



Joint Statement from the Offices of Mayor Hamlin and Mayor Norcross re: Water Treatment Plant Expansion

Collingwood, ON [12 September 2023] – Today we received bids from three pre-qualified contractors for the Raymond A. Barker Water Treatment Plan Expansion project. This is an essential and urgent project for Collingwood, New Tecumseth, and the surrounding area. Without this plant expansion, we will have limited ability to build new homes or meet provincial housing targets.

As per our commitment to keep our communities updated with the latest information, we are sharing what we know so far.

The unofficial low bid received today was \$212M for construction alone. The total project costs are now estimated to be in the range of \$270M, and the timeline to complete the project has also been extended by about two years longer than originally projected.

This is shocking news. The costs are more than double the estimate from March 2022. We were also planning to have an expanded plant in 2026, not 2028.

When we received the estimates early last year, we knew they could change but did not expect increases of this magnitude. The global economy is still adjusting to a new post-pandemic reality. The water/wastewater and construction industries have been hit hard by ongoing supply shortages, increased construction costs, and shortages of skilled workers. These factors are out of our control, and other municipalities we have spoken with have experienced significant budget increases for similar projects. Staff have already been looking at every option to control costs and reduce the project timeline.

Our expansion project is shovel ready. It is the largest investment in Collingwood and New Tecumseth's history and an enormous amount of work has happened to get us where we are today. However, our communities cannot fund the entire cost of the expansion.

Staff are investigating all options to finance this project, including contributions from the federal and provincial governments. We have already started engaging with provincial decision makers to discuss financial support. We are also developing an advocacy strategy for the upper tiers of government and will be asking our development communities to support us in these efforts. We are committed to finding a solution that gets the plant built quickly, and without subjecting our communities to financial hardship.

Staff in Collingwood and New Tecumseth are jointly studying the bids and projected timelines and will be completing a detailed evaluation alongside the consultant team. We look forward to their official report that will include the final projected costs and recommended next steps to our Councils before the end of November.

For more information about the project, please visit

<https://engage.collingwood.ca/water-treatment-plant-expansion>.