



You are invited!

Have your say at a Special Council meeting to discuss the Sewer Pipeline Bridge Crossing Borrowing Bylaw

When: September 18th, 2015 at 4:00 p.m. to 7:00 p.m. (Drop in and talk to members of staff and council)

Where: City Hall Council Chambers, 1899 Columbia Avenue, Rossland BC

Facts: Rossland, Warfield and Trail are partners in the regional sewer service. Our sewer pipe crosses the river. The old bridge is falling apart and the pipe needs to be moved. Trail's new pedestrian bridge will be suitable to carry the sewer pipe.

What's the issue? The need to increase our borrowing to pay for our share of the sewer pipe bridge from an estimated \$1 million to an estimated \$1.8 million (actual costs may be lower, but not be higher).

Why should you care? Your current parcel tax is \$60 per year. Under the recently terminated 2014 agreement your parcel tax would have been \$97.00. By borrowing \$1.8 million for this project over 25 years, your parcel taxes will be \$117.00 per year.

Background: In 2014 the three municipalities made a deal: The Bridge was estimated to cost \$9.8 million. The regional partners would contribute \$4.2 million and Trail would pay the additional costs to build the pedestrian bridge. Once the project was tendered, the bids came in much higher; ranging from \$12 million to over \$24 million for just the construction portion. The lowest bid cost, *with everything included* was over \$15 million. When Trail rejected the tenders, the original contract with the three partners Trail, Rossland, Warfield terminated.

Trail has since negotiated with the lowest bidder and managed to reduce the total to \$14.5 million. The three partners, recognizing the importance of the project, are working together to reach an agreement:

- the partners will pay \$7.2 million (63% from Trail, 25% from Rossland and 12% from Warfield)
- Trail will take all the risk and pay the \$7.3 million balance.

The result is roughly speaking, Trail would pay \$12 million, Rossland \$1.8 million and Warfield \$800,000.

Are we paying for a pedestrian bridge in Trail?

No, we are contributing our share of the actual cost of getting our sewer pipe across the river.

Were other options considered? Yes:

- 1) Standalone Pipe Bridge; total costs in excess of \$10 million. (Several Class C estimates were obtained)
- 2) Drill under the Columbia River; possibly less expensive if successful but very risky with our rocky terrain. This option was not seriously considered.
- 3) Hang a pipe on the Victoria St. Bridge: possibly less expensive but one Class D estimate and one Class C estimate were \$3.5 million and \$6.5 million. (Class D = +/- 50%) brings this to \$5.2 million but these were conceptual estimates, needing much more work and would delay the project another year.
- 4) We could consider building our own sewage treatment plant. This option has been looked at several times in the recent past and rejected for a variety of reasons: We do not own suitable land; operations and maintenance costs; there are endangered species in the proposed area; Ministry of Environment is not likely to issue a second outlet for sewage dumping into the Columbia (even if we used very green technology, a backup effluent system would be required). This option is not at the feasibility stage.

Much time and money would be required and we would not have partners to help defray the expenses.

All of these options would require significantly more engineering and permitting to determine true costs. None of these options are tender ready. Until a project is tendered and bids are received the true costs are only speculative.

Do we have to do this now?

The current pricing for the new bridge project is very good. It started out more than \$2 million less than the next bid and was then reduced significantly. The contractor was unwilling to hold this price any longer. Trail awarded the contract on September 11th.

If we had to retender or redesign to build any of the other options, costs would significantly rise; potentially by as much as \$3 million just to do the same design, next year. Contractors have all seen the bids this year and construction costs are likely to increase. Currency exchange is an issue because many of the bridge components are only available in the US.

Could we wait and apply for grants? Yes, but there is no guarantee any grants will be offered. Many grants were offered in 2015 because it was an election year. Even if more are offered next year there is certainly no guarantee we would get one. However, this project would be a good candidate!

We need to move the sewer pipe. The existing bridge is in poor condition and has been closed to all traffic for 5 years.

Is this the best deal for Rossland?

Under the circumstances, yes, it appears to be. The City of Rossland is unlikely to get our pipe across the river for less money. The original deal, formulated on estimates that were incomplete and several years old, did not reflect the realistic costs of getting our sewer line across the river. Once the actual bids were received, the true cost of building the bridge was known and all partners must pay their fair share.

**Come learn more and tell us what you think.
September 18th 4:00 to 7:00p.m. City Hall
Can't make it? Email your thoughts: mayor@rossland.ca**