Minutes – Executive Policy Committee – December 7, 2022

Report – Standing Policy Committee on Water, Waste and Environment – November 25, 2022

Item No. 1 Winnipeg Sewage Treatment Program 2021 Annual Report – Program Agreement Between the City of Winnipeg and VWNA Winnipeg Inc. (Veolia)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Water, Waste and Environment and submitted the following to Council:

1. That the report be received as information.

Report – Standing Policy Committee on Water, Waste and Environment – November 25, 2022

DECISION MAKING HISTORY:

Moved by Councillor Mayes,

That the recommendation of the Standing Policy Committee on Water, Waste and Environment be concurred in and forwarded to Council.

Yea:	Gillingham, Browaty, Lukes, Mayes, Orlikow, Rollins	6
Nay:		0

Carried

STANDING COMMITTEE RECOMMENDATION:

On November 25, 2022, the Standing Policy Committee on Water, Waste and Environment concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **WINNIPEG SEWAGE TREATMENT PROGRAM 2021 ANNUAL REPORT PROGRAM AGREEMENT BETWEEN THE CITY OF WINNIPEG AND VWNA WINNIPEG INC. (VEOLIA)**

Critical Path: **Standing Policy Committee on Water, Waste and Environment – Executive Policy Committee – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Szkwarek, CPA, CGA Manager, Finance and Administration	T. W. Shanks, M. Eng., P. Eng. Director, Water and Waste	N/A	M. Jack

EXECUTIVE SUMMARY

This Annual Report to Council summarizes the accomplishments and financial results that were realized in 2021, the eleventh year of the 30-year program, as well as the plans and objectives that have been set for 2022.

The Veolia personnel augment the City's team and bring worldwide expertise to the Winnipeg Sewage Treatment Program (WSTP).

The WSTP day-to-day operations are governed by the program's Management Team (MT). The MT provides advice and recommendations on the WSTP activities and administration to the Leadership Team (LT) and the Director of Water and Waste Department (Director). The City retains full ownership and control of the sewage treatment plant facilities. The membership of the MT and LT are attached as Appendix A.

In 2021, the Program continued its focus on delivery of the major capital projects, implementation of the maintenance strategy and readiness for operating the new infrastructure.

The capital projects have moved forward with major milestones being achieved for the NEWPCC Headworks project through the site establishment. The Asset Refurbishment and Replacement Program also achieved significant milestones despite the COVID-19 pandemic related restrictions on in-person meetings.

RECOMMENDATIONS

That this report is received as information.

REASON FOR THE REPORT

A 30-year consulting services agreement with VWNA Winnipeg Inc. (Veolia) was executed on April 20, 2011. This agreement requires the City to report on results of the WSTP to Council on an annual basis.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications to receiving this report as information.

HISTORY/DISCUSSION

On April 20, 2011, the City entered into a consulting services agreement with VWNA Winnipeg Inc. (Veolia). The scope includes advice on operations and capital upgrades at the City's three sewage treatment plants for the duration of a 30-year agreement. The City retains full ownership and control of the sewage treatment plant facilities.

The Winnipeg Sewage Treatment Program (WSTP) day-to-day operations are governed by the program's Management Team (MT). The MT provides advice and recommendations on the WSTP activities and administration to the Leadership Team (LT) and the Director. The LT provides advice and recommendations to the Director on the efficient delivery of all aspects of the Program, including ensuring compliance with City reporting and approval requirements. Within City delegated authority, it is the Director who approves all final decisions related to the WSTP (See Appendix 1 for the current composition of the MT and LT).

ANNUAL PROGRAM REPORT 2021

Notable Successes:

- Major Projects
    - The Province and Federal Government announced funding from the Investing in Canada Infrastructure Program (ICIP) for North End Sewage Treatment Plant (NEWPCC) Upgrade: Headworks Facilities during the year allowing the project to progress with the award of a Design-Build Contract before the year end.

    - The new power supply constructed at the NEWPCC experienced minimal issues during its first full year of operation. Total Performance is expected to be achieved in 2022.

    - An enhanced preliminary design has been completed for the NEWPCC Upgrade: Biosolids Facilities project which will enable work on a Design-Build Request for Proposal (RFP) to start as soon as the funding is approved.

    - Significant progress was made on the NEWPCC Interim Phosphorous Removal capital project. With budget approval, award of consultant contract and the start of design happened in 2021.

- The SEWPCC Upgrading and Expansion project progressed as the new secondary clarifiers were put into service, the integrated fixed film activated sludge (IFAS) biological nutrient removal (BNR) system was tested and ready for commissioning in 2022.

- Asset Refurbishment and Replacement (ARR)
  - Several contracts were awarded through the ARR Program including: a construction contract to refurbish the critical process pipework at the NEWPCC and a construction contract to refurbish mechanical systems on primary clarifiers at the SEWPCC. In addition, a roof condition assessment was conducted on all facilities and an asset management plan was created.

- Operational
  - Successful process commissioning results were obtained from the project to optimize the Nitrogen Removal Facility at the NEWPCC Sequence Batch Reactor (SBR).

  - The City has been developing a multi-channel program for the beneficial reuse of biosolids. 2021 was the first year with 100 percent of biosolids being reused for soil fabrication; agricultural land application and composting.

- Challenges
  - SEWPCC Upgrading and Expansion: A power imbalance in late December 2021 caused a release of the IFAS media from the BNR system. The media was fully contained within the plant. Efforts continue in investigation, corrective actions and clean up to prepare for seeding in 2022.

  - NEWPCC Upgrade Project: Biosolids: There were schedule challenges as a result of addressing a Provincial requirement to complete a market sounding of alternate delivery methods.

A. Program Management Initiatives:

1. Management Team (MT) Planning

The WSTP MT planning process was used throughout the year to review priorities and plan for the next three-year period. Goals have been established for 2024, with itemized objectives in 2023 and detailed activity for 2022. The scope covers activities where the MT has a responsibility or influence with respect to Operations and Maintenance (O&M), capital upgrades, finance and regulatory.

2. Benefits Register

Continued use of the Benefits Register to document Program achievement and success identified benefits against four Program Areas: Capital Planning; Capital Delivery; O&M; and Finance and Administration.

B. Compliance and Maintenance

1. Compliance

The three sewage treatment plants have performed well during the year. Monitoring of the SEWPCC process continued where seasonal process instability has a risk of delaying the upgrade project.

2. Maintenance Strategy

Mitigations for COVID-19 continued to impact the 2021 maintenance strategy work plan. Activity to progress planning, scheduling and preparation for takeover of new assets from the major upgrade projects were prioritized. Progress delivering the maintenance strategy in 2021 included:

- Development of the planned maintenance program for new assets installed through the SEWPCC Upgrade and Expansion Project continued in advance of receiving the assets from the project team.

- Development of a Medium Voltage (MV) Maintenance Services RFP has progressed throughout the year and was posted in the first quarter of 2022. The work will procure a specialized contractor to perform planned, preventative and corrective maintenance of the new MV equipment installed at the NEWPCC and the SEWPCC.

- The final Asset Data for the NEWPCC Upgrade Project: Power Supply Upgrade (PSU) was received from the contractor. Wastewater Services resources have performed quality assurance activities on the data prior to populating it into OWAM in 2022.

3. Operational Readiness

O&M readiness activity for the SEWPCC Upgrade and Expansion Project continued to progress through the year with the majority of activity focusing on maintenance and spare parts readiness.

C. NEWPCC Upgrade Projects

Upgrades to the NEWPCC for licence compliance and reliability are being delivered in three major projects in order to better manage risk, scope and cost of this large complex program.

NEWPCC Power Supply Upgrade (PSU)	• This project has provided a new City-owned substation which was put into service in 2020 and has been providing power to the NEWPCC throughout 2021. • During this time several unplanned power outages have taken place. However, treatment operations were maintained during the outages due to the level of redundancy included in the design.

	• Reliability concerns have been identified with specific equipment, short term mitigations have been identified such as increased level of spare parts, with long term corrective action to be defined and implemented. • Total Performance was not achieved during 2021 as expected and a plan to achieve this milestone will be developed.
NEWPCC Headworks Facilities	• During 2021, bids were received in response to the Design-Build RFP. The bids were evaluated and a contract awarded to the successful proponent, Red River Solutions (RRS). • Since contract award, the Contractor has established their design and construction team; cleared the construction site; and engaged effectively with City engineering and operational divisions. • Design has progressed as scheduled during 2021 and RRS have provided milestone design documents for review by the Program. Construction related permit applications have been progressing allowing RRS to commence prioritized construction activity. The first of these important activities was realignment of the site access road, Highland Avenue, which was completed to schedule.
NEWPCC Upgrade: Biosolids Facilities	• The upgrades to the Biosolids facilities have been initiated. Work in 2021 was focused on the procurement strategies and funding agreements. • A Design-Build-Finance market sounding was carried out. An enhanced draft preliminary design was also submitted by AECOM along with an updated draft construction cost estimate.
Interim Phosphorous Removal	• A project to implement an interim solution for phosphorous removal at the NEWPCC is being fast tracked. An RFP for Design and Contract Administration Services was developed, posted and awarded during 2021. The draft Preliminary Design Report was received by the end of the year and is under review by the City. • The project will have a significant operational impact in both treatment process control and management of chemical deliveries. Scheduling of design activities was made to allow O&M staff to contribute to the next design stage which will begin early in 2022.

Distributed Control System (DCS) Migration	• The Design Consultant has been progressing detail design throughout the year, which has included 14 workshops with operations to gather information on the existing system for development of the Process Control Narrative. • Lessons from DCS migration at the SEWPCC are being applied at the NEWPCC, including how the networks are set up, user security levels and how trending is displayed to Operators to the general plant overview screens.

D. SEWPCC Upgrade and Expansion Project

The SEWPCC Upgrade and Expansion Project is being constructed through four main contracts. Contracts 1, 2 and 3 have achieved Total Performance. Contract 4 (C4), the final phase of the project, is on-going.

Contract Administration	• At the beginning of the year, the focus was on completing construction in Areas S, G, C, R and K to be able to commission multiple areas of the plant and obtain environmental compliance by the end of 2021. Ultimately Secondary Clarifiers 4 and 5 were commissioned and put into operation; however, the construction on other areas was not completed as planned which has delayed their commissioning. • Activity on the BNR tanks began to ramp up in fall 2021 for preparations to seed in early 2022. However, due the IFAS media release issue that occurred in December 2021, the start of commissioning the BNR tanks was deferred. The Project Team continues to work with the contractor to review and finalize the schedule to sequence the remaining construction, automation and commissioning works.

Commissioning

Area G (Headworks)	• The 2021 low flow period began with the construction of the fourth coarse bar screen to finish the construction of the screening area. Upgrades to Grit Tanks 3 and 4 were completed in 2021 and deficiency clean-up is on-going to prepare for 2022 high flows to complete commissioning. • Priorities for 2022 include the clean-up of outstanding works in Area G (Headworks) for the first quarter followed by preparations to handover the area to Operations which is targeted for July 2022.
Integrated Wet Testing (IWT)	• Successful IWT tests were completed in the Secondary Clarifiers 4 and 5 and the BNR tanks.

Secondary Treatment (Area S)	• IWT and Demonstration testing were successfully completed during the spring and summer of 2021. Resolution of issues identified during the testing delayed handover of the clarifiers until they were addressed by the contractor
Biological Nutrient Removal (BNR, Area R)	• Construction of the tanks required for BNR was successfully completed in fall 2021 and IWT commenced shortly after using lessons from testing of the secondary clarifiers. • The Project plan was to start seeding BNR tanks in January 2022 until an issue with release of IFAS Media occurred during the December holiday period. On-going investigations into the root cause, recovery of the media, and implementation of corrective actions, have delayed the start of seeding to 2022.
Process Control and Systems Integration	• Incomplete specification of the automation systems and logic have created commercial issues with the consultant's Contract 4. Resources have spent a significant effort to resolve the issues while continuing to progress commissioning activities on the scheduled critical path.
Commissioning Schedule	• The commissioning team continued work on preparing a critical path commissioning sequence and schedule required to begin BNR process commissioning in the spring of 2022.

E. Asset Refurbishment and Replacement Program (ARR) and Minor Capital Projects

ARR is a program which follows the City Asset Management framework to identify, prioritize and manage small to medium sized projects required to maintain current levels of service at the treatment plants. ARR projects are being delivered by resources from the Water and Waste Department's Engineering and the Wastewater Services Divisions.

a. Projects in Delivery Phase:

NEWPCC Return Activated Sludge (RAS) Pipe Refurbishment	• Detailed design for the refurbishment of the NEWPCC RAS system was completed this year together with posting and award of a construction contract. The work will extend the asset life and mitigate particular risks associated with deferral of the secondary treatment upgrade.
SEWPCC Primary Clarifiers 1 and 2 Refurbishment Works	• The project consultant completed design for the refurbishment works in 2021 and prepared the construction contract package which was posted and awarded. Construction on the first clarifier began before the end of the year to ensure the critical works are completed over the winter low flow season.

Boiler Controls Reliability	• This project is improving reliability of NEWPCC boiler controls, work is ongoing.
Chem Scan Replacement	• This project will replace the effluent quality analyzers at the WEWPCC and the NEWPCC which have reached the end of their useful life. The units have been purchased and will be installed by maintenance staff.
NEWPCC SBR Optimization	• Commissioning of the SBR Optimization project was actively progressed during the year and is expected to be completed in 2022. Process results obtained late in the year are indicating a successful transition in the process biology.
NEWPCC UV Transformer Refurbishment/Replacement	• This project will refurbish or replace the transformers providing power to the UV facility. A RFP for design was awarded in 2021 and design is progressing.
NEWPCC UV Pump Replacement:	• This project will replace the five pumps which lift effluent to the UV facility and provide an off-line spare pump. A bid opportunity was developed and a pump supplier was awarded in 2021.

b. Projects in Procurement Phase:

WEWPCC Grit and Screening Improvements	• This project will upgrade the WEWPCC inlet screens, refurbish the grit facility which has reached the end of its useful life and conduct condition assessments on specific assets to facilitate future capital work planning. • The Project Charter was developed in 2021 and work is progressing on further scope definition in preparation to develop an RFP for a design consultant.

F. Capital Planning

The program anticipates several planning activities over the next few years including:

- A facilities plan for WEWPCC will conduct asset condition assessments and project future capacity consumption for major treatment plant processes.

- An Environmental Impact Assessment is planned for the City's sludge drying beds, located north of the City, in 2024. A close out plan for the sludge drying beds was included as a requirement in the draft biosolids licence that the Province recently submitted to the City.

- The ARR program continues to plan for the primary clarifier and UV works deferred from the SEWPCC Upgrade. A roofing strategy was recently completed with recommendations for rehabilitation on various buildings throughout the three sewage treatment plant sites.

G. Plant Automation

The WEWPCC, SEWPCC and NEWPCC Process Control System Upgrade Projects will see the replacement of the existing control systems with a modern equivalent to improve resilience and achieve the strategy from the Automation Master Plan.

- The NEWPCC process control system was removed from the Headworks Upgrade and will be managed as a stand-alone project. Detailed design is underway.

- The SEWPCC control system upgrade has been incorporated into the scope of C4 and the System Integrator, the key contractor for implementation, is progressing the work.

- Work to upgrade the WEWPCC process control system will be prioritized after the two larger facilities.

H. Biosolids Reuse

The City continues its multi-pronged biosolids strategy, including utilizing Land Application and Soil Fabrication. These routes provide an environmentally sound, sustainable, and cost-effective strategy for beneficial reuse of Biosolids while meeting provincial regulations.

Land Application	• 2021 marked the fourth year of the City of Winnipeg's Biosolids Land Application Program that involves the annual spreading of Class B biosolids onto local farmland. Land application is an environmentally sustainable practice that supplies valuable nutrients for crop production and provides an opportunity to reuse wastewater biosolids.
Soil Fabrication Program:	• The WSTP has developed a soil fabrication program which uses biosolids, woodchips and street sweepings to produce a soil mixture that serves as landfill top cover. This soil cover helps reduce water infiltration, erosion and greenhouse gas emissions while restoring the land to native prairie landscape. • The program provides an alternative to landfill disposal of biosolids in winter months when composting and landfill application are not viable.

I. 2021 Program Key Performance Indicators (KPI) Results

2021 KPIs were evaluated in accordance with Schedule III of the Program Agreement.

KPI	Description	Target	Value Achieved
MT Plan Execution and Monitoring	• To develop the MT Planning Process and to integrate monitoring of progress on KPI initiatives during the year; capture and plan for potential future KPI ideas to approval in a timely manner.	$92,000	$60,720

KPI	Description	Target	Value Achieved
NEWPCC Upgrade Communication Plan	• Focus on completing a Communication Master Plan for the NEWPCC which outlines what information needs to be shared and how it would be communicated, the target audience and frequency.	$92,000	$50,600
Risk and Mitigation Strategy	• Focus on Risk Allocation Matrix to assure shared risks are considered in Project Risk Registers.	$184,000	$105,800
Wastewater Treatment Processes Training	• To provide relevant training on existing and planned future treatment processes at the City's three sewage treatment plants for maintenance staff	$92,000	$92,000
Piping & Instrumentation Diagram (P&ID) Drawings Refresher Training	• To develop, coordinate and provide refresher training to Treatment and Maintenance Branch staff on P&ID drawing interpretation.	$69,000	$69,000
Training for Creation of Asset Hierarchy and Asset Data Records from P&ID	• To provide training on the development and interpretation of the asset hierarchy and interpreting/deriving asset data record from P&ID.	$69,000	$69,000
SEWPCC/NEWPCC Streamlined Electrical Spares Recommendation	• Perform a gap analysis between the contractual spares to be provided and recommend additional spares to be held to assure electrical availability.	$92,000	$69,000
SEWPCC Change Order Processing Time	• Define and implement performance indicators for monitoring change management on capital projects.	$184,000	$184,000
Progressive Design Build Workshop	• Perform a workshop on the experiences with respect to alternate delivery models, such as Progressive Design Build, Early Contractor Involvement, and discussion around best current practices.	$46,000	$46,000

J. 2021 Financial Results

Veolia's compensation components that are earned annually include:

- Fees on aggregate program target costs.
- Gain share/pain share allocations.
- Meeting key performance indicators.
- Interest adjustments.

Compensation earnings in any given year are credited to the Earnings At Risk Account (EARA) and earn interest. EARA categories are itemized in the following table (below).

Earnings At Risk Account Summary ($thousands) as of December 31	2021	2020

Fees	**$ 861**	$ 791
Share of gain/(pain) on operations	**(27)**	601
Key performance indicators	**746**	776
Interest on funds	**66**	64
Performance compensation	**1,646**	2,232
EARA opening balance	**2,232**	2,102
EARA closing balance before withdrawals	**3,878**	4,334
Veolia withdrawal with security	-	(2,102)
EARA closing balance after withdrawals	**3,878**	2,232
Accumulated Veolia withdrawals	**$13,114**	$13,114

The EARA is compared to the At Risk Amount (ARA) to determine if Veolia is entitled to reduce their at risk amount. The ARA represents, numerically, the amount of risk remaining in the Program over the balance of the contract, and includes best estimates of operating and capital expenditures. As at December 31, 2021, the EARA balance was $3.9 million ($2.2 million, 2020) and the ARA balance was $49.5 million ($51.7 million, 2020).

Veolia can only reduce their ARA at such time as the EARA balance exceeds the ARA balance or if a letter of credit is issued to support a withdrawal. In 2021, no withdrawal was issued (2020 included $2,102,071).

As per the Agreement, Veolia is required to post security to the City with the purpose of protecting the City in the event of certain situations. Veolia has posted $50 million security ($25 million letter of credit and $25 million performance bond). There is also a Parental Guarantee in place to protect the City whereby Veolia North America guarantees all of Veolia's obligations under the agreement.

The financial summary for 2021 with comparative figures for 2020 is as follows:

Financial Summary ($millions)	**December 31, 2021**	December 31, 2020
Reimbursement of Veolia direct costs	**$ 2.3**	$ 2.3
Earnings At Risk Account	**$ 3.9**	$ 2.2
At Risk Amount	**$ 49.5**	$ 51.7
Performance Security	**$ 50.0**	$ 50.0
Standing Letter of Credit	**$ 13.1**	$ 13.1

2022 ANNUAL PROGRAM PLAN (APP) DELIVERABLES:

The Program will build on the previous years' work continuing the focus on delivery of the capital projects, and operations and maintenance readiness. The Program remains fully committed to compliance and will be continuing to assist Operations with ongoing initiatives.

A. Program Management Initiatives

MT Planning	Program activities have been developed for 2022, through the MT, to aid long term planning. The MT planning tool will continue to be used to follow progress throughout the year and plan for subsequent APPs.
Communication	The intention of the WSTP communication strategy is to improve the flow of information with project stakeholders within the City, including the development of a master schedule for the NEWPCC site to define milestone dates and resource requirements.
Change Management	The WSTP is approaching important capital delivery milestones (SEWPCC BNR startup; NEWPCC design and construction). The MT will determine change management issues and goals to be addressed in a future plan.
Automation Support (NEWPCC DCS Migration)	Migration of the DCS at both the SEWPCC and NEWPCC is a complex project which will replace the plant control system while maintaining operations. A specialized resource will be recruited to work on legacy automation issues at the SEWPCC, allowing existing resources to transition to support the NEWPCC.
NEWPCC Biosolids Technical Support:	Technical support for the Biosolids Upgrade will be provided by remote and part time resources through the procurement phase.
Veolia Internal Resource Transition Plan	As projects and planning evolve, the needs of the Program will be reviewed and resourced accordingly. With multiple capital projects commencing at NEWPCC, the strategy for Veolia resources is to transition particular SEWPCC roles to support the NEWPCC projects based on need.

B. Target Costs

The Program has Capital Project Target Costs (CPTC) in place for the SEWPCC Upgrade and Expansion and the NEWPCC Power Supply Upgrade. Plans for 2022 include:

- Further develop the CPTC tracking framework, used to adjust the SEWPCC CPTC as applicable changes occur to address shared risks, with the addition of a risk-shedding methodology

- Develop a strategy for a Baseline Operating Cost adjustment for the SEWPCC Upgrade and Expansion project

- Develop a CPTC methodology for the NEWPCC Headworks

- Calculate the initial CPTC Pain/Gain position for the NEWPCC PSU Project once Total Performance has been reached

- Prepare a Baseline Operating Target Cost for the SBR Optimization, which is the Programs first Operational Improvement project (reached Commissioning Completion at the end of 2021).

C. NEWPCC Upgrade Projects

Power Supply Upgrade	The new Power Supply has been in operation for over a year and in 2022 the project will achieve Total Performance (which will indicate the beginning of the Warranty Management activities).
Headworks	By the end of 2022, the foundations and below-grade structures will be complete and design will be progressed to approximately 90 percent.
DCS Migration	The Consultant will complete design for the DCS migration in 2022. Substantial performance is planned to be achieved for one of three contracts in 2022 with award of the remaining contracts by the end of the year.
Primary Clarifier Refurbishment	Design of works is planned to be complete in 2022 with construction procurement progressing in 2023.
Biosolids Facility Upgrade Project	The procurement strategy for replacement of the NEWPCC Biosolids Treatment facilities will be finalized in 2022 and the Consultant will progress the preparation of a Request for Qualification.

D. SEWPCC Upgrade and Expansion Project

The goal is to achieve the successful commissioning of the secondary treatment processes to provide phosphorous removal in 2022, supplemented by Ferric Chloride, which will achieve compliance with licence requirements. The High Rate Clarifiers will be commissioned in 2022 providing wet weather treatment of maximum flows.

E. SEWPCC Readiness

Work will continue to prepare the maintenance plan for receiving the new treatment processes as they are commissioned.

Readiness efforts will continue in 2022 in preparation to receive new assets as a result of the SEWPCC Upgrade and Expansion and the NEWPCC Power Supply Upgrade projects. Other readiness activities in 2022 will include receiving operational documentation; increasing familiarization with the control system and receiving contractual spare parts.

F. Biosolids Management

The Program will continue to support the City's biosolids re-use strategy which has developed multiple beneficial re-use routes: Land Application; Soil Manufacturing and Composting.

G. Capital Planning

The priority for Program support to Capital Planning will be on the Phosphorous Master Plan. In addition, work on a WEWPCC Facility Master Plan began in 2021 with development of a project charter. This project will progress to award of a Consultant RFP in 2022.

H. Compliance, Operation and Maintenance

The Program will continue to prioritize the operational support to manage process compliance. A focus will be maintained on readiness activities related to the major upgrade projects.

Operations Strategy	The Program will continue to support the Wastewater Services Division in performing and delivering on its operational priorities beyond the capital program.
Maintenance Strategy	The Program will continue to support the improvement of maintenance capability. The maintenance maturity model will be updated and a project charter will be created for maintenance strategy activities in 2022.

I. Asset Refurbishment and Replacement (ARR) Program

The priority ARR Projects for 2022 are NEWPCC Primary Clarifier Upgrade (refer to section C above) and NEWPCC RAS Pipe Refurbishment Project (a construction contract was awarded in 2021 and construction will continue throughout this year).

J. 2022 Program Key Performance Indicators (KPI)

KPI	Description
NEWPCC Power Supply Protection & Control Training	Provide the City a baseline to support the implementation of Protection & Control which will allow the City to investigate protection operations, troubleshoot control issues for energizing and de-energizing equipment, and gain knowledge to support associated contractors.

KPI	Description
Master Program Schedule Scoping Document	Creation of a Program Master Schedule to mitigate the risk of schedule delays and unexpected costs on critical projects caused by informal coordination between projects.
SEWPCC Lessons Learned	To deliver lessons learned documentation and interactive discussion on topics related to C4 of the SEWPCC Upgrade and Expansion Project.
WEWPCC Risk Mitigation	Application of the risk assessment methodology to assets to help manage the physical asset risk at the WEWPCC as upgrades are not expected for some time.
SEWPCC Optimization Planning	Develop a roadmap for optimization of the major treatment processes at the SEWPCC.
Automation Master Plan and WTSP Standards	Review and provide comment to the City of Winnipeg for revision to the Automation Master Plan and WSTP Standards.

FINANCIAL IMPACT

Financial Impact Statement

Date: September 26, 2022

Project Name:

WINNIPEG SEWAGE TREATMENT PROGRAM 2021 ANNUAL REPORT PROGRAM AGREEMENT BETWEEN THE CITY OF WINNIPEG AND VWNA WINNIPEG INC. (VEOLIA)

COMMENTS:

The report is received for information. Financial implications of the Program are discussed in the Financial Results section of the report.

Lucy Szkwarek, CPA, CGA

Lucy Szkwarek, CPA, CGA
Manager Finance and Administration

CONSULTATION

This Report has been prepared in consultation with:

- WSTP Leadership Team

OURWINNIPEG POLICY ALIGNMENT

This report aligns with OurWinnipeg 2045, Policy 2.19 Leverage Green Infrastructure, by adding to the value of nature preservation by using its characteristics to provide infrastructure capacity solutions.

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

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

This report aligns with the Winnipeg Climate Action Plan through Strategic Opportunity 6: Waste Reduction and Diversion.

Key Direction 6.3 Utilize Biosolids In Agriculture and Landscaping Industries

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Water and Waste Department
Division: Finance and Administration
Prepared by: Ashleigh Campbell, CPA CA
Date: October 6, 2022
File No.: 020-17-06-10-01

Appendix A: Leadership and Management Team Membership

APPENDIX A: LEADERSHIP AND MANAGEMENT TEAM MEMBERSHIP (updated)

