

JUB STP Outfall Relocation Project

Presentation at:

Joint Utilities Board Meeting

By:

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Outline

- **Purpose:**

- *To seek direction on advancing the Joint Utilities Board Sewage Treatment Plant Outfall Project with limited funding.*

- **Outline:**

- *Previous Direction to Staff*
- *Project Status Update*
- *Project Costs*
- *Liquid Waste Management Plan Amendment Approval Process*
- *Public Consultation Process & Cost Options*
- *Recommendation*

Previous Direction to Staff

- **Dec 8/23 Joint Utilities Board Meeting Recommendations**

- *Recommendation #1:*

- That staff work with the City of Duncan to draft a joint request for additional funding from the Federal and Provincial governments to fund the Joint Utilities Board Sewage Treatment Plant Outfall Project up to at least 50% of the total estimated project cost and further, that staff request letters of support for the funding request from the CVRD and Cowichan Tribes.
 - ***DONE***

- *Recommendation #2:*

- That staff call a meeting of the Joint Utilities Board to review the increase in project cost and determine what additional steps might be taken to address the cost increases associated with the Joint Utilities Board Sewage Treatment Plant Outfall Project.
 - ***PENDING (Subject of This Meeting)***

Project Status Update

Liquid Waste Management Plan Amendment (LWMP)

- *Provincial staff have sufficient information to make recommendation to approve interim and embayment line locations.*
- *Province taking over the consultation process with First Nations with support from project team.*
 - **Province requires further public consultation due to escalating costs PRIOR to finalizing report/recommendation to Minister for approval.**

Obtained Cowichan Tribes Band Council Resolutions supporting:

- *outfall pipe route through Reserve;*
- *interim outfall location w/ commitment to move to embayment line when anchorage interference addressed;*

Project Status Update

Consultation with First Nations:

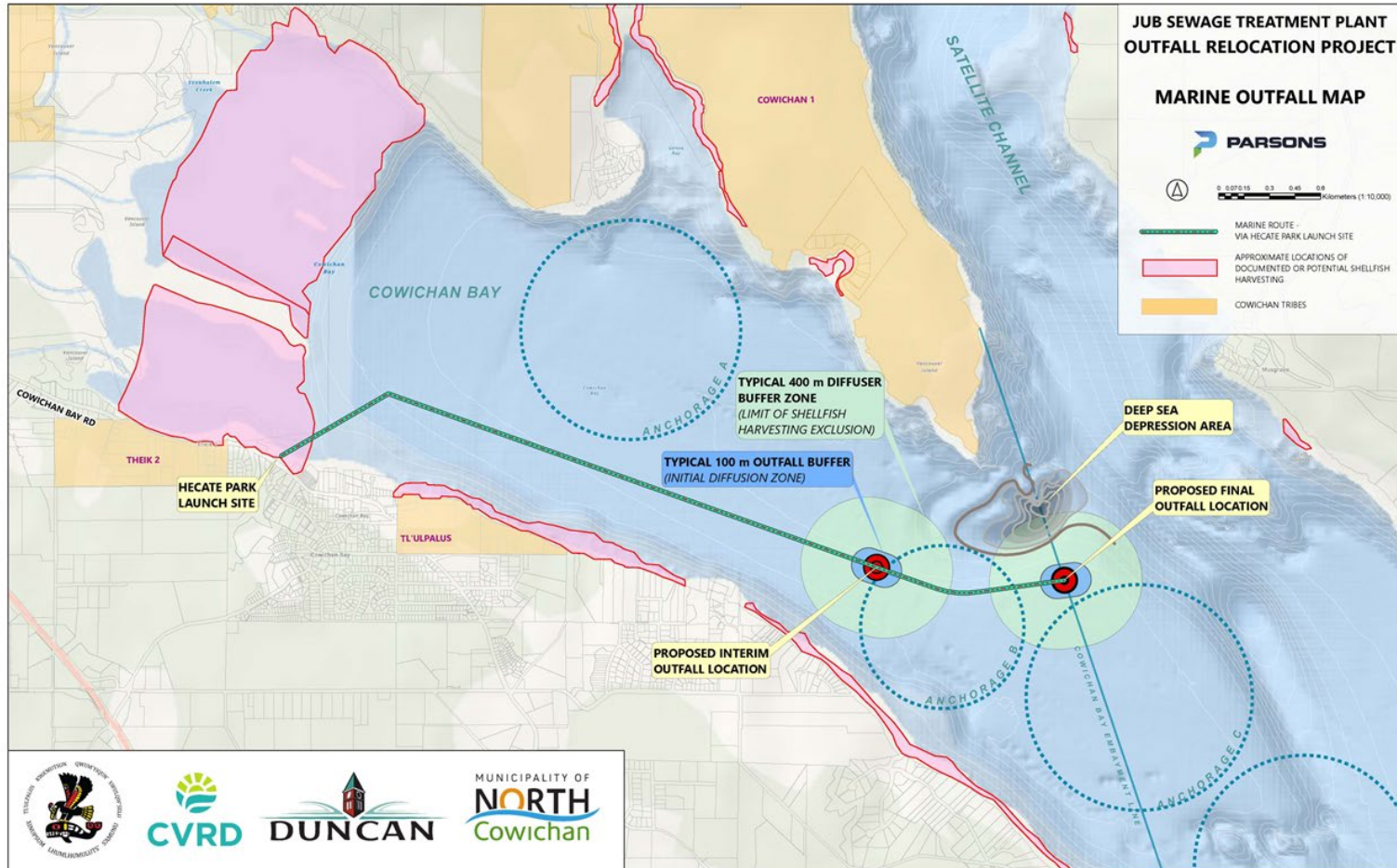
- *Formed new technical working team with Cowichan Tribes.*
- *Project team will continue to work with all seven First Nations on this project (environmental mitigation, species sampling, post-discharge monitoring).*

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- *Public Notice period complete.*
- *Encouraging signs that anchorage may be removed.*

Project Status Update



Project Status Update

- **Other work underway:**

- Siting and preliminary design of treated effluent pump station ongoing.
- Preliminary design of treated effluent pipe/outfall ongoing.
- Fisheries Act Authorization application process ongoing.
- Second year (second season; winter) of receiving environment monitoring at interim outfall location underway (confirmatory).
 - *Now have 2 years, 2 seasons (winter, summer) at each outfall location per Provincial guidelines.*

- **Staff developed high level cost estimate for tertiary treatment plant**

- \$200M to \$250M (excludes effluent pump station, terrestrial pipe, marine pipe; \$95M).
- Discharge remains in Cowichan River
- Not recommended: very low dilution rate, commitment in lease to remove outfall from River.

Project Costs

Case A – 2016 cost estimate, existing co-funding model:

- *Total* \$27.4M[1]
- *Co-Funding* \$12.0M (Fed/Prov; 43.8%)
- *Local* \$15.4M (Fed/Prov; 56.2%)
- *Cost Per ERU* \$889/ERU (\$63/ERU/yr[2])

Case B – 2025 cost estimate, existing funding model:

- *Total* \$95.0M[1]
- *Co-Funding* \$12.0M (Fed/Prov; 12.6%)
- *Local* \$83.0M (Fed/Prov; 87.4%)
- *Cost Per ERU* \$4,798/ERU (\$338/ERU/yr[2])

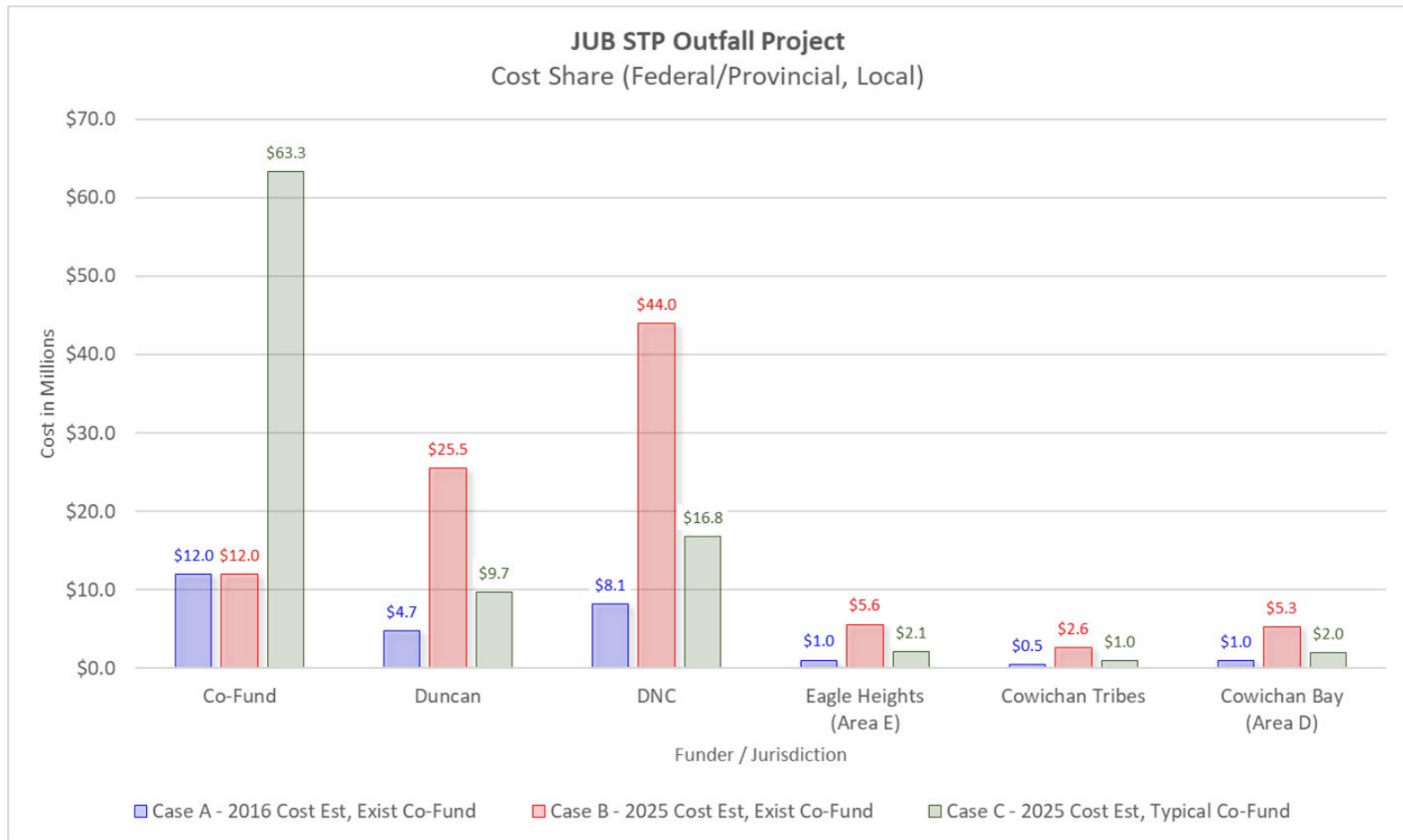
Case C – 2025 cost estimate, proposed (typical) funding model:

- *Total* \$95.0M[1]
- *Co-Funding* \$63.3M (Fed/Prov; 66.6%)
- *Local* \$31.7M (Fed/Prov; 33.4%)
- *Cost Per ERU* \$1,830/ERU (\$129/ERU/yr[2])

[1] Order of magnitude cost estimate.

[2] Estimate from MFA Loan Calculator, Amortization Period = 20 yrs, Interest Rate = 3.50%/yr.

Project Cost



LWMP Approval Process

- **Further public consultation around costs (inform level).**
 - *Staff seeking recommendation from Joint Utilities Board on position around local government share of project cost.*
 - Require direction in advance of public consultation.
- **Request for approval package prepared:**
 - Environmental Impact Studies.
 - Pre-discharge receiving environment monitoring studies.
 - First Nations consultation record.
 - *Public consultation report (regarding costs).*
 - CVRD Board Resolution requesting approval of LWMP Amendment #3: JUB Outfall Relocation.
 - Package sent to Provincial representative.
 - Provincial representative prepares report/recommendation to Minister.
 - Ministerial sign-off (Provincial staff will recommend Minister expedite).

Public Consultation Process & Cost Options

- **Option 1 – Finish Design; Construction on Hold Until Additional Funding Acquired (Recommended)**
 1. *Complete design and approvals acquisition to get to a shovel-ready project.*
 2. *Construction on hold unless additional funding obtained such that project is funded to at least 2/3 Federal and Provincial funding.*
 3. *Public Consultation: Inform the public that local cost will be \$31.7M (\$1,830/ERU; approx \$129/ERU/yr over 20 yrs).*
 4. *Continue to seek additional funding.*

Public Consultation Process & Cost Options

- **Option 2 – Continue with Design & Construction Under Current Funding Model**
 1. *Continue with design and construction under the current funding model.*
 2. *Public Consultation: Inform the public that local cost will be \$83.0M (\$4,798/ERU; approx \$338/ERU/yr over 20 yrs).*
 3. *Continue to seek additional funding.*

Recommendation

- **That the Joint Utilities Board recommends that in relation to the Joint Utilities Board Sewage Treatment Plant Outfall Project, that both Council's direct staff to:**
 1. *complete the design and approvals acquisition for the effluent pump station, terrestrial pipe, and marine pipe;*
 2. *put construction on hold unless additional funding is obtained such that the project is funded to at least 2/3 Federal and Provincial funding;*
 3. *advise the public through the public consultation process (inform level) that the Joint Utilities Board will be seeking additional funding to at least 2/3 federal and provincial funding resulting in a cost to users of \$31.7M (\$1,830/ERU; approximately \$129/ERU/yr over 20 yrs); and*
 4. *continue to seek additional funding.*

Questions?