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Staff Report

Operations – Water & Wastewater Services

Report To: **COW - Operations, Planning and Building Services**
Meeting Date: April 7, 2026
Report Number: OPS.26.021
Title: Long Point Road Linear Works 30% Design Update
Prepared by: Allison Kershaw, Manager of Water & Wastewater Services

A. Recommendations

THAT Council receive Staff Report OPS.26.021, entitled "Long Point Road Linear Works 30% Design Update";

AND THAT Council approves $150,000 budget to undertake a valued engineering/third party review assignment to review the proposed linear works project and the other six projects associated with this assignment.

B. Overview

This report provides Council with an update on the Long Point Road Linear Works Project. The Town has recently received the 30% design package, as well as a Class D estimate for the construction.

Staff are requesting an additional $150,000 to complete a value engineering or third-party review of the seven associated projects. This review will help ensure the Town is maximizing value and minimizing unnecessary expenditures. The total preliminary budget estimate for these projects, as included in the 2026 budget, is $45,000,000.

C. Background

The Long Point Road Linear Works Project forms one component of a broader program of seven capital projects associated with upgrades to the Craigleith Wastewater Treatment Plant (CWWTP). The engineering assignment for all seven projects commenced in 2025, and construction budget for each scope was approved as part of the 2026 Annual Town Budget. These projects stem from the Long Point Road Environmental Assessment and the Asset Replacement Program.

While these projects were delivered under a single engineering assignment to improve coordination and efficiency, each scope of work maintains an individually approved budget. The seven project components are as follows:

1. The linear works on Long Point Road
2. Construction of a lift station at the CWWTP
3. Construction of a septage receiving station at the CWWTP
4. Screening and grit removal at the CWWTP
5. Replacement of the existing Motor Control Centre (MCCs) at the CWWTP
6. Replacement and upsizing of the existing back-up generator as the CWWTP
7. Replacement of the existing blowers at the CWWTP

A summary of the approved construction budgets for each project is provided in Attachment #1.

The Long Point Road linear works include:

1. Installation of a new gravity sanitary sewer from the south side of Hwy 26 on Grey Road 21 to the CWWTP.
2. Installation of new gravity sewer along Brophy's Lane, located along the southern border boundary of the CWWTP.
3. Replacement of the existing watermain along the project corridor.
4. Upsizing the existing sanitary forcemain from 300mm to 500m diameter, extending from Hwy 26 to the CWWTP.
5. Reconstruction of the Town of The Blue Mountains' portion of Long Point Road, however the work includes milling and asphalting the entire road for consistency.
6. Inclusion of a provisional watermain to accommodate future servicing needs for the Town of Collingwood.

Images detailing the area of construction and photos can be found in Attachment #2.

Funding

The Town submitted a grant application under the Provincial Health and Safety Water Stream Fund for all seven projects, with a total anticipated project cost of approximately $45,000,000. Staff Report CFS.25.034, Health and Safety Water Stream Grant Application, was endorsed by Council in June 2025.

At the time of writing, the Town has not yet received confirmation regarding the status of the funding application.

D. Analysis

The 2026 approved Town budget includes a total of $45,000,000 for the construction of the seven individual projects identified earlier in this report; however, each project has its own dedicated budget allocation. The approved budget for the construction of the linear works is $4,800,000. These costs were based on 2024 construction pricing, with a 10% escalation applied to estimate 2027 construction costs. At the time the budget was developed, no significant engineering work had been completed, and the budget was therefore based on staff's best available estimates from the Long Point Road Environmental Assessment.

On March 19, 2026, the Town received the 30% design drawings along with a Class D cost estimate for the construction of the linear works on Long Point Road, including the crossing of Highway 26. The estimated construction cost is $5,611,128, which is approximately $811,000 higher than the initial staff estimate.

The table below summarizes the cost estimates used in the budget, the grant application, and the recently received 30% design estimate.

Scope of Work	**2026 Approved Budget (based on staff's best estimate)**	**Value used for HSWS Funding Application**	**30% Design Estimate**	**% Increase**
Linear works	$4,800,000	$4,800,000	$5,611,128	17%
Lift Station	$13,700,000	$13,700,000	Not yet available	
Septage Receiving Station	$2,800,000	$2,800,000	Not yet available	
Screening & Grit Removal	$7,400,000	$7,400,000	Not yet available	
Motor Control Centre	$9,600,000	$9,600,000	Not yet available	
Back-up Generator	$2,700,000	$2,700,000	Not yet available	
Blowers	$4,000,000	$4,000,000	Not yet available	

The estimated cost of the linear works has increased as additional information has become available through the preliminary design process. The crossing of Highway 26 presents a particular challenge, as the province will not permit a sewer crossing directly through the intersection. During a meeting with the Ministry of Transportation (MTO), staff were advised that reconstruction of the intersection is planned for 2027; however, it has not yet been determined whether the intersection will be configured as a roundabout or signalized. As a result, the gravity sewer alignment has been shifted slightly to the west to avoid the intersection. This adjustment introduces further complexity, as a significant watercourse is located immediately west of the intersection.

Preliminary engineering has also identified a double culvert within the project limits that will need to be removed and replaced to accommodate installation of the watermain and gravity sewer beneath the structure.

Construction costs have increased significantly. Between 2024 and 2026, the estimated construction inflation has been 10%. This alone increases the cost of this construction by $310,000.

In addition to the inherent uncertainty associated with a Class D estimate, the consultant has identified potential cost risks related to current market conditions.

Specifically, volatility in global oil prices may significantly impact the cost of petroleum-based construction materials, including polyvinyl chloride (PVC) and high-density polyethylene (HDPE) piping, as well as asphalt products. These materials represent key cost components for the proposed linear infrastructure works.

Furthermore, industry discussions and supplier feedback indicate the potential for substantial price fluctuations in the PVC, HDPE, and stainless-steel markets, with some projections suggesting increases of up to 50%. While these increases have not yet been fully realized or confirmed through formal quotations, they represent a notable risk to the current cost estimates.

Given the preliminary nature of the estimate and evolving market conditions, there remains a heightened level of uncertainty in project costing. Staff and the consultant will continue to monitor material pricing trends and refine cost estimates as the design advances and more current pricing information becomes available.

The value engineering exercise will focus on identifying alternative materials, design approaches, and construction methods that can achieve equal or improved performance at a lower lifecycle cost. This process will ensure that multiple options are considered and that appropriate due diligence is undertaken prior to committing significant resources. It will also help identify potential overdesign that may be contributing to unnecessary costs, as well as underperforming elements that could introduce risk. The review will incorporate considerations such as operating costs, maintenance requirements, and replacement cycles to support informed, long-term decision-making. Staff will prepare an RFP to be issued upon the receipt of all seven scopes of work.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

Safely collecting and treating sewage through a communal system protects human health and the natural environment.

G. Financial Impacts

Staff are not requesting a budget increase currently for these projects. As these projects progress through engineering, staff should have a better understanding of the total construction costs for all seven projects. Staff will address any shortfalls through the 2027 Annual Town Budget.

Staff are requesting $150,000 from the wastewater reserves for the valued engineering or third-party review exercise for all seven scopes of work.

The Wastewater Reserve Fund is estimated to be $13.2M at the end of 2025 and $5.0M at the end of 2026. Projections for 2027 show the fund will be in a deficit of ($3.3M). As discussed during the budget process internal and/or external borrowing will need to be assessed based on the current 10YP. Staff are working on updating this plan as well to fully appreciate the borrowing needs.

It is also noted that portions of this work are DC Eligible (Sewage Lift Station – 100% DC Eligible; Long Point Rd Reconstruction - ~33% DC Eligible.

H. In Consultation With

Monica Quinlan – Director of Corporate & Financial Services

Serena Wilgress – Manager of Purchasing & Risk Management

Vicky Bouwman – Supervisor of Accounting & Budgets

Mark Service – Wastewater Supervisor

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required.

However, any comments regarding this report should be submitted to Allison Kershaw, Manager of Water & Wastewater Services managerwww@thebluemountains.ca .

J. Attached

1. 2026 Approved Town Budget
2. Map Indicating Area of Construction

Respectfully submitted,

Allison Kershaw,
Manager of Water & Wastewater Services

Alan Pacheco
Director of Operations

For more information, please contact:
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managerwww@thebluemountains.ca
519-599-3131 extension 226

Report Approval Details

Document Title:	OPS.26.021 - Update Linear Works Long Point Road 30 percent Design.docx
Attachments:	- Attachment 1 TBM-Approved Budget 2026 Digital 159 ADOA.pdf - Attachment 2 Map Indicating Area of Construction ADOA.pdf
Final Approval Date:	Mar 26, 2026

This report and all of its attachments were approved and signed as outlined below:

Allison Kershaw - Mar 25, 2026 - 3:21 PM

Alan Pacheco - Mar 26, 2026 - 7:47 AM

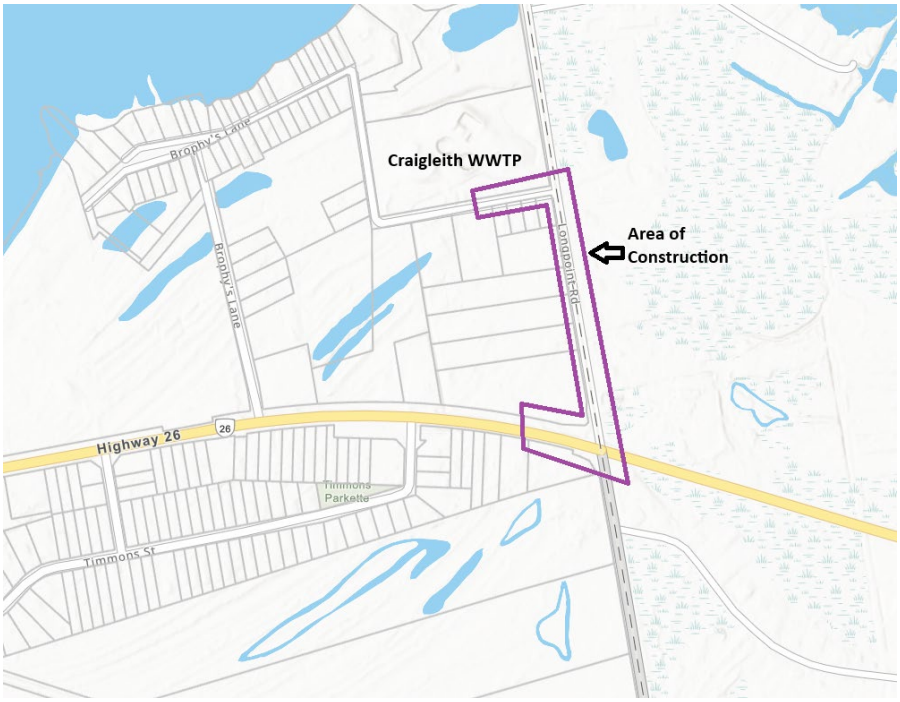
2026 CAPITAL PROJECTS FUNDING SOURCES - USER FEES

CAPITAL PROJECTS FUNDING SOURCES - USER FEES

PROJECT NAME	PROJECT DESCRIPTION	INITIAL APPROVED YEAR	PREVIOUSLY APPROVED	APPROVED NEW BUDGET	TOTAL PROJECT COST	FUNDING SOURCE	2026 APPROVED BUDGET
Operations- Wastewater							
Flow Meter Installation	Installation of flow meters in various sewage pumping stations; this equipment will monitor the flow coming into the station.	2021	245,000	-	245,000	Wastewater Asset Replacement Reserve Fund $245,000	234,464
Craigleith Wastewater Treatment Plant Upgrades- Engineering	Engineering for the 7 projects at the Craigleith Wastewater Treatment Plant	2023	1,550,000	-	1,550,000	Wastewater Asset Replacement Reserve Fund $1,350,000 Craigleith Sewer Development Charges $200,000	1,000,000
Margaret Drive Sewer Pumping Station Equipment Replacement	Replacement of check valves, isolation valves, rebuilding the driveway to the station, SCADA communication upgrades and the addition of a variable frequency drives (VFDs) to the pump motors. A new request for a backup generator.	2023	450,000	236,000	686,000	Wastewater Asset Replacement Reserve Fund $686,000	460,434
Thornbury Wastewater Treatment Plant Outfall	Construction of the new effluent outfall from the Thornbury Wastewater Treatment Plant along Grey Street and 1.5 km into Georgian Bay, the first 400m offshore to be buried and the remaining 1.1 km to sit on the lake bottom.	2024	16,000,000	-	16,000,000	Sewer Capacity Thornbury Development Charges $16,000,000	12,795,901
Thornbury Wastewater Plant Solar Lagoon Engineering	An engineering investigation on the local grid to initiate a feed-in-tariff project that involves the use of one wastewater lagoon as a floating solar panel farm.	2024	25,000	-	25,000	Wastewater Asset Replacement Reserve Fund $25,000	9,736
Collection System Equipment Replacement: SPS Pumps Rebuilds	Sewage pumping station pump rebuild program.	ANNUAL	243,000	-	243,000	Wastewater Asset Replacement Reserve Fund $243,000	60,035
Collection System Equipment Replacement: GR21 Benching	Benching in manholes on Grey Road 21.	ANNUAL	25,000	-	25,000	Wastewater Asset Replacement Reserve Fund $25,000	25,000
Collection System Equipment Replacement: Highway 26 Maintenance Holes	Maintenance holes in the ditch along Highway 26 require resurfacing to ensure they are properly sealed.	ANNUAL	60,000	190,000	250,000	Wastewater Asset Replacement Reserve Fund $250,000	230,000
Collection System Equipment Replacement: Valve Replacement Program	Replacement of isolation valves at Sunset and Shore Acres Sewage Pumping Stations and replacement of duckbill valve on the overflow from Sunset Sewer Pumping Station.	ANNUAL	170,000	-	170,000	Wastewater Asset Replacement Reserve Fund $170,000	170,000
Collection System Equipment Replacement: Old Syphon Maintenance Hole	Replacement of old syphon maintenance hole with a termination maintenance hole	ANNUAL	83,000	-	83,000	Wastewater Asset Replacement Reserve Fund $83,000	68,000
Collection System Equipment Replacement: Maintenance Hole Leakage Repair Program	Contract external services for repairing leaking maintenance holes	ANNUAL	55,000	55,000	110,000	Wastewater Asset Replacement Reserve Fund $110,000	87,660
Collection System Equipment Replacement: Delphi Pumping Station Drainage and Fencing	Add gravel and install a fence at the Delphi Pumping Station	ANNUAL	55,000	-	55,000	Wastewater Asset Replacement Reserve Fund $55,000	40,000
Wastewater Plant Equipment Replacement Program: Surge Protection	Engineering and installation of low voltage surge protection	ANNUAL	55,000	-	55,000	Wastewater Asset Replacement Reserve Fund $55,000	55,000
Wastewater Plant Equipment Replacement Program: Electrical Panels Upgrades	Replacement of Inlet 1 electrical panel.	ANNUAL	65,000	-	65,000	Wastewater Asset Replacement Reserve Fund $65,000	65,000
Wastewater Plant Equipment Replacement Program: CWWTP Valve Replacement	Valve replacement program at the Craigleith Wastewater Treatment Plant	ANNUAL	110,000	-	110,000	Wastewater Asset Replacement Reserve Fund $110,000	110,000
Wastewater Plant Equipment Replacement Program: CWWTP Concrete Repairs	Various concrete repairs to concrete tanks	ANNUAL	66,000	-	66,000	Wastewater Asset Replacement Reserve Fund $66,000	66,000
Wastewater Plant Equipment Replacement Program: CWWTP Pump Program	RAS/WAS pump replacement	ANNUAL	112,600	-	112,600	Wastewater Asset Replacement Reserve Fund $112,600	112,600
Wastewater Plant Equipment Replacement Program: SCADA	Acquisition of a back-up Programmable Logics Controllers (PLC) and programming	ANNUAL	75,000	-	75,000	Wastewater Asset Replacement Reserve Fund $75,000	25,000
Wastewater Plant Equipment Replacement Program: Pressure Transducers	Installation of pressure transducers at Shore Acres and Summit Green Sewage Pumping Stations. Currently the pumps are controlled by floats.	ANNUAL	68,000	-	68,000	Wastewater Asset Replacement Reserve Fund $68,000	48,000
Wastewater Plant Equipment Replacement Program: Filter Assessment	Engineering to optimize the sand filter operations at the Craigleith Wastewater Treatment Plant	ANNUAL	30,000	-	30,000	Wastewater Asset Replacement Reserve Fund $30,000	10,000
Thornbury Wastewater Treatment Plant Expansion 1B	Engineering for Phase 1B expansion at the Thornbury Wastewater Treatment Plant	2025	2,200,000	-	2,200,000	Sewer Capacity Thornbury Development Charge $1,980,000 Wastewater Asset Replacement Reserve Fund $220,000	1,540,000
Refrigerated Autosampler Replacement	Acquisition of autosamplers to meet the required legislative requirements	2026	-	130,000	130,000	Wastewater Asset Replacement Reserve Fund $130,000	85,000
Wastewater Plant Equipment Replacement Program: Lab Equipment	Required lab equipment for testing wastewater samples, office furniture and a screen for Thornbury Wastewater Treatment Plant.	2026		11,000	11,000	Wastewater Asset Replacement Reserve Fund $11,000	11,000
Security Camera Installation-Alta Sewage Pumping Station	Acquisition and installation of a security camera at Alta Sewage Pumping Station	2026	-	12,000	12,000	Wastewater Asset Replacement Reserve Fund $12,000	12,000
Thornbury WWTP Headworks Piping	Once the force main is installed from Mill Street Sewage Pumping Station to the plant, the connection will need to be completed within the headworks at the plant. This work is required to facilitate the new forcemain.	2026	-	110,000	110,000	Wastewater Asset Replacement Reserve Fund $110,000	110,000
Craigleith WWTP Upgrades: Sewage Lift Station at CWWTP	Construction of a new Sewage Lift Station at the Craigleith Wastewater Treatment Plant	2026	-	13,700,000	13,700,000	Castle Glen Sewer Development Charges $4,247,000 Osler Sewer Development Charges $137,000 Craigleith Sewer Development Charges $9,316,000	341,000
Craigleith WWTP Upgrades: Septic Receiving Station at CWWTP	Relocating the Septic Receiving Station from Lakeshore Road to the Craigleith Wastewater Treatment Plant.	2026	-	2,800,000	2,800,000	Wastewater Asset Replacement Reserve Fund $2,800,000	66,000
Craigleith WWTP Upgrades: Aeration Blowers Replacement at CWWTP	Replace the aeration blowers at Craigleith Wastewater Treatment Plant.	2026	-	4,000,000	4,000,000	Wastewater Asset Replacement Reserve Fund $4,000,000	99,000
Craigleith WWTP Upgrades: Back-up Generator Replacement	Replace the current undersized generator to provide back-up power for the new lift station and relocated septic receiving station.	2026	-	2,700,000	2,700,000	Wastewater Asset Replacement Reserve Fund $2,700,000	66,000
Craigleith WWTP Upgrades: Motor Control Centre(MCC) Replacement	Replace the Motor Control Centre at the Craigleith Wastewater Treatment Plant.	2026	-	9,600,000	9,600,000	Wastewater Asset Replacement Reserve Fund $9,600,000	231,000
Craigleith WWTP Upgrades: New Automatic Screening Units at Inlet Works Building at CWWTP	Installation of a new automatic screening units in the inlet work.	2026	-	7,400,000	7,400,000	Wastewater Asset Replacement Reserve Fund $7,400,000	176,000
Craigleith WWTP Upgrades: Long Point Rd Road Reconstruction (Highway 26 to CWWTP)	Linear work includes the installation of a gravity sewer between the northern end of Grey 21 to the Craigleith Wastewater Treatment Plant, an upsized to one of the existing forcemains from Craigleith Main Lift Station, replacement of TBM's watermain and installation of watermain for the Town of Collingwood.	2026	-	4,800,000	4,800,000	Osler Sewer Development Charges $16,000 Castle Glen Sewer Development Charges $496,000 Craigleith Sewer Development Charge $1,088,032 Water Asset Replacement Reserve Fund $1,599,984 Infrastructure Public Works Asset Replacement Reserve Fund $1,599,984	121,000
Total Operations- Wastewater			**$21,742,600**	**$45,744,000**	**$67,486,600**		**$18,530,831**
User Fees Total			**$27,143,103**	**$46,404,000**	**$73,547,103**		**$20,886,521**
Grand Total			**#VALUE!**	**$61,015,900**	**$213,593,731**		**$89,897,138**

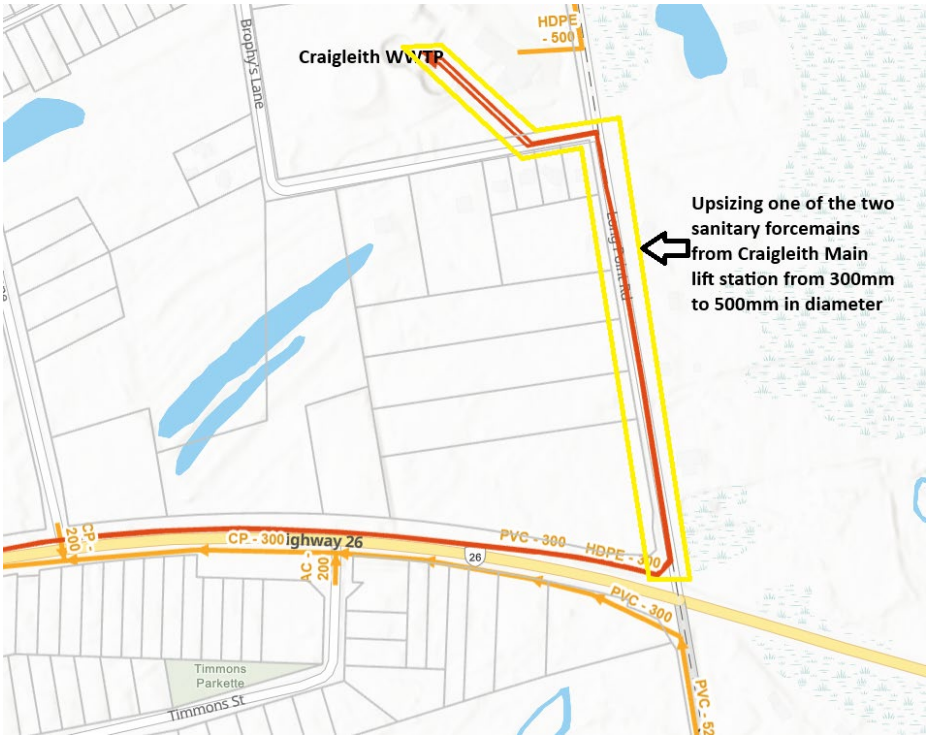
*** The updated Library capital budget funding has increased by $88,900 compared to the Draft 3 Budget Book.**

Map Indicating area of Construction



Map Indicating new gravity sewer

Map Indicating the forcemain upsizing



Map Indicating Watermain Replacement

Photo #1 – Hwy 26 Crossing

Photo #2 Hwy 26 Water Course Crossing

Photo #3 Double Culvert Crossing

Photo #4 Double Culvert Crossing

Photo #5 Long Point Road Asphalt Condition

Photo #6 Brophy's Lane – Looking west from Lont Point Road