)											Total Forecasted Costs	Surplus (Deficit) From Amended Budget	Variance Last Report	Change in Variance
	Adopted Budget <sup>1</sup>	Council Approved Change <sup>2</sup>	Revised Class 3 Budget		Projected Costs														
					2023	2024	2025	2026	2027	2028	2029	2030	2031	2032					
Engineering, Design and Other	\$ 30,967	\$ 38,303	\$ 69,270	\$ 4,290	\$ 680	\$ 13,412	\$ 19,823	\$ 6,406	\$ 7,085	\$ 6,690	\$ 5,490	\$ 4,205	\$ 600	\$ 589	\$ 69,270	\$ -	\$ -	\$ -	
Construction	\$ 377,967	\$ 300,721	\$ 678,688	\$ -	\$ -	\$ 21,383	\$ 50,882	\$ 119,287	\$ 175,453	\$ 163,803	\$ 87,179	\$ 51,093	\$ 6,600	\$ 3,008	\$ 678,688	\$ -	\$ -	\$ -	
Land Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Financing/Overhead Costs	\$ 43,161	\$ 89,656	\$ 132,817	\$ 77	\$ 71	\$ 1,044	\$ 2,121	\$ 3,771	\$ 5,476	\$ 13,811	\$ 20,171	\$ 24,633	\$ 26,372	\$ 35,270	\$ 132,817	\$ -	\$ -	\$ -	
Contingency	\$ 100,617	\$ 53,608	\$ 154,225	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,225	\$ 154,225	\$ -	\$ -	\$ -	
Total Project Budget	\$ 552,712	\$ 482,288	\$ 1,035,000	\$ 4,367	\$ 751	\$ 35,839	\$ 72,826	\$ 129,464	\$ 188,014	\$ 184,304	\$ 112,840	\$ 79,931	\$ 33,572	\$ 193,092	\$ 1,035,000	\$ -			
% of Project Budget Spent (Actual Costs to Date / Revised Class 3 Budget)			0.42%																

<sup>1</sup> On February 23, 2023 the CFO approved \$552.71M budget on the NEWPCC Upgrade: Biosolids Facilities project based upon written confirmation of government funding

<sup>2</sup> On September 29, 2023 City Council approved a budget increase of \$482.288M on the NEWPCC Upgrade: Biosolids Facilities project

## **Appendix C – Key Project Events (History)**

The NEWPCC Upgrade will be delivered in three separate capital projects:

1. NEWPCC Upgrade: Power Supply and Headworks Facilities
2. NEWPCC Upgrade: Biosolids Facilities
3. NEWPCC Upgrade: Nutrient Removal Facilities

The Biosolids Facilities upgrade will focus on new sludge processing facilities to treat waste solids from the NEWPCC, SEWPCC and WWPCC. The new sludge processing facilities will include pre-treatment of the combined sludge streams using thermal hydrolysis and mesophilic anaerobic digestion.

On September 26, 2019, Council approved a 2019 capital project budget of \$552.712 million, for the NEWPCC Upgrade: Biosolids Facilities, subject to final written confirmation of federal and provincial funding satisfactory to the Chief Financial Officer.

On January 30, 2020, Council approved \$15.334 million from the Biosolids Facilities Budget to commence engineering services.

On September 20, 2020 Council approved that the City agree to transfer \$321.24 million of Federal Government's funding under the ICIP from the Public Transit Infrastructure Stream to the Green Infrastructure Stream to fund the Federal Government's funding portion for the NEWPCC Upgrade: Headworks Facilities Project and the NEWPCC Upgrade: Biosolids Facilities Project as per the Province of Manitoba's requirement, subject to certain conditions.

On March 25, 2021, Council adopted that:

- The Government of Canada and the Province of Manitoba be requested to provide confirmation of approval of ICIP for the NEWPCC Upgrade Projects: Headworks Facility Project and Biosolids Facility Project
- The Province of Manitoba be requested to confirm the City's recommended procurement methodology for the Biosolids Facility Project
- The Public Service be directed not to proceed with detailed engineering design for the Biosolids Facility design-bid-build project, in the amount of \$15.334 million, as approved by Council on January 30, 2020, until such time as the confirmation requested in recommendations 1 and 2 have been received

On May 18, 2021, the Executive Policy Committee concurred in the recommendation of the Public Service, as amended, that:

- The current Operation and Maintenance of Winnipeg's sewage treatment utility shall remain public and that the Operation and Maintenance not be included as part of the P3 market sounding
- That a single source contract be approved with Deloitte LLP of up to \$400 thousand to conduct a market sounding for a Design, Build and Financing P3 for the Biosolids and Nutrient Removal facilities projects of the NEWPCC upgrades

- That the Public Service report back to Council on the results of the market sounding and analysis

On May 27, 2021, Council approved

- Review of the AACE Class 3 cost estimates for Biosolids and Nutrient Removal Facilities projects and refer any increases to the 2022 capital budget process; and to update the ten-year water and sewer financial plan and report back to Council in October 2021

On November 24, 2021, a joint news release by the Province of Manitoba and the City was issued regarding the advancement of the City's funding application to the Federal Government of Canada for the NEWPCC Upgrade: Biosolids Facilities Project through the ICIP.

On February 24, 2022, Council approved that future tenders for the NEWPCC Upgrade Projects require bidders to include the following as part of their bid submissions:

- Specific information on its intended partnerships or self-directed plans to secure a skilled project labour workforce
- Estimated numbers of and classifications of skilled tradespersons to be employed
- Specific commitments to engage skilled labour including targets for employment of Indigenous peoples and other under-represented groups within the Manitoba market
- Proposed plans and partnerships with organizations to promote employment and training initiatives for Indigenous and other under-represented groups within the Manitoba market

On July 21, 2022 the City Council approved:

- That the NEWPCC Upgrade: Biosolids Facilities Project be delivered using a Design Build procurement model
- That the revised cost estimate for the NEWPCC Upgrade: Biosolids Facilities Capital Budget be referred to the 2024-2027 Multi-Year Budget Process
- That the \$15.334 million 2019 Capital Budget for the NEWPCC Upgrade: Biosolids Facilities, approved on January 30, 2020, as part of the 2020-2023 Water and Sewer Rate Report, be funded from the Environmental Projects Reserve rather than external debt

On August 16, 2022, a formal press release regarding the approval of funding through the ICIP application for the Biosolids Facilities was carried out at the NEWPCC. All three levels of government were in attendance.

On December 20, 2022, written confirmation was received of the Biosolids Facilities inclusion in the ICIP, based on the current approved budget of \$552 million.

On February 23, 2023, the CFO approved a budget of \$552.71 million based upon written confirmation of government funding.



On March 23, 2023 City Council concurred in the Public Service's recommendation for:

- The use of escalation clauses as a negotiation option in the NEWPCC Upgrade: Biosolids Facilities project; and
- The Public Service be directed to request special meetings of the Standing Policy Committee on Water, Waste and the Environment, Executive Policy Committee, and Council for the advancement of the award of the Design Build Agreement.

On April 27, 2023 City Council concurred in the Public Service's recommendation to close a portion of the legally opened public road (Chief Peguis Trail), east of Ferrier Street to facilitate the development of immediately adjoining land to the south for the NEWPCC Upgrade: Biosolids Facilities project.

On July 13, 2023 City Council approved:

- That the NEWPCC Upgrade: Biosolids Facilities project be delivered using a Progressive Design Build (PDB) procurement model,
- Delegated authority to the Chief Administrative Officer for awarding Early Works Contracts to the design builder up to a cumulative amount of \$50 million, and
- By-Law No. 67/2023 to close part of the Public Road (Chief Peguis Trail) East of Ferrier Street under Development Application No. DAC 5/2022.

On September 29, 2023 City Council approved an increase of \$482 million to the previously adopted budget of \$552 million, for a total budget of \$1.035 billion.

## **RISKS AND RISK MITIGATION STRATEGIES**

There are risks associated with the cost and schedule for a project that is this large and complex, especially at the early stages. In addition, the final bid amounts for projects are unknown until the project agreement is finalized with the Design Builder.

An ongoing risk management strategy has been implemented. It includes a proactive process of identifying risks, performing qualitative and quantitative risk analyses, creating response plan strategies, and ongoing monitoring. The risk management process is an active part of the management of the project. The project will also incorporate structured Hazard and Operability Analysis and a Construction Hazard Assessment Implication Review. Since detailed design and construction will be carried out through a PDB contract, the Winnipeg Sewage Treatment Program will be identifying and transferring as much risk as reasonable to the Design Builder.

The Risk Register for the project contains cost and schedule risks associated with design, procurement, construction, operation, and unknown events. This is reviewed and updated regularly.

## NEWPCC UPGRADES – FUNDING FORECAST FOR ALL PROJECTS

Funding Forecast			
Funding Source	Adopted Budget (in millions)	Amended Budget <sup>1</sup> (in millions)	Committed (in millions)
Class of Estimate	Class 5	Class 3	Class 3
North End Sewage Treatment Plant (NEWPCC) Biological Nutrient Removal Upgrade Project			
<b>City of Winnipeg Total</b>	<b>795.59</b>		
Retained Earnings	87.64		
External Debt	690.29		
Environmental Projects Reserve	17.66		
<b>NEWPCC Upgrade: Power Supply and Headworks Facilities</b>			
<b>Project 1 Total <sup>1</sup></b>		<b>473.38</b>	<b>473.38</b>
Retained Earnings		87.64	87.64
External Debt <sup>4</sup>		114.90	114.90
Environmental Projects Reserve <sup>3, 4</sup>		57.97	57.97
Federal Government <sup>3, 5</sup>		116.11	116.11
Provincial Government <sup>3, 5</sup>		96.75	96.75
<b>NEWPCC Upgrade: Biosolids Facility</b>			
<b>Project 2 Total <sup>2</sup></b>		<b>1,035.00</b>	<b>1,035.00</b>
External Debt <sup>7,8</sup>		490.75	490.75
Federal Government <sup>6</sup>		200.87	200.87
Provincial Government <sup>6</sup>		167.38	167.38
Retained Earnings <sup>7,8</sup>		106.00	106.00
Environmental Projects Reserve <sup>7,8</sup>		70.00	70.00
<b>Total</b>	<b>795.59</b>	<b>1,508.38</b>	<b>1,508.38</b>

*The funding forecast should match The Capital Budget Detail Sheet.*

**1** On February 28, 2019 Council approved the existing project be amended to consist of three projects, with project two and three pending Council approval at that moment.

**2** On September 26, 2019 Council approved Project 2 conditional upon Federal/Provincial Funding.

**3** In a letter dated April 1, 2021, the Province confirmed that funding for Headworks Project would be reduced to \$96.749 million from \$100.300 million (Province) and to \$116.111 million from \$120.373 million (Federal), resulting in an increase of \$7.813 million to the City's share of costs.

**4** On May 27, 2021 Council approved a budget increase of \$65 million funded by \$32.5 million debt and \$32.5 million Environmental Projects Reserve.

**5** On July 23, 2021 Federal and Provincial ICIP funding of \$212.86 million was announced for the Headworks Project.

**6** On December 20, 2022 the Province of Manitoba advised that the Biosolids Facilities project was approved for Federal and Provincial funding.

**7** On February 23, 2023 the CFO approved redistribution of funding to ensure the most effective use and timing of financing sources.

**8** On September 29, 2023 Council approved a budget increase of \$482.29 million funded by \$351.62 million debt, \$76 million retained earnings and \$54.67 million Environmental Projects  
Project 3 - NEWPCC Upgrade: Nutrient Removal Facilities - \$828 million is pending Council

## Appendix D - Funding

### Appendix D

#### North End Sewage Treatment Plant (NEWPCC) and Winnipeg Sewage Treatment Program (WSTP)

1) Funding for the NEWPCC is as follows:

<b>NEWPCC Nutrient Removal Facilities (in \$millions)</b>	<b>Total Cost</b>	<b>Funded to Date</b>		<b>Funding Pending</b>		<b>Total Funding</b>		<b>City Share of Costs</b>
		<b>Canada</b>	<b>Manitoba</b>	<b>Canada</b>	<b>Manitoba</b>	<b>Canada</b>	<b>Manitoba</b>	
Provincial Funding								
Power Supply and Headworks Facilities	\$ 473.38			\$ 116.11	\$ 96.75	\$ 116.11	\$ 96.75	\$ 260.52
Funding Dependent								
Biosolids Facilities	1,035.00			200.87	167.38	200.87	167.38	666.75
Nutrient Removal Facilities	828.06							
<b>Estimated Program Costs</b>	<b>\$ 2,336.44</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 316.98</b>	<b>\$ 264.13</b>	<b>\$ 316.98</b>	<b>\$ 264.13</b>	<b>\$ 927.27</b>

2) Funding for the Winnipeg Sewage Treatment Programs is as follows:

<b>WSTP All Projects (in \$millions)</b>	<b>Total Cost</b>	<b>Funded to Date</b>		<b>Funding Pending</b>		<b>Total Funding</b>		<b>City Share of Costs</b>
		<b>Canada</b>	<b>Manitoba</b>	<b>Canada</b>	<b>Manitoba</b>	<b>Canada</b>	<b>Manitoba</b>	
WEWPCC Biological Nutrient Removal <sup>1</sup>	\$ 33.23	\$ 5.07	\$ 8.19			\$ 5.07	\$ 8.19	\$ 19.97
NEWPCC Centrate and UV Disinfection <sup>1</sup>	52.08	5.59	14.54			5.59	14.54	31.95
SEWPCC Nutrient Removal/Expansion	375.60	37.04	15.98	5.30	1.10	42.34	17.08	316.18
NEWPCC Power Supply and Headworks <sup>2</sup>	473.38			116.11	96.75	116.11	96.75	260.52
NEWPCC Biosolids <sup>3</sup>	1,035.00			200.87	167.38	200.87	167.38	666.75
NEWPCC Nutrient Removal <sup>4</sup>	828.06					-	-	-
<b>Estimated Program Costs</b>	<b>\$ 2,797.35</b>	<b>\$ 47.70</b>	<b>\$ 38.71</b>	<b>\$ 322.28</b>	<b>\$ 265.23</b>	<b>\$ 369.98</b>	<b>\$ 303.94</b>	<b>\$ 1,295.37</b>

<sup>1</sup> WEWPCC Biological Nutrient Removal and NEWPCC Centrate and UV Disinfection have been completed.

<sup>2</sup> On July 23, 2021 the Federal and Provincial governments announced \$212.86 million in Investment in Canada Infrastructure Program (ICIP) funding for the NEWPCC Upgrade Power Supply and Headworks project. \$116.11 million in Federal and \$96.75 million in Provincial funding.

<sup>3</sup> On August 16, 2022 the Federal and Provincial governments announced an additional \$368.25 million in ICIP funding for the NEWPCC Upgrade Biosolids project based on a budget of \$552 million. \$200.87 million in Federal and \$167.38 million in Provincial funding.

<sup>4</sup> NEWPCC Upgrade Nutrient Removal project has not been approved.