

**Administration**

Office of the Regional Clerk

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April 26, 2021

**CL 8-2021, April 22, 2021**

**PEDC 4-2021, April 14, 2021**

**Report PDS 19-2021, April 14, 2021**

***DISTRIBUTION LIST******SENT ELECTRONICALLY***

Combined Sewer Overflow (CSO) Control and Wet Weather Management (WWM)

Program – 2021 Funding Recommendations

Report PDS 19-2021

Regional Council, at its meeting held on April 22, 2021, passed the following recommendation of its Planning and Economic Development Committee:

That Report PDS 19-2021, dated April 14, 2021, respecting Combined Sewer Overflow (CSO) Control and Wet Weather Management (WWM) Program – 2021 Funding Recommendations, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the thirty-four (34) Local Area Municipal projects under the 2021 Combined Sewer Overflow (CSO) Control / Wet Weather Management (WWM) Cost Sharing Program, as identified in Appendix 1 of Report PDS 19-2021, **BE APPROVED** in the amount of \$3,252,976;
2. That Regional staff **PREPARE** and **EXECUTE** the respective partnership funding agreements with the Local Area Municipalities (LAM) for qualifying projects to reflect the terms and conditions set out in Appendix 2 and Appendix 3 of Report PDS 19-2021; and
3. That the local Municipal partners **BE ADVISED** of the results of Regional funding support, as outlined in Appendix 1 of Report PDS 19-2021.

A copy of Report PDS 19-2021 is enclosed for your reference.

Yours truly,



Ann-Marie Norio

Regional Clerk

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CLK-C 2021-067

Distribution List

Town of Grimsby  
Town of Fort Erie  
Town of Lincoln  
City of Niagara Falls  
Town of Niagara-on-the-Lake  
Town of Pelham  
City of Port Colborne  
City of St. Catharines  
City of Welland  
Town of West Lincoln  
I. Stetic, Project Manager, Planning and Development Services  
D. Giles, Acting Commissioner, Planning and Development Services  
N. Oakes, Executive Assistant to the Commissioner, Planning and Development Services

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**Subject:** Combined Sewer Overflow (CSO) Control and Wet Weather Management (WWM) Program – 2021 Funding Recommendations

**Report to:** Planning and Economic Development Committee

**Report date:** Wednesday, April 14, 2021

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## Recommendations

1. That the thirty-four (34) Local Area Municipal projects under the 2021 Combined Sewer Overflow (CSO) Control / Wet Weather Management (WWM) Cost Sharing Program, as identified in Appendix 1 of Report PDS 19-2021, **BE APPROVED** in the amount of \$3,252,976;
2. That Regional staff **PREPARE AND EXECUTE** the respective partnership funding agreements with the Local Area Municipalities (LAM) for qualifying projects to reflect the terms and conditions set out in Appendix 2 and Appendix 3 of Report PDS 19-2021; and
3. That the local Municipal partners **BE ADVISED** of the results of Regional funding support, as outlined in Appendix 1 of PDS 19-2021.

## Key Facts

- The purpose of this report is to provide background information to support the approval of the 2021 Local Area Municipal projects under the CSO Control / WWM Program.
- The Combined Sewer Overflow (CSO) Control Cost Share Program has been in place since 2007 and is intended to facilitate shared funding with the local Municipal partners to help mitigate the impacts of wet weather events on the Region-wide sanitary system and the environment. As a result, the Region benefits from this program by gaining capacity at regionally owned trunks, sewage pump stations and wastewater treatment plants, which in return, could be used for growth without oversizing Regional infrastructure.
- Representatives of the CSO/WWM Working Group developed administrative procedures and criteria to support this Program and to rank project submissions by local Municipalities in accordance with the guiding principles.

- The Region supports this approach and has included funding annually in its budget. For 2021, an amount of \$4,000,000 was budgeted in the Region's Wastewater Operating Budget.
- The total of eligible projects submitted by local Municipal partners for 2021 was \$3,252,976.
- Although the total requested amount is less than the approved program budget of \$4,000,000 by \$747,024 for 2021, the need to address wet weather issues in sanitary collection systems remains high.

### **Financial Considerations**

A gross budget of \$4,000,000 has been approved as part of the 2021 Wastewater Operating Budget for the CSO Control Cost Share program. Funding for this program is partially provided through the Development Charges (50%).

The thirty-four (34) eligible projects considered for funding under the 2021 CSO Control Program totaled \$3,252,976. As the total requested amount is less than the approved program budget of \$4,000,000 by \$747,024 for 2021, these existing funds will remain available for the remainder of 2021 in order to accommodate any unforeseen or not yet approved projects requested by LAM. If the funds are still unused by year-end, the 50% funded by DC revenues (\$373,512) will remain unrecognized and the 50% funded through the water wastewater requisition (\$373,512) will be recognized as surplus through the 2021 financial reporting process. Appendix 1 presents thirty-four (34) municipal projects being recommended for funding in full.

Included in the recommended projects list is a \$15,000 support contribution for the Guidelines to Undertaking Flow Monitoring in New Construction for the reduction of I/I. This project is directly aligned with the WWM strategic approach benefiting both, Region and LAM. In support of this work, each municipality signed a written consent agreeing that the contribution be taken from the CSO Control Funding Program. This agreement was confirmed again for 2021 by the Working Group.

During mid-2021, Regional staff in collaboration with the local Municipal partners, will review the approved local budgets for the CSO related projects. This will insure that a consideration is given for a potential acceptance of the in-year applications should the increase in demand continue.

In addition to the \$4,000,000 approved in the 2021 Wastewater Operating Budget, there are currently \$22,105,628 of previously approved and active CSO projects at December

31, 2020. Of that amount, \$8,672,415 has been paid to Local Area Municipalities at December 31, 2020 for qualifying CSO projects. As a result, there are \$13,433,213 in commitments to 11 municipalities for approved but unspent CSO projects at December 31, 2020 as shown in Appendix 4.

## **Analysis**

Thirty-four (34) applications were received from ten (10) local Municipalities. Five (5) applications from Fort Erie, one (1) from Grimsby, two (2) from Lincoln, eight (8) from Niagara Falls, two (2) from NOTL, one (1) from Pelham, three (3) from Port Colborne, three (3) from St. Catharines, eight (8) from Welland and one (1) from West Lincoln.

Regional staff reviewed and evaluated thirty-four (34) eligible projects and incorporated all of them into the final recommendation list presented in Appendix 1.

The requested funding for all qualified projects totaled \$3,252,976 including a \$15,000 support contribution to Municipal I/I Collective research project, which was endorsed by all local Municipal partners. The total requested funding of \$3,252,976 is \$747,024 less than the 2021 approved budget of \$4,000,000.

Previously the CSO Control Working Group adjusted the funding options structure for the eligible CSO cost share projects during 2018 and 2019. This adjustment incorporated a weighted approach of a growth component into the evaluation matrix and a change of funding priorities for different types of work. Appendix 2 shows the Funding Options.

Local Municipalities are encouraged to apply during 2021 for new eligible CSO projects as they are able to do so. Similar to other jurisdictions across Ontario, wet weather flows continue to negatively impact sanitary infrastructure resulting in potential basement flooding, overflows to the environment, and reduced capacity for future growth. The removal of wet weather flow and Inflow & Infiltration reduction is important work that needs on-going focus and support over the long term to be successful.

## **Alternatives Reviewed**

No alternatives were reviewed at this time.

## Relationship to Council Strategic Priorities

This report was brought forward by Regional Staff, supported by the CSO/WWM Working Group and by the Public Works Officials as the Responsible Growth and Infrastructure Planning priority in establishing objectives of Environmental Sustainability & Stewardship and Maintenance of Existing Infrastructure.

## Other Pertinent Reports

- PW4.S06.0, September 2, 2014 – Combined Sewer Overflow (CSO) Control & Wet Weather Management Policy
- PDS 12-2020, April 8, 2020 – Combined Sewer Overflow (CSO) Control and Wet Weather Management Program – 2020 Funding Recommendations”)

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### Prepared by:

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Project Manager  
Planning and Economic Development

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### Recommended by:

Doug Giles, MES, BUP  
Commissioner (Acting)  
Planning and Economic Development

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### Submitted by:

Ron Tripp, P.Eng.  
Acting Chief Administrative Officer

*This report was prepared in consultation with Phill Lambert, P. Eng., Director, Infrastructure Planning & Engineering, Lyndsey Ferrell, Program Financial Specialist, and reviewed by Dan Ane, Manager Program Financial Support.*

## Appendices

Appendix 1	Recommended 2021 CSO Control Program Funding Requests
Appendix 2	Funding Options
Appendix 3	CSO Control / WWM Policy Funding Conditions

Appendix 4

Summary of CSO Project Remaining Budget Encumbrance by  
Municipality by 2020 Year-End

**Appendix 1: Recommended 2021 CSO Control Program Funding Requests**

Municipality	Project Title	Regional	Requested	Recommended
		Share	Funding	Funding
		%	\$	\$
Grimsby	Investigative Work in the Roberts Rd. and Lake St. SPS Catchments	50	43,393	43,393
Fort Erie	Flow Monitoring Pre/Post - Targeted Areas	50	15,000	15,000
	Sanitary CCTV - Targeted Areas	50	157,500	157,500
	Thunder Bay Trenchless Sewer Rehabilitation (TBTR19)	30	75,000	75,000
	Trenchless Repairs - Targeted Area (TRSA21)	30/60 <sup>1</sup>	162,000	162,000
	Catherine SPS I/I Reduction	30	12,857	12,857
Lincoln	Glenbrook Dr Sewer Replacement (D & C)	30/30/60 <sup>1</sup>	257,400	257,400
	Beamsville, Vineland, Jordan: Sewer Rehab Project (D & C and post F/M)	30/30/60 <sup>1</sup>	284,970	284,970
Niagara Falls	Corwin Area Sewer Separation Implementation Plan (Study)	50	50,000	50,000
	Dixon St Sewer Separation (Design)	40	17,316	17,316
	George St/ Fraser St Sewer Separation EA (Study)	50	50,000	50,000
	Hodgson Subdivision Sewer Separation Strategy (Study)	50	50,000	50,000
	Sanitary Sewer Rehabilitations Project Yr 2	30	300,000	300,000
	South NF I&I Remedial Program Ph 2	60/30 <sup>1</sup>	135,000	135,000
	St. Peter Ave Sewer Separation (Construction)	40	122,400	122,400
	Valley Way Area Sewer Separation (Study)	50	50,000	50,000
Niagara-on-the-Lake	Mississauga Beach Study	50	75,000	75,000
	Dorchester North Repairs	30	45,000	45,000
Pelham	Sanitary I&I Study Program- Planned Replacements and Rehab	30	30,000	30,000
Port Colborne	Investigation of Innovative Stormwater Management Solutions-Omer Area	50/60 <sup>1</sup>	80,100	80,100
	Investigation & Remediation - I&I Contributors Omer Area	50/60 <sup>1</sup>	108,000	108,000
	Inflow and Infiltration Public Education Campaign	50	15,000	15,000
St. Catharines	Greenmeadow / Wood St Sewer Separation (Design)	50	142,000	142,000
	Carlton/Ontario Catchment Investigation and CSO Reduction Study	50	75,000	75,000
	Wastewater and Stormwater Model Development	50	90,000	90,000
Welland	Broadway Area I&I Reduction	50	75,000	75,000
	Merritt St Sewer Separation	40/60 <sup>1</sup>	104,160	104,160
	Commercial Ontario Area MSP Trunk Sewer	50/50/60 <sup>1</sup>	78,000	78,000
	Lincoln Conventry I&I Reduction	50	75,000	75,000
	Welland River Inflow & Check Valves	50/60 <sup>1</sup>	57,000	57,000
	Dain City I&I Reduction	30/50/50 <sup>1</sup>	220,000	220,000
	Parkdale Place Sewer Separation	40/60 <sup>1</sup>	41,680	41,680
	Margaret Nye Gadsby Sewer Separation	40/60 <sup>1</sup>	84,200	84,200
West Lincoln	I&I Study and Remedial Action Plan	30	60,000	60,000
Guideline to Undertaking Flow Monitoring in New Construction for I/I reduction <sup>2</sup>		100	15,000	15,000
<b>Total</b>			<b>3,252,976</b>	<b>3,252,976</b>

**Note 1:** Funding % share is dependent on specific project component and related work. Projects combined different works resulting in different Regional share. See Appendix 3 for a specific project cost share split.

**Note 2:** This collective project is for the reduction of I/I in new construction for the benefit of both, Region and Municipal partners.



**CSO Control Program Funding Options**

Project Category No.	Project Types	100% Funding Amount Priorities	Region %	Municipality %
1.	Sewer Separation	40%		
Work Examples	Disconnection of road drainage		40	60
	Disconnection of private		60	40
	Disconnection of road, previous disconnection of private or opposite		50	50
2.	Studies	15%		
Work Examples	PPCP as per the PPCP guide		50	50
	I&I and extraneous flow investigation including cctv/smoke dye testing <sup>1</sup>		50	50
	Mandatory flow monitoring - pre and post		60	40
	Investigative work on municipal/private side		50	50
	Public education/water conservation and efficiency measures		50	50
	Sewer use by-law development/update and municipal policies		50	50
3.	Source Control - Private Side	20%		
Disconnection of roof leaders to be done by homeowners/municipalities as a prerequisite for other works on the private side.				
Work Examples	Disconnection of roof leaders		60	40
	Disconnection of weeping tiles from sanitary including applicable works		60	40
	Disconnection of private sump pumps		60	40
	Backflow preventer installation on sanitary		40	60
4.	Conveyance and Flow Control/Storage	15%		
Work Examples	Real time control for detention		60	40
	In-line flow controllers design and construction (e.g. weirs)		60	40
	Off-line conveyance and pumping design and construction		60	40
	In-line/ off-line storage		40	60
5.	Repair/ Rehabilitation/ Replacement of Sewers	10%		
Estimated ≥50% flow reduction during WW events				
Work Examples	Repair of sanitary/ manholes - gel sealing, spot repairs		30	70
	Spot repair lining		30	70
	Full length liner		30	70

Note 1: CCTV inspection - only site/project specific. Regular city wide inspections should be part of municipal O&M.



**CSO Control Program Terms and Funding Conditions**

The terms and conditions under which funding will be offered to the successful applications, include the following:	
1	<i>Amount of Funding, Studies</i> - The Region shall contribute 50% of total study costs for the PPCP and I&I studies, and 60% for the Pre and Post Flow monitoring projects provided the Region participates on a committee overseeing the study and the study covers the entire area tributary to the Wastewater Treatment Plant(s) and includes both local and Regional infrastructure.
2	<i>Amount of Funding, Design &amp; Construction projects</i> – The Region shall contribute defined percentage of the cost based on the Funding Options matrix, provided that; the facility or measure is supported by a recommendation from a current CSO study, life cycle cost comparisons of alternative solutions were undertaken and the Region agrees with the cost comparisons, the Region agrees with the ‘best overall solution’, and the Region participates on a committee overseeing the design.
3	<i>Third Party Funding</i> – The Region’s funding shall be net of any third party funding approved for the project. If third party funding is obtained after Regional funding approval, the amount of Regional funding will be adjusted to be net of any third party funding. Payment of the funding to the Area Municipality shall be based on actual expenditures incurred up to the maximum amount approved by Regional Council based on the budget submitted with the application.
4	<i>Project Lead Studies</i> – Lead by either the Area Municipality or the Region based on a mutual agreement prior to initiation of study.
5	<i>Project Lead Design &amp; Construction</i> – A project located in the Area Municipal wastewater system shall be managed by the Area Municipality while a project in the Regional wastewater system shall be managed by the Region. On a case-by-case basis the Region may consider managing a project in the local system, if requested by the Area Municipality.
6	<i>Ownership and Operation of Assets</i> – The ownership and operation of all new and existing assets shall remain the responsibility of the current owner. The Area Municipality, on a case by case basis, may request the Region to operate and maintain an existing or new CSO control facility on behalf of the Area Municipality on a direct charge back basis.
7	<i>Follow up Flow Monitoring</i> – On a case-by-case basis, the Region may include a condition or approval of funding that requires follow up flow monitoring to assess project’s effectiveness.
8	<i>Expiry of Funding</i> – Funding of a project by the Region may expire if the local Area Municipality does not invoice the Region within three (3) years of the date of funding approval by Regional Council. Also, if an Area Municipality decides not to proceed with a project, the Region may revoke funding. The Region may also withdraw funding for future phases if a project does not proceed on a continuous basis toward completion.
9	<i>Indemnity</i> – The Region, or its directors, officers, employees, agents or consultants will not be held liable as a result of providing funding for any project.
10	<i>Regional Recognition</i> – The Area Municipality is to ensure that the Region is to be acknowledged in all advertising and publicity related to the project for which funding was provided.

11	<i>Project Deliverables</i> – The Region shall receive copies of all project deliverables, including, but not limited to, reports, flow monitoring data, hydraulic modelling files, GIS layers/data, and technical memorandums.
12	<i>Funding Agreement</i> - A letter formalizing the funding in accordance with the Region's CSO Funding Policy will be issued to the Area Municipality for signature and used as the agreement to the terms and conditions of the funding.

Appendix 4: Summary of CSO Project Remaining Commitments by Municipality at 2020 Year-End

	Year						
Municipality	Pre-2016	2016	2017	2018	2019	2020	Grand Total
Fort Erie	\$ 8,729	\$ 123,301		\$ 308,990	\$ 783,839	\$ 138,500	\$ 1,363,359
Grimsby	1,503,293	13,521				288,000	1,804,814
I/I Collective Research					5,720	15,000	20,720
Lincoln		13,521	2,100	312,182	389,400		717,203
Niagara Falls	112,728	11,074	320,207	101,663	410,929	1,185,613	2,142,214
Niagara-on-the-Lake				115,292	52,000	100,286	267,578
Pelham	5,173			50,000	15,000		70,173
Port Colborne		186,460	98,684				285,144
St. Catharines	803,618	1,018,842	128,082	314,001	1,243,200	364,500	3,872,243
Thorold	158,050	176,277		299,465			633,792
Welland	148,980	62,000		876,659	528,765	448,000	2,064,404
West Lincoln		13,521				178,048	191,569
Grand Total	\$ 2,740,571	\$ 1,618,516	\$ 549,074	\$ 2,378,252	\$ 3,428,852	\$ 2,717,948	\$ 13,433,213