**Agenda – Executive Policy Committee – June 16, 2026**

**Report – Standing Policy Committee on Water, Waste and Environment – June 15, 2026**

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

**Item No. 1 2025 Combined Sewer Overflow (CSO) Master Plan, Financial Update Environment Act Licence No. 3042**

STANDING COMMITTEE RECOMMENDATION:

On June 15, 2026, the Standing Policy Committee on Water, Waste and Environment concurred in the recommendation of Winnipeg Public Service and submitted the following to Council:

1. That this report be received as information.

**Agenda – Executive Policy Committee – June 16, 2026**

**Report – Standing Policy Committee on Water, Waste and Environment – June 15, 2026**

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 15, 2026, 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.

COUNCIL DECISION:

On April 29, 2021, Council concurred in the Notice of Motion, as amended, and adopted the following:

1. That an increase of 50% to the Combined Sewer Overflow budget between 2023-2026, to expedite the Armstrong Combined Sewer Overflow district work, be referred to the 2022 Budget Review Process.

2. That the Winnipeg Public Service be directed to provided annual financial updates to Council in September, through the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment, on the CSO Master Plan, including any potential budget reductions due to projects coming in under budget.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing

# ADMINISTRATIVE REPORT

**Title:** 2025 Combined Sewer Overflow (CSO) Master Plan, Financial Update
Environment Act Licence No. 3042

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

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| C. D. Wiebe, P.Eng., CAMP, Manager of Engineering Services | Tim W. Shanks, M. Eng., P. Eng., Director of Water and Waste Department | T. Graham | J. Dunford |

## EXECUTIVE SUMMARY

Winnipeg has combined sewers servicing approximately one third of the city. These sewers were designed to overflow during wet weather events to protect homes from basement flooding. If there is an overflow, untreated wastewater goes into local waterways.

The City's Combined Sewer Overflow (CSO) Master Plan provides Winnipeg with a path to reduce the number of overflows over the next couple decades. The goal is to capture 85 percent of CSO volume (the control target) for the 1992 Representative Year. The provincial deadline for achieving this goal is 2045. In 2025, the City achieved 77 percent capture of CSO volume. This is the same percentage as last year.

Compared to the 2013 baseline, there was a 563 megaliters (ML) reduction in CSO volume for the 2025 sewer network.

In 2025 there were 1,015 CSO events with an estimated annual sewage discharge of 8,820 ML. This is a decrease from 2024 in both number and volume of CSO events. The decrease from last year is primarily due to lower rainfall and variable river levels in 2025.

In 2025, the City committed a total of $54 million to the CSO Master Plan. This has increased the City's cumulative commitment to approximately $177 million since 2019. Over the next six years (2026 to 2031) the City is planning to invest an additional $219.5 million.

## RECOMMENDATIONS

That this report be received as information.

## REASON FOR THE REPORT

On April 29, 2021, Council adopted the motion on re-costing of the Combined Sewer Overflow (CSO) Master Plan and directed the Public Service to provide annual financial updates to Council in September, through the Standing Policy Committee on Water and Wastewater, Riverbank Management and the Environment, on the CSO Master Plan, including any potential budget reductions due to projects coming in under budget.

## IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications associated with the recommendations of this report.

## HISTORY/DISCUSSION

### Budget and History

The CSO Master Plan's estimated capital cost is $1.15 billion (2019 dollars), including an allowance of 10 percent for green infrastructure. This is based on the required infrastructure to meet the 85 percent control target for the 1992 representative year. The attached 2025 CSO Annual Report (Appendix A) provides the annual update on CSO Implementation progress along with updates on capital expenditures and budget forecasts.

Since 2013, the city has invested approximately $232 million in infrastructure and system upgrades under the CSO and Basement Flood Management Strategy program. The City budgets an average of $30 million per year to meet compliance with Environment Act Licence No. 3042. As part of the 2022 Capital Budget Update, Council also approved additional funds of $15 million per year from 2024 through 2027.

From 2019 to 2025, the City committed an average of $25.3 million each year, less than the $30 million budget allocated annually. This was primarily due to favourable bid pricing, which resulted in increased value for the program. In 2025, the total committed amount was $54 million; this is the highest one-year commitment to date. Approximately $38.9 million is forecasted to be committed in 2026.

Table 1, below, shows the annual amount committed to contracts from 2019 to 2025 (as well as the 2026 forecast).

**Table 1: Yearly Total Committed to Contracts**

| Year | Committed to Contracts (in millions) |
|---|---|
| 2019 | $23.3 |
| 2020 | $28.7 |
| 2021 | $17.5 |
| 2022 | $12.5 |
| 2023 | $26.8 |
| 2024 | $14.4 |
| 2025 | $54.0 |
| 2026 | $38.9 (estimated) |

The total capital budget for 2026 is $46.5 million. Due to the Rutland Trunk project being awarded at much lower cost than the pre-tender estimate, the CSO program was carrying a significant unspent budget of $129 million. Generally, when projects are completed under budget, unspent committed funds are returned to the CSO Program funds to support other upcoming CSO projects.

To better align the program budget with spending, $20 million of prior approved funds from the 2023 and 2024 CSO program were cancelled and re-budgeted back into the program as a part of the 2026 capital budget process. This did not impact overall budget for the program. There is a total of $109 million available budget at the beginning of 2026.

## Progress to Date

### Percent Capture Performance

The goal of the CSO Master Plan is to capture 85 percent of wet weather flows. In 2025, the City's percent capture remains at 77 percent, as reported in 2024. Although the total CSO volume in representative year simulations decreased, it was not significant enough to increase the percent capture.

Compared to the 2013 baseline, there was a 563 megalitres (ML) reduction in CSO volume in the 2025 sewer network for the 1992 Representative Year. This represents 24 percent of the target volume reduction of 2,300 ML required to achieve 85 percent capture in a representative year.

The improvements to date are the result of completed combined sewer separation works in the Jefferson East, Cockburn/Calrossie, and Ferry Road/Riverbend combined sewer districts (CSDs) and completed storm relief sewer (SRS) dewatering projects, as well as ongoing hydraulic modeling and reporting refinements.

### 2025 CSO Results

There were 1,015 CSO events in 2025, with an estimated sewage discharge of 8,820 ML. This was less than 2024, which had 1,332 events totaling 12,186 ML of discharge. The lower results in 2025 are due to lower river levels and precipitation levels (see Appendix A, Section 4).

Two existing outfalls were added to the model this year to improve accuracy and reporting. This brings the total number of CSO outfalls to 78, equating to an average of 13 CSO events per combined sewer outfall. These results are slightly below the 13-year average values since CSO reporting commenced in 2013.

## Green Infrastructure

As required by Clause 8 of the Environment Act Licence No. 3042, Green Infrastructure (GI) technologies are incorporated into district design work to reduce CSO volumes. The GI infrastructure projects that have been undertaken to date include the John Hirsh Place reconstruction in the Northeast Exchange within the Bannatyne CSD and the Parker Storm Retention Basin in the Cockburn CSD.

Two GI solutions have been designed for implementation in the Armstrong CSD and are now moving to the construction phase. The proposed solutions include green streetscapes along Leila Avenue, which will follow the Leila Avenue sewer work contract. A second solution is the construction of a new bioretention facility located north of Leila Avenue and west of McGregor Street, which will follow later in the construction phase. These solutions will slow rainwater entering the sewer system, buffering the system and improving sewer performance. They will also boost the number of trees in the area and provide opportunities for an urban garden for community-led local food production.

Two more GI solutions in the Cockburn East CSD are being developed in the preliminary design phase. Both incorporate rain garden and bioswale components. Additionally, GI solutions for the Mission and Roland CSD project will be evaluated, with inclusion for up to six designs to progress to preliminary design.

The City does not currently track GI investments separately from other CSO program spending, as these costs are included in the overall CSO solution. The City is reviewing how GI investments are tracked to allow for reporting on these costs in the future.

## Future Works

### Separation Works

Sewer separation work is planned for Ferry Road, Jefferson East, and Armstrong CSDs. Planning and designing control technologies are ongoing for Armstrong, Ferry Road, Cockburn, Mission, and Roland CSDs.

### Real Time Control

Real-time control (RTC) will provide sewer system control that will optimize flows and reduce overflows in real time as weather systems move through Winnipeg. RTC will also enhance the current public notification system, providing greater accuracy.

RTC opportunities are investigated on a project basis for local and regional efficiencies. Real-time control work will begin with the West End Real-Time Control Feasibility Study, which will hire an engineering consultant to develop and assess a control plan for the West End Sewage Treatment Plant catchment.

For existing sewer separation projects, RTC solutions were identified in the Cockburn East Sewer Separation preliminary design and are being progressed for future implementation. Additional opportunities for RTC are currently being studied for the Mission and Roland CSDs project; no opportunities were identified for the Armstrong CSD.

**FINANCIAL IMPACT**

## Financial Impact Statement

**Date:** May 13, 2026

**Project Name:**

Combined Sewer Overflow (CSO) Financial Update 2025

**First Year of Program** **2026**

| | 2026 and earlier | 2027 | 2028 | 2029 | 2030 |
|---|---|---|---|---|---|
| **Capital** | | | | | |
| Capital Expenditures Required | $ 109,000,000 | $ 47,000,000 | $ 30,000,000 | $ 31,000,000 | $ 32,000,000 |
| Less: Existing Budgeted Costs | 109,000,000 | 47,000,000 | 30,000,000 | 31,000,000 | 32,000,000 |
| Additional Capital Budget Required | $ - | $ - | $ - | $ - | $ - |
| **Funding Sources:** | | | | | |
| Debt - Internal | | | | | |
| Debt - External | | | | | |
| Grants (Enter Description Here) | | | | | |
| Reserves, Equity, Surplus | 109,000,000 | 47,000,000 | 30,000,000 | 31,000,000 | 32,000,000 |
| Other - Enter Description Here | | | | | |
| Total Funding | $ 109,000,000 | $ 47,000,000 | $ 30,000,000 | $ 31,000,000 | $ 32,000,000 |
| Total Additional Capital Budget Required | $ - | | | | |
| Total Additional Debt Required | $ - | | | | |
| **Current Expenditures/Revenues** | | | | | |
| Direct Costs | | | | | |
| Less: Incremental Revenue/Recovery | | | | | |
| Net Cost/(Benefit) | $ - | $ - | $ - | $ - | $ - |
| Less: Existing Budget Amounts | | | | | |
| Net Budget Adjustment Required | $ - | $ - | $ - | $ - | $ - |

**Additional Comments:**

There is no financial impact associated with the recommendation of this report.

As additional information, total capital budgets both authorized for 2026 and prior that remain unspent, as well as those forecasted as part of the 2026 capital budget for future years for the CSO program are presented above. The Combined Sewer Overflow program is financed by the Environmental Projects Reserve.

*Tanis Yanchishyn*

Tanis Yanchishyn, CPA, CA
Manager of Finance & Administration

## CONSULTATION

This Report has been prepared in consultation with:

N/A

## OURWINNIPEG POLICY ALIGNMENT

This report aligns with the OurWinnipeg 2045, Policy 2.17 Regional Water Resource Management, by protecting local and regional watershed resources from the negative impacts of development, flooding, and pollution.

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

## WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (WCAP),and it was determined that the WCAP is not applicable to this specific report.

## WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

## SUBMITTED BY

Department: Water and Waste Department
Division: Engineering Services
Prepared by: Mikhaela Solis, P. Eng. and Bryce Jenkins, E.I.T.
Date: May 13, 2026
File No.: S-734

Appendix A: 2025 CSO Annual Report