

To Residents/Businesses

July 15, 2020

**Sewer Construction on  
Addis, Brigham and Rossmore**

**Background**

The Red River Corridor was established by the Provincial Government in 2009. At that time, testing in ditches along Rossmore and Addis Avenues found many leaking septic fields, creating significant concerns regarding groundwater contamination. As a result, the Province mandated that within the Red River Corridor no new septic fields could be installed and leaking fields must be replaced with holding tanks. The Province identified Rossmore and Addis Avenues as a problem area, with many leaking fields. Pressure from Provincial and Federal governments to bring wastewater to these streets was significant due to concerns over groundwater contamination. Initial estimates to bring wastewater service to these streets were over \$30,000 per property in 2012. Since that time, the Municipality has been working diligently to secure any available grant funding to help area residents also comply with Provincial requirements.

**The Federal Grant**

The original grant was submitted at \$4,200,000 and the Federal government was committed to \$2,076,250. This is approximately 49.4% of costs. There is a cap on the grant. We are only eligible to receive 49.4% of what is spent. Eligible costs are all the direct costs relating to the project, including restoration work.

When it became clear that the project would cost less money than forecasted the Municipality requested that surplus funds be used to further reduce project costs for LID participants. That request was denied by the Federal Government. If the costs east of the rail tracks are \$3,750,000.00, the maximum grant we can receive is \$1,852,500 for this project. This is a Federal government rule under the Clean Water and Wastewater Fund and a condition of the grant.

**Communication & Public Engagement**

West St. Paul staff sent information packages to every resident in the proposed LID by mail and were available to answer phone calls and emails regarding the project. Council held an Open House on January 17, 2019 to provide residents with information about the proposed Local Improvement Plan for the wastewater sewers on Rossmore Avenue, Brigham Street and Addis Avenue. Since that time, over a dozen email updates have been shared by the Municipality regarding the project progress and updates have been included in our West St. Paul

newsletters. Ongoing communication and project updates for our community was a top priority.

### **Public Support & Project Approvals**

The Municipality received approval under the Canada Water and Wastewater Fund for the proposed project in the amount of \$4,127,010.75.

On December 4, 2018 Council passed Resolution 2018-441 to proceed with a Local Improvement Plan and wastewater collection system for the area known as Rossmore/Addis from Main Street to the CP Railway.

Council held an Open House on January 17, 2019 to provide residents with information about the proposed Local Improvement Plan for the wastewater sewers on Rossmore Avenue, Brigham Street and Addis Avenue.

A Public Hearing for By-Law 2019-01, to authorize the expenditure and borrowing of money for the installation of wastewater sewer pipes, including surface restoration, as a local improvement in the area known as Rossmore and Addis Avenues, was held on February 11, 2019. By-Law 2019-01 was approved by Municipal Board on March 16, 2019 and received third reading from Council on April 2, 2019.

Only two property owners of 107 objected to the project. Council unanimously approved accepting the 50% funding and moving forward with the wastewater installation given the overwhelming community support.

### **The Tendering Process**

The Manitoba Water Services Board, as Project Manager, tendered the project in April 2019. Six submissions were received, and the low bid of \$3,505,393.50 from Darco Enterprises Ltd. was accepted as the successful bidder for the project. There are additional engineering and contingency costs estimated at approximately \$500,000 in addition to the accepted tender, for an original **estimated** total of **\$4,005,393.50**.

### **Construction**

On the week of June 3, 2019, Darco Enterprises Ltd. commenced installation of wastewater sewers on Rossmore Avenue, Brigham Street and Addis Avenue. This project includes installation of sewer mains and sewer services to the front property line of properties fronting the street. Final ditch and road restorations are currently being completed as reported in original spring 2019 project timeline.

### The Costs

	2012	Initial Project Approval	Revised Forecast**
Projected Cost *	\$5,100,000.00 (no grant)	\$4,127,010.75	3,750,000.00**
Interest Rate Estimate	5.5%	6.25%	3.125%
Term	20 years	20 Years	20 Years
Annual Payment	\$2,667.28	\$1,763.12	\$1,191.50**
Cash Option	\$31,875.00	\$19,818.69	\$17,523.36**

**\*Projected costs include both the grant and Local Improvement District portions**

**\*\*estimated**

### Next Steps

When the project is complete and all costs calculated and approved by our funding agencies, residents in the LID will receive a final letter from the municipality. That letter will include the final project costs, payment options and timelines.

### When will we be able to connect to the system?

Residents may have a licenced contractor install the lateral line from the street to their home at any point in the construction of the line. Residents will be able to connect to the system July 31, 2020.

Thank you for your patience as this project nears completion.

Yours truly,



Brent T. Olynyk, MPA, ISM  
Chief Administrative Officer