

The Manitoba
Water Services Board

La Commission des Services
d'approvisionnement en eau du Manitoba

**Annual Report
2020-2021**

**Rapport annuel
2020-2021**



The Manitoba Water Services Board

General Inquiries:

Unit 1A – 2010 Currie Blvd.

Brandon, MB R7B 4E7

Phone : 204-726-6076

Fax : 204-726-7196

Email : mwsb@gov.mb.ca

www.gov.mb.ca/mr/mwsb

This publication is available in
Alternate format upon request

La Commission des Services
d'approvisionnement en eau du Manitoba

Renseignements généraux:

Unité 1A – 2010 boul Currie

Brandon (Manitoba) R7B 4E7

Téléphone : 204-726-6076

Télécopieur : 204-726-7196

Email : mwsb@gov.mb.ca

www.gov.mb.ca/mr/mwsb

Cette publication est offerte dans
d'autres formats sur demande



MINISTER
OF MUNICIPAL RELATIONS

Room 317 Legislative Building
Winnipeg, Manitoba CANADA R3C 0V8

The Honourable Janice C. Filmon, C.M., O.M.
Lieutenant Governor of Manitoba
Room 235
Legislative Building
Winnipeg, MB R3C 0V8

May It Please Your Honour:

It is my pleasure to present to you The Manitoba Water Services Board Annual Report for the period extending from April 1, 2020 to March 31, 2021. This report records the activities of the Board for that period.

Sincerely,

“Original signed by Derek Johnson”

Honourable Derek Johnson
Minister





Municipal Relations

Deputy Minister's Office
Room 311 Legislative Building
Winnipeg MB Canada R3C 0V8
General Office: 204-945-5568
www.manitoba.ca

Honourable Derek Johnson
Minister of Municipal Relations
Room 317 Legislative Building
Winnipeg, MB R3C 0V8

Dear Minister:

I have the honour of presenting to you the 49th Annual Report of The Manitoba Water Services Board for the fiscal year ending March 31, 2021, together with the financial statements for the same period.

Sincerely,

“Original signed by Bruce Gray”

Bruce Gray
Chair



Table of Contents

Table des matières

Title Titre	Page Page
Minister's Letter of Transmittal	1
Chair's Letter of Transmittal	2
The Manitoba Water Services Board, Board of Directors	4
The Manitoba Water Services Board	5
La Commission des services d'approvisionnement en eau du Manitoba	5
Message from the General Manager	8
Activities Carried Out to Meet the Objectives	9
Water Treatment Plants	9
1.0 Previously Constructed Works	9
2.0 Regional Water Co-op Systems	10
2.1 Cartier Regional Water Co-op	10
2.2 Yellowhead Regional Water Co-op	10
2.3 G3 Regional Water Supply Co-op	11
2.4 Whitehead Elton Regional Water Co-op	11
2.5 Southwest Regional Water Co-op	11
2.6 South Central District Water Co-op	11
Water and Sewer Program	12
1.0 Capital Works	12
2.0 Project Management	25
2.1 Conservation and Climate – Parks and Protected Spaces Branch	25
2.2 Indigenous and Northern Relations	25
2.3 Special Initiatives	25
2.4 Federal Provincial Programs	25
3.0 Sustainable Development	25
Financial Information	
The Manitoba Water Services Board Management Report	26
Independent Auditor's Report	27
Financial Statements	29
Illustrations	41

The Manitoba Water Services Board, Board of Directors

Unit 1A – 2010 Currie Blvd., Brandon MB R7B 4E7

Phone: 204-726-6076 Fax: 204-726-7196

Web: www.gov.mb.ca/mr/mwsb

Email: mwsb@gov.mb.ca

BOARD

Bruce Gray, (Chair)

Deputy Minister
Municipal Relations

Scott Sinclair, (Vice-Chair)

Deputy Minister
Central Services

Jan Forster

Deputy Minister
Conservation & Climate

Denys Volkov

Executive Director
AMM

Kam Blight

President
AMM

MANAGEMENT

Travis Parsons, M.A.Sc., P. Eng.

General Manager
Phone: 204-726-6085
Email: Travis.Parsons2@gov.mb.ca

Nathan Wittmeier, M.T.S., P. Eng.

Chief Engineer
Phone: 204-726-6081
Email: Nathan.Wittmeier@gov.mb.ca

Cheryl Brigden

Chief Financial Officer
Phone: 204-726-6093
Email: Cheryl.Brigden@gov.mb.ca



Bruce Gray



Scott Sinclair



Jan Forster



Denys Volkov



Kam Blight



Travis Parsons

The Manitoba Water Services Board

Foreword

The Manitoba Water Services Board (Board) was established in July 1972 as a Crown Corporation, under *The Manitoba Water Services Board Act*, to assist in the provision of water and sewerage facilities for the residents of rural Manitoba. The Board replaced The Manitoba Water Supply Board (1959-1972), taking over all responsibilities of the former Board, owning and operating 38 water supply installations in the Province.

In August 1981, the head office of The Manitoba Water Services Board, formerly in Winnipeg, was transferred to Brandon, Manitoba. The Board's primary mandate is the delivery of a Water and Sewer Program, which provides for the development and/or upgrading of water and sewer infrastructure in rural Manitoba communities.

In 1984, the Board assumed the responsibility of delivering a Water Development Program, which provides for the construction of agricultural area pipelines with the primary objective being to provide a dependable, sustainable water supply in rural Manitoba.

The Board, made up of five persons appointed by the Lieutenant Governor in council chaired by the Deputy Minister of Manitoba Municipal Relations, reports to the Legislature through the Minister of Municipal Relations. The Board's activities are managed by a team headed by the General Manager.

The Board, under the authority of the Act, may enter into agreements with any organized area of the Province, including municipalities, local government districts, villages, towns and cities, excluding (a) the City of Winnipeg, (b) the areas under the jurisdiction of the Minister of Indigenous and Northern Relations, and (c) those areas of the Province under Federal Government jurisdiction.

Once an application for assistance or a resolution is received, the Board prioritizes the project and subject to availability of funds and approvals, makes the necessary physical and technical investigations, submits an offer (Agreement) to the municipality for the construction of new works, extensions and/or improvements to existing works. After the municipality has received the necessary Municipal Board approvals, an Agreement is executed and the Board enters into the necessary contracts for

La Commission des services d'approvisionnement en eau du Manitoba

Avant-propos

La Commission des services d'approvisionnement en eau du Manitoba est une société d'État créée en juillet 1972 en vertu de la Loi sur la Commission des services d'approvisionnement en eau du Manitoba. Sa raison d'être est de faciliter l'approvisionnement en eau et l'installation de systèmes de traitement des eaux usées au bénéfice des résidents des régions rurales du Manitoba. La Commission a succédé à la Manitoba Water Supply Board (1959-1972), héritant de toutes ses responsabilités ainsi que des 38 stations d'approvisionnement en eau qu'elle gère dans l'ensemble de la province.

En août 1981, le siège social de la Commission des services d'approvisionnement en eau du Manitoba a été transféré de Winnipeg à Brandon, au Manitoba. La mission principale de la Commission consiste à mettre en œuvre le Programme de service d'eau et d'égoûts qui s'occupe de l'installation et de l'amélioration des systèmes d'eau et d'égoûts dans les communautés rurales du Manitoba.

En 1984, la Commission a pris en charge la mise en œuvre du Programme pour l'amélioration des services d'approvisionnement en eau. Ce programme se consacre à la construction de canalisations d'eau dans les régions agricoles et à la construction d'infrastructures d'approvisionnement des fermes en eau. L'objectif principal est de fournir aux régions rurales du Manitoba un approvisionnement en eau fiable et renouvelable.

La Commission, composée de cinq membres nommés par le lieutenant-gouverneur en conseil et présidée par le sous-ministre des Relations avec les municipalités Manitoba, rend compte à l'Assemblée législative par l'intermédiaire du ministre des Relations municipales. Les activités de la Commission sont gérées par une équipe dirigée par le directeur général.

La Commission, sous l'autorité de la présente loi, peut conclure des ententes avec toute région organisée de la province, y compris les municipalités, les districts d'administration locale, les villages et les villes, à l'exclusion a) de la Ville de Winnipeg, b) des régions qui relèvent de la compétence du ministre des Relations Autochtones et du Nord, et c) des régions de la province qui relèvent de la compétence du gouvernement fédéral.

engineering services and construction of the works. Generally, the Board provides project management, including interim financing and tendering of all construction contracts, for the projects undertaken.

Dès qu'elle reçoit une demande d'aide ou une résolution, La Commission détermine la priorité du projet. Puis, sous Réserve d'acceptation et de fonds disponibles, elle effectue les recherches physiques et techniques nécessaires. On présente alors à la municipalité une offre (entente) de construction des nouveaux ouvrages, ou d'extension ou d'amélioration des ouvrages existants. Dès que la municipalité obtient les approbations indispensables de son conseil municipal, une entente est mise en œuvre et la Commission entame le processus nécessaire d'attribution des contrats de services d'ingénierie et de construction des ouvrages. En règle générale, la Commission assume la gestion du projet, y compris le financement provisoire et les appels d'offres pour tous les contrats de construction.

Objectives

The Manitoba Water Services Board has the following specific objectives:

- a) To assist municipalities with the construction of water plants and works necessary for obtaining, collecting, storing, treating, purifying and transmitting water.
- b) To assist municipalities in the transmission of water from a source of supply or a point of storage to a point of acceptance by the individual.
- c) To assist municipalities with the construction of works for the collection of sewage.
- d) To assist municipalities with the construction of works for the treatment and disposal of sewage.
- e) To assist agricultural communities with the upgrading of water supply/treatment facilities and/or sewage treatment systems.

Capital Programs

To meet its objectives, the Board enters into agreements with Municipalities and/or Water Cooperatives, to provide technical and financial assistance to construct and/or upgrade water and/or sewerage infrastructure works. The primary objective is to ensure that a safe and sustainable water supply is available and that wastewater is treated and disposed of in an environmentally sustainable manner.

Generally, the Board's total annual expenditure for water and sewerage, including Municipal contribution is approximately \$40.0M.

Objectifs

Voici les objectifs précis de la Commission des services d'approvisionnement en eau du Manitoba :

- a) Aider les municipalités à construire les stations et ouvrages nécessaires pour se procurer l'eau, la recueillir, l'entreposer, la traiter, la purifier et l'acheminer;
- b) Aider les municipalités à acheminer l'eau de sa source ou de son lieu d'entreposage jusqu'au point d'alimentation accepté par les particuliers;
- c) Aider les municipalités à construire les ouvrages nécessaires à la collecte des eaux usées;
- d) Aider les municipalités à construire les ouvrages nécessaires au traitement et à l'évacuation des eaux usées ;
- e) Aider les communautés agricoles à améliorer les installations d'approvisionnement et de traitement des eaux naturelles, ainsi que les systèmes de traitement des eaux usées.

Programmes 'immobilisations

Pour atteindre ses objectifs, la Commission conclut des ententes avec les municipalités ou les coopératives d'eau afin de fournir une aide technique et financière leur permettant de construire ou d'améliorer des infrastructures hydrauliques ou de traitement des eaux usées. L'objectif principal est de garantir un approvisionnement en eau sécuritaire et renouvelable, ainsi que le traitement et l'évacuation des eaux usées d'une façon renouvelable et respectueuse de l'environnement.

En général, les dépenses totales réalisées par la Commission en matière d'eau naturelle et d'eau usée sont d'environ 40 millions de dollars par an (ce qui inclut les contributions municipales

Message from the General Manager

Year of COVID-19



Year 2020-21 has been a challenging year at the Board in delivering water and sewer projects during a global pandemic. As health restrictions changed throughout the year, staff effectively adapted as necessary to fully carryout the Board's capital works program.

The Province of Manitoba recognizes an investment in water and wastewater infrastructure as an investment in the future health of our Province. In addition to the Province committing stable funding of \$15.8M for the Board's water & sewer capital programs, the Province announced the Manitoba Restart Program intended to help boost the provincial economy amid the COVID-19 pandemic. This program included an additional \$50M over two years to address the significant backlog of water and sewer projects.

In 2020-21, the Board provided project management services for 245 projects with an estimated total project cost at \$383.3M. This included 40 substantially completed projects estimated at \$99.8M; 97 continuing projects estimated at \$113.0M; 75 new projects including studies, design and construction estimated at \$82.8M; and 17 Parks and Protected Spaces Branch, 12 Indigenous and Northern Relations, and an additional four Build Canada continuing projects with an estimated cost of \$87.7M.

In closing, I would like to express my appreciation to staff for their dedication and hard work during such a difficult time in delivering another successful capital works program for our Municipal, Parks and Protected Spaces Branch, Indigenous and Northern Relations, and Build Canada clients.

Travis Parsons, M.A.Sc., P. Eng.
General Manager



Activities Carried Out to Meet the Objectives

Water Treatment Plants

1.0 Previously Constructed Works

The Manitoba Water Services Board assumed responsibility for 38 water treatment plants constructed between 1961 and 1972, under the authority of The Manitoba Water Supply Board Act.

To meet the objectives of the Board and at the request of the municipalities, the Board has transferred the following water treatment plants:

Hartney, Town (Municipality of Grassland)	January 1, 1979
Altona, Town (Gretna, Rhineland)	March 31, 1987
Letellier, (Montcalm, R.M.)	March 31, 1987
Winkler, City	January 1, 1989
Holland, (Victoria, R.M.)	December 1, 1991
Gilbert Plains, Town (Gilbert Plains Municipality)	April 1, 1992
Dominion City, (Municipality of Emerson-Franklin)	July 1, 1993
St. Jean Baptiste, (Montcalm, R.M.)	December 31, 1993
Ste. Rose du Lac, Town (Municipality of Ste. Rose)	December 31, 1993
Ste. Agathe, (Ritchot, R.M.)	April 1, 1994
Hamiota, Town (Hamiota Municipality)	January 1, 1998
Erickson, Town (Municipality of Clanwilliam-Erickson)	January 1, 1998
Cartwright, Village (Cartwright-Roblin Municipality)	January 1, 1998
Deloraine, Town (Municipality of Deloraine-Winchester)	April 1, 1998
St. Claude, Village (Grey, R.M.)	April 1, 1998
Kenton, (Wallace-Woodworth, R.M.)	July 1, 1998
Angusville, (Riding Mountain West, R.M.)	January 1, 1999
Manitou, Town (Municipality of Pembina)	April 1, 1999
Reston, (Pipestone, R.M.)	April 1, 1999
Russell, Town (Municipality of Russell-Binscarth)	April 1, 1999
Elie, (Cartier, R.M.)	June 1, 1999
Pilot Mound, Town (Municipality of Louise)	August 1, 1999
Benito, Village (Municipality of Swan Valley West)	April 1, 2000
Kelwood, (Rosedale, R.M.)	October 1, 2000
Rosburn, Town (Rosburn Municipality)	November 1, 2000
McCreary, Village (Municipality of McCreary)	April 1, 2002
Minitonas, Town (Municipality of Minitonas-Bowsman)	March 1, 2003
Bowsman, Village (Municipality of Minitonas-Bowsman)	March 31, 2003
Ethelbert, Village (Municipality of Ethelbert)	March 31, 2003
Belmont, (Prairie Lakes, R.M.)	April 1, 2003
Sandy Lake (Municipality of Harrison Park)	April 1, 2006
Somerset, Village (Municipality of Lorne)	March 31, 2007
Winnipegosis, Village (Mossey River, R.M.)	April 1, 2009
Oak River (Municipality of Oakview)	January 1, 2017

The Manitoba Water Services Board Act requires the Board to set water rates for plants constructed prior to 1972 to recover all capital, operating and maintenance costs. The rates set by the Board are in accordance with an annual water rate study conducted by the Board, indicating recovery of full capital costs and operating deficits.

Effective April 1, 2020 water rates were increased at Baldur, Inglis, Notre Dame de Lourdes, and Strathclair. Rates were based on the increases in the Consumer Price Index of 2.2%, plus a surcharge to recover capital costs. The Manitoba Water Service

Board will continue to operate the four (4) water treatment plants, until the deficits are fully recovered through water rates.

Water Treatment Plants (Previously Constructed Works)

Sale of Water Town or Municipality	Consumption 2020-21	Actual Cost of Production per 1,000 I.G.	April 1/20 Selling Price 1,000 I.G.	Type of Treatment
Argyle, (R.M.)(Baldur WTP)	4,305,050	15.52	14.50	A,B,C,D
Lorne, (Mun.)(Notre Dame de Lourdes WTP)	19,695,161	6.69	6.94	B,C,D
Riding Mountain West, (R.M.)(Inglis WTP)	5,092,737	13.32	17.96	B,C,D
Yellowhead,(R.M.)(Strathclair WTP)	3,911,152	21.69	16.58	B,C,D

Type of Treatment:

A – Fluoridation **B – Green Sand Filtration** **C – Chlorination** **D - Membrane**

2.0 Regional Water Co-op Systems

The Board continues to promote regional water systems, which can service several municipalities from a central water treatment plant. These regional systems have proven to be a cost effective use of capital in providing safe, sustainable, drought resistant water supply to rural Manitoba residents and meeting stricter regulations. The Board, on behalf of the Co-ops, operates the following regional systems:

2.1 Cartier Regional Water Co-op

In 1999, the Board entered into an agreement with CWP Ltd. Partnership of Winnipeg to develop the Cartier Regional System. The Regional system was developed on behalf of the area municipalities and they formed a cooperative called the Cartier Regional Water Cooperative Inc. The original 20-year agreement with CWP was based on the B-O-O-T model (Build, Own, Operate, and Transfer). As the Cartier Regional Water Cooperative continues to expand, the Board will operate the cooperative recovering any operating deficits and capital costs from water sales until the deficit is fully recovered.

The Cartier Co-op supplies water to residents in the Municipalities of Cartier, Headingley, Portage la Prairie, St. Francois Xavier, Grey, Rosser, Rockwood, West St. Paul, and the Headingley (men's) Correctional Centre and Stony Mountain Institution. A new 150 litres per second water plant in the R.M. of Headingley and a pipeline and reservoir located in the R.M. of Rosser commenced operation in May of 2016. The West St. Paul pipeline and reservoir/pumphouse started servicing residents in January 2018 and the Stony Mountain Correctional Institution in April of 2018. The increased treatment capacity has enabled the Co-op to meet increasing water demands, not only for its existing members, but also to expand water service.

The wholesale water rate for 2020-21 was set by the Board per Co-op resolution, at \$9.78 per 1,000 Imperial Gallons, which is a 3% increase from the previous year.

2.2 Yellowhead Regional Water Co-op

In 2006-07, the Board developed the Yellowhead regional water system in a chronic water short area, west of the City of Portage la Prairie. The \$30.0M system is owned by the Yellowhead Regional Water Co-op Inc. and operated by the Board. The Yellowhead system supplies water to the Municipalities of Westlake-Gladstone, North Norfolk, and Glenella-Lansdowne.

The wholesale water rate for 2020-21 was set at \$8.85 per 1,000 Imperial Gallons, which is a 2.2% increase over the previous year.

2.3 G3 Regional Water Supply Co-op

In 2008-09, the Board signed agreements with the Towns of Grandview, Gilbert Plains and the R.M. of Gilbert Plains to develop the G3 Regional Water System. The system was operational at the end of 2009-10 and the Board was requested by agreement to operate the water treatment plant including the reservoir/pumphouses in the communities of Gilbert Plains and Grandview. With the January 1, 2015 amalgamations, the municipalities that are serviced by the G3 system are Gilbert Plains Municipality and Grandview Municipality. In 2016, the regional system was expanded to service residents in the Rural Municipality of Dauphin.

The wholesale water rate for 2020-21 was set at \$7.14 per 1,000 Imperial Gallons, which is a 2.2% increase over the previous year.

2.4 Whitehead Elton Regional Water Co-op

In 2010-11, the Board signed agreements with the Municipalities of Whitehead and Elton to develop and operate the Whitehead Elton Regional System. The project was completed in 2011 at an estimated cost of approximately \$6.0M. In 2016-17, rural pipeline expansion projects were completed in the Rural Municipalities of Elton and Whitehead to provide safe water to additional rural residents.

The Board set the wholesale water rate for 2020-21 at \$9.34 per 1,000 Imperial Gallons for the Municipalities of Elton and Whitehead, which is a 2.2% increase over the previous year. In December 2020 the Co-op paid the Rural Municipality of Whitehead their surplus as purchase of the Water Treatment Plant in the L.U.D. of Alexander.

2.5 Southwest Regional Water Co-op

In 2010-11, the Board signed agreements with the Municipalities of Brenda, Arthur and the Town of Melita to develop and operate the Southwest Regional System at a cost of approximately \$8.0M. The Village of Waskada joined the Southwest Regional System with water service beginning January 2012. With the January 1, 2015 amalgamation, the municipalities serviced by the Southwest Regional System became the Municipality of Two Borders, the Municipality of Brenda-Waskada and the Town of Melita. In 2017-18 a rural pipeline project expanded water service to additional residents, including 69 new service connections in the Municipalities of Brenda-Waskada and Two Borders.

The wholesale water rates for 2020-21 were set by the Board, per Co-op Resolution at \$11.56 per 1,000 Imperial Gallons for the municipalities. This represented a 2.2% increase plus .50 from the previous year.

2.6 South Central District Water Co-op

In 2014-15, the Board signed agreements with the Towns of Pilot Mound and Manitou to develop and operate the South Central District Water Cooperative at a cost of approximately \$9.0M. Phase 1 work, which included the well field and pipeline to Pilot Mound, was completed in 2014. Phase 2 work included a pipeline to Manitou and water plant upgrades at Pilot Mound. As of January 1, 2015, the Town of Pilot Mound amalgamated with the R.M. of Louise and the Town of Manitou with the R.M. of Pembina.

The South Central District Water Cooperative started to supply water to the Town of Pilot Mound in June 2015 and the Town of Manitou in November 2015. In 2018-19 service connections were installed to 6 rural customers in the R.M.s of Louise and Pembina with 2 additional customers being added in 2020.

The wholesale water rates for 2020-21 were set by the Board, per Co-op resolution, at \$13.50 per 1,000 Imperial Gallons for the Municipalities of Louise and Pembina plus \$3.26 per 1,000 Imperial Gallons surcharge to recover capital costs. This represented a 2.2% increase over the previous year for the surcharge.

Water and Sewer Program

1.0 Capital Works

The Board enters into agreements with municipalities and/or registered Cooperatives, for projects that have been accepted for assistance. Under the terms of the agreement, the Board provides complete project management in the delivery of the project including:

- Conducting conceptual/feasibility studies to develop the best sustainable, cost effective option.
- Public consultation with local ratepayers, including open houses.
- Retaining of consulting engineering firms to undertake pre-design, functional design, detailed-design, environmental impact assessments, construction supervision and post construction warranty services.
- Obtaining all easements and approvals.
- Public tendering of construction or design-build contracts and entering into contracts.
- Providing interim financing for the projects and billing municipalities for the local share of project costs.
- Providing a one-year warranty after substantial completion of Certificate.

In 1997, The Manitoba Water Services Board's grant formula was changed, wherein a 2-tier system was adopted. Details of the grant formulas are available at www.gov.mb.ca/mr/mwsb.

In 2020-21, 71 municipal and water co-op clients were served for a grand total of \$33.903M in water and sewer projects supported through the following grant programs:

- Provincial grants of \$15.824M recovered from Municipal Relations enabled The Manitoba Water Services Board to carry out \$30.382M in water and sewer projects under the Board's Municipal Water, and Sewer Program and Rural Water Development Program.
- An additional \$2.220M in Manitoba Restart Program grants allowed the Board to complete an additional \$3.521M in water and sewer project in 2020/21. The Government of Manitoba committed \$50.0M in funding under the Manitoba Restart Program to address the backlog of water and sewer infrastructure in Manitoba, which included approximately \$43M dedicated for municipal projects in 2020/21 and 2021/22.
- The Board provided technical and operational support to four municipally owned water plants and six regional water supply systems. A major focus for the board is the development and expansion of regional water and wastewater systems. Regional systems allow municipalities to pool their resources for the infrastructure and operating expertise needed for their residents.
- In 2020/21, project management services were provided by the Board to 17 Conservation and Climate Parks Branch projects (five of which are funded under the Manitoba Restart Program). In addition, the Board provided project management services to 12 Indigenous and Northern Relations projects and 14 Canada Manitoba water and wastewater funded projects. Funding was also received under the Provincial Disaster Prevention & Climate Resiliency for one project.

Some of the major projects under design / construction / completed during 2020/2021 include:

- \$0.8M City of Brandon Watermain Renewals
- \$2.2M City of Dauphin Water & Wastewater Upgrades
- \$0.5M RM of Elton – Forrest Watermain Renewals
- \$5.0M City of Portage la Prairie Water System Upgrades
- \$3.3M Municipality of Rhineland Plum Coulee Reservoir & Pumphouse
- \$8.9M RM of St Andrews Regional Wastewater System Phase 2
- \$4.2M RM of West St Paul Rossmore Wastewater Collection System
- \$3.0M City of Winkler Lift Station and Sewermain Relining Upgrade
- \$3.0M Town of Virden Water Supply System Upgrade



South Whiteshell - Lagoon

Water and Sewer Projects Substantially Completed during 2020-21 were:

Project	*	Work Description	Project Costs	Provincial Grants
Altona (8), Town	BCF	Lift Station Upgrading and Sewer Relining	\$ 1,416,088	\$ -
Cartier (25), R.M.		Lido Plage Wastewater System Design	304,153	152,076
Cartier Reg. Water Co-op (6)		Headingley Raw Water Storage Ponds	1,392,743	696,372
Ellice-Archie, R.M.		Wastewater Lagoon Feasibility Study	104,390	52,195
Grey (13), R.M.		Rural Water Pipeline	301,962	100,654
Hanover (6), R.M.		Water Supply Pipeline	625,426	312,713
Harrison Park (7), Mun.		Sandy Lake Water & Sewer Upgrades	436,825	218,412
Neepawa (20), Town		Phase 1 Wastewater Lagoon Upgrades	2,805,601	1,402,800
Neepawa (21), Town	CWWF	Phase 1 Wastewater Lagoon Upgrade	4,400,000	-
Norfolk Treherne, Mun.	BCF	Treherne Water and Sewer Renewal	2,136,664	-
Norfolk Treherne (2), Mun.		Water Supply System Upgrades	355,760	177,880
Oakview (3), R.M.		Rapid City Water System Upgrades	115,661	57,830
Oakview (4), R.M.		Watermain Extension	244,525	73,358
Pembina (5), Mun.	BCF	LaRiviere Wastewater Lagoon Upgrade	2,085,759	-
Pinawa (7), L.G.D.		Awanipark Water Pipeline	285,732	142,866
Pipestone (15), R.M.		Sinclair Wastewater Collection System	2,992,093	1,281,252
Portage la Prairie (45), City		Water Treatment Plant Upgrades	5,068,031	2,534,016
Ritchot (7), R.M.	BCF	Water Supply Upgrades & Reservoir Expansion	3,000,000	-
Rosedale (9), R.M.		Kelwood Water System Upgrades	166,289	69,470
Rosser (6), R.M.	BCF	Rosser Industrial Park Water & Sewer	6,309,052	1,439,420
St. Andrews (5), R.M.		Regional Wastewater Forcemain	4,500,000	2,250,000
St. Andrews (9), R.M.		Phase 1 Wastewater Collection System	5,552,332	1,903,074
St. Andrews (10), R.M.		Regional Wastewater System (Ph 2)	8,403,110	4,157,613
St. Andrews (11), R.M.		Petersfield Wastewater Lagoon Design	33,992	16,996
Ste. Rose (14), Mun.		Water Treatment Plant Upgrades	78,699	39,349
Selkirk (10), City	BCF	Forcemain & Lift Station	2,140,534	-
Stuartburn (6), R.M.		Community of Vita Sewer System Assessments	20,445	10,223
South Central District Co-op (4)		Water Supply Pipeline	470,990	235,495
South Central District Co-op (5)		Water Plant Upgrade	139,048	69,524

Water and Sewer Projects Under Design and/or Construction during 2020-21 were:

Project	Work Description	Agreement Estimate	Estimated Grants
Alexander (6), R.M.	Septic Truck Wastewater Lagoon	\$ 800,000	\$ 400,000
Alexander (8), R.M.	Regional Water System Pre-Design	50,000	25,000
Arborg (15), Town	Water and Sewer Extension Study	60,000	30,000
Beausejour (7), Town	Water Treatment Plant Design	500,000	250,000
Beausejour (8), Town	New Water Supply Wells	300,000	150,000
Boissevain-Morton, Mun.	Wastewater Lagoon Study	70,000	35,000
Boissevain-Morton (2), Mun.	Water Supply System Upgrades	400,000	200,000
Brandon (7), City	Watermain Renewals & Distribution Modelling	850,000	525,000
Brandon (8), City	Reservoir Upgrade	2,000,000	1,000,000
Cartier (26), R.M.	Rural Water Pipeline Expansion	120,000	40,000
Cartier Reg. Water Co-op (5)	Elie Reservoir & Pumphouse	3,000,000	1,500,000
Cartier Reg. Water Co-op (7)	Drought Management Study	80,000	40,000
Cartier Reg. Water Co-op (8)	Water Treatment Plant - Membrane Fouling Study	50,000	25,000
Cartier Reg. Water Co-op (9)	Elie Reservoir Bypass Pipeline	800,000	400,000
Cartwright-Roblin, Mun.	Water Supply Upgrade	210,000	105,000
Churchill, Town	Lake Pumphouse Pre-Design Study	40,000	24,000
Churchill (2), Town	Lake Pumphouse & UV Treatment	1,500,000	900,000
Clanwilliam-Erickson (2), Mun.	CCTV WW Collection Inspection & Lagoon Upgrade	340,000	170,000
Dauphin (18), City	Water & Wastewater System Upgrades	2,200,000	1,100,000
East St. Paul (3), R.M.	Water and Sewer Extensions/Renewals	1,675,000	837,500
Elton (13), R.M.	Forrest Watermain Renewal	462,000	123,000
Elton (14), R.M.	Rural Water Supply Extension	105,000	35,000
Emerson-Franklin (2), Mun.	Electronic Water Meter System	325,000	166,668
Ethelbert (6), Mun.	Lagoon Assessment Study	50,000	25,000
Grandview (13), Mun.	Water and Sewer Renewals	1,900,000	950,000
Grassland, Mun.	Hartney Wastewater Lagoon Assess. Study	80,000	40,000
Grassland (2), Mun.	Rural Water System Study	30,000	15,000
Grey (15), R.M.	St. Claude Sludge Land Application EAP	150,000	75,000
Grey (16), R.M.	St. Claude Watermain Upgrade	275,000	137,500
Leaf Rapids (2), Town	Water and Sewer Assessment Study	100,000	50,000

Water and Sewer Projects Under Design and/or Construction during 2020-21 continued:

Project	Work Description	Agreement Estimate	Estimated Grants
Lorne (11), R.M.	Regional Water Supply	200,000	100,000
Lynn Lake (5), Town	Water Treatment System Pre-Design Study	60,000	30,000
Lynn Lake (6), Town	Water Treatment Plant Upgrade	4,720,000	4,720,000
Macdonald (13), R.M.	Water Mainline	300,000	150,000
McCreary (10), Mun.	Water and Sewer Renewals	200,000	100,000
Montcalm (6), R.M.	Letellier Wastewater Lagoon Expansion	2,000,000	1,000,000
Morden (6), City	Third Party Review - WWTP Design	110,000	55,000
Morden (7), City	Water Treatment Plant Upgrades	600,000	300,000
Morris (14), R.M.	Water Supply System Upgrades	2,800,000	1,400,000
Mountain (4), R.M.	Mafeking Water Treatment Plant Upgrade	150,000	75,000
Neepawa (19), Town	Water Supply Upgrades	2,800,000	1,020,000
Neepawa (23), Town	Reservoir Expansion	5,100,000	2,550,000
Niverville (7), Town	Water Treatment Plant Expansion Design	500,000	250,000
Norfolk Treherne (3), Mun.	Treherne Brown Water Distribution Study	40,000	20,000
Norfolk Treherne (4), Mun.	Rathwell Wastewater Lagoon & Pressure Sewer	2,000,000	1,000,000
North Norfolk (7), Mun.	MacGregor Wastewater Capacity Assessment	30,000	15,000
North Norfolk (8), Mun.	MacGregor Water and Sewer Renewals	1,500,000	750,000
Pembina Valley Water Co-op (8)	Phase 1 Alternative Water Source Information	100,000	50,000
Pembina Valley Water Co-op (9)	Roland to Winkler Pipeline Design	45,000	22,500
Pembina Valley Water Co-op (10)	Morris Water Treatment Plant Upgrades	1,760,000	880,000
Pembina Valley Water Co-op (11)	Stephenfield Water Treatment Plant Upgrades	1,400,000	700,000
Pinawa (9), L.G.D.	Watermain Renewals	1,185,000	592,500
Pinawa (10), L.G.D.	Water System Upgrades	172,000	51,600
Pipestone (16), R.M.	Reston Water Treatment Plant Upgrades	900,000	450,000
Portage la Prairie (47), City	Water System Upgrades	5,000,000	2,557,500
Portage la Prairie (48), R.M.	Rural Water System Upgrades	726,000	297,000
Portage la Prairie (49), R.M.	Rural Water System Expansion	1,000,000	666,700
Portage la Prairie (50), R.M.	Poplar Bluff Industrial Park Water & Sewer Extensions	1,850,000	925,000
Portage la Prairie (51), City	Portage Industrial Parks Capacity Study	200,000	100,000

Water and Sewer Projects Under Design and/or Construction during 2020-21 continued:

Project	Work Description	Agreement Estimate	Estimated Grants
Reynolds (3), R.M.	Wastewater Treatment Lagoon	4,500,000	3,375,000
Rhineland (7), Mun.	Plum Coulee Reservoir/Pumphouse	3,300,000	1,650,000
Rhineland (8), Mun.	Plum Coulee Lift Stations Upgrade	775,000	387,500
Riding Mountain West, R.M.	Electronic Read Water Meters	116,000	58,000
Ritchot (6), R.M.	Water Supply Upgrades	5,000,000	2,500,000
Ritchot (8), R.M.	Wastewater System Upgrades	760,000	380,000
Rossburn (10), Mun.	Water System Assessment Study	30,000	15,000
Selkirk (11), City	Interceptor Sewer	1,540,000	770,000
Selkirk (12), City	Water and Sewer Extensions	1,500,000	750,000
Selkirk (13), City	Water Treatment Plant Upgrades	900,000	450,000
Sifton, R.M.	Rural Water Supply System Study	30,000	15,000
Springfield (5), R.M.	Wastewater Lagoon Expansion	1,750,000	875,000
Souris-Glenwood (19), Mun.	Souris Water System Upgrades	700,000	350,000
St. Andrews (12), R.M.	River Road Low Pressure Sewer	1,100,000	330,000
Stanley (15), R.M.	Low Pressure Sewer Design & Public Consultation	50,000	25,000
St. Clements (6), R.M.	East Selkirk WTP Upgrade Design	200,000	100,000
Ste. Anne (2), Town	Wastewater Treatment Lagoon Design	500,000	-
Ste. Anne (3), Town	Wastewater Lagoon Expansion	2,000,000	1,000,000
Stonewall (19), Town	Industrial Park Low Pressure Sewer	2,000,000	1,000,000
St-Pierre-Jolys (5), Village	Sewer Collection System Study	50,000	25,000
St-Pierre-Jolys (6), Village	Sewer System Renewals	1,000,000	500,000
Stuartburn (7), R.M.	Vita Sewer Renewals	225,000	112,000
Swan River (9), Town	Wastewater Lagoon Study	60,000	30,000
Swan River (10), Town	Water Treatment Plant Upgrade	350,000	175,000
Tache (3), R.M.	LUD of Lorette Water System Capacity Study	50,000	25,000
The Pas (7), Town	Wastewater Lagoon Upgrades Detailed Design	400,000	240,000
The Pas (8), Town	Wastewater Lagoon Upgrade	17,500,000	10,500,000
Two Borders (2), Mun.	Community of Pierson Water Supply Study	30,000	15,000
Virден (15), Town	Water Supply System Design	150,000	75,000
Virден (16), Town	Water Supply System Upgrade	3,000,000	1,500,000
Wallace-Woodworth (2), R.M.	Groundwater Supply Investigation	400,000	200,000

Water and Sewer Construction Agreements Signed during 2020-21 were:

Project (Agreement)	*	Work Description	Date Signed	Estimated Project Costs
Arborg (15), Town		Water and Sewer Extension Study	15-Jul-20	\$ 60,000
Brandon (7), City		Watermain Renewals & Distribution Modelling	15-Oct-20	850,000
Brandon (8), City	MRSF	Reservoir Upgrade	02-Nov-20	2,000,000
Cartier Reg. Water Co-op (8)		Water Treatment Plant - Membrane Fouling Study	16-Jul-20	50,000
Cartier Reg. Water Co-op (9)		Elie Reservoir Bypass Pipeline	16-Mar-21	800,000
Cartwright-Roblin, Mun.		Cartwright Water Supply Upgrade	30-Oct-20	210,000
Churchill, Town		Lake Pumphouse Pre-Design Study	02-Oct-20	40,000
Churchill (2), Town	MRSF	Lake Pumphouse & UV Treatment	16-Feb-21	1,500,000
Clanwilliam-Erickson (2), Mun.		CCTV WW Collection Inspection & Lagoon Upgrade	23-Jul-20	200,000
De Salaberry (3), R.M.		St. Malo Water and Sewer Renewal	26-Jan-21	1,900,000
East St. Paul (3), R.M.	MRSF	Water and Sewer Extensions/Renewals	02-Oct-20	1,675,000
Elton (13), R.M.		Forrest Watermain Renewal	28-Apr-20	462,000
Elton (14), R.M.		Rural Water Supply Extension	19-Jan-21	90,000
Ethelbert (6), Mun.		Lagoon Assessment Study	04-Jan-21	50,000
Grandview (13), Mun.	MRSF	Water and Sewer Renewals	09-Dec-20	1,900,000
Grassland (2), Mun.		Rural Water System Study	04-Jan-21	30,000
Grey (16), R.M.	MRSF	St. Claude Watermain Upgrade	21-Oct-20	275,000
Kelsey (9), R.M.	MRSF	Cranberry Portage WTP Upgrade	04-Jan-21	650,000
Leaf Rapids (2), Town		Water and Sewer Assessment Study	22-Jun-20	100,000
Lynn Lake (5), Town		Water Treatment System Pre-Design Study	02-Apr-20	60,000
Lynn Lake (6), Town	MRSF	Water Treatment Plant Upgrade	30-Oct-20	4,720,000
Macdonald (13), R.M.		Water Mainline	09-Dec-20	300,000
McCreary (10), Mun.	MRSF	Water and Sewer Renewals	15-Mar-21	200,000
Morden (6), City		Third Party Review - WWTP Design	16-Jul-20	110,000
Morden (7), City	MRSF	Water Treatment Plant Upgrades	07-Oct-20	600,000
Morris (14), R.M.	MRSF	Water Supply System Upgrades	27-Oct-20	1,620,000
Mountain (4), R.M.	MRSF	Mafeking Water Treatment Plant Upgrade	07-Oct-20	150,000
Montcalm (6), R.M.	MRSF	Letellier Wastewater Lagoon Expansion	02-Nov-20	2,000,000
Neepawa (23), Town	MRSF	Reservoir Expansion	23-Sep-20	4,500,000

Water and Sewer Construction Agreements Signed during 2020-21 continued:

Project (Agreement)	*	Work Description	Date Signed	Estimated Project Costs
Niverville (7), Town		Water Treatment Plant Expansion Design	05-Aug-20	250,000
North Norfolk (7), Mun.		MacGregor Wastewater Capacity Assessment	21-Sep-20	30,000
North Norfolk (8), Mun.	MRSF	MacGregor Water and Sewer Renewals	04-Jan-21	1,500,000
Norfolk Treherne (3), Mun.		Treherne Brown Water Distribution Study	29-May-20	40,000
Norfolk Treherne (4), Mun.		Rathwell Wastewater Lagoon & Low Pressure Sewer	17-Aug-20	2,000,000
Pembina Valley Water Co-op (9)		Roland to Winkler Pipeline Design	01-Sep-20	45,000
Pembina Valley Water Co-op (10)	MRSF	Morris Water Treatment Plant Upgrades	21-Sep-20	1,760,000
Pembina Valley Water Co-op (11)	MRSF	Stephenfield Water Treatment Plant Upgrades	21-Sep-20	1,400,000
Pinawa (9), L.G.D.	MRSF	Watermain Renewals	09-Dec-20	1,185,000
Pinawa (10), L.G.D.		Water System Upgrades	30-Dec-20	172,000
Pipestone (16), R.M.		Reston Water Treatment Plant Upgrades	24-Sep-20	600,000
Portage la Prairie (48), R.M.		Rural Water System Upgrades	20-Aug-20	726,000
Portage la Prairie (49), R.M.	MRSF	Rural Water System Expansion	09-Oct-20	1,000,000
Portage la Prairie (50), R.M.	MRSF	Poplar Bluff Industrial Park Water and Sewer Extensions	09-Oct-20	1,850,000
Portage la Prairie (51), City		Portage Industrial Parks Capacity Study	04-Jan-21	200,000
Reynolds (3), R.M.	MRSF	Wastewater Treatment Lagoon	07-Oct-20	4,500,000
Rhineland (8), Mun.	MRSF	Plum Coulee Lift Stations Upgrade	09-Dec-20	650,000
Ritchot (8), Mun.		Wastewater System Upgrades	15-Oct-20	300,000
Selkirk (12), City	MRSF	Water and Sewer Extensions	09-Oct-20	1,500,000
Selkirk (13), City	MRSF	Water Treatment Plant Upgrades	09-Oct-20	800,000
Sifton, R.M.		Rural Water Supply System Study	09-Oct-20	30,000
Souris-Glenwood (19), Mun.	MRSF	Souris Water System Upgrades	15-Dec-20	700,000
Springfield (5), R.M.	MRSF	Wastewater Lagoon Expansion	04-Jan-21	1,560,000
St. Andrews (12), R.M.		River Road Low Pressure Sewer	06-Aug-20	1,100,000
Stanley (15), R.M.		Low Pressure Sewer Design & Public Consultation	15-Dec-20	50,000
St. Clements (6), R.M.		East Selkirk WTP Upgrade Design	24-Aug-20	200,000
Ste. Anne (2), Town		Wastewater Treatment Lagoon Design	07-May-20	500,000

Water and Sewer Construction Agreements Signed during 2020-21 continued:

Project (Agreement)	*	Work Description	Date Signed	Estimated Project Costs
Ste. Anne (3), R.M.	MRSF	Wastewater Lagoon Expansion	02-Nov-20	2,000,000
Stonewall (19), Town	MRSF	Industrial Park Low Pressure Sewer	19-Oct-20	2,000,000
St-Pierre-Jolys (5), Village		Sewer Collection System Study	04-May-20	50,000
St-Pierre-Jolys (6), Village	MRSF	Sewer System Renewals	10-Feb-21	1,000,000
Stuartburn (7), R.M.	MRSF	Vita Sewer Renewals	19-Oct-20	136,000
Swan River (9), Town		Wastewater Lagoon Study	21-Sep-20	60,000
Swan River (10), Town	MRSF	Water Treatment Plant Upgrade	21-Oct-20	350,000
Tache (3), R.M.		LUD of Lorette Water System Capacity Study	15-Jul-20	50,000
The Pas (7), Town		Wastewater Lagoon Upgrades Detailed Design	03-Sep-20	400,000
The Pas (8), Town	MRSF	Wastewater Lagoon Upgrade	15-Oct-20	17,000,000
Two Borders (3), Mun.	MRSF	Lyleton Rural Water Supply Pipeline	04-Jan-21	600,000
Virден (15), Town		Water Supply System Design	07-May-20	150,000
Virден (16), Town		Water Supply System Upgrade	21-Sep-20	3,000,000
Wallace-Woodworth (2), R.M.		Groundwater Supply Investigation	24-Jun-20	400,000
Whitehead Elton Reg. Water Co-op (4)		River Crossing Investigation	15-Jul-20	30,000
Whitehead Elton Reg. Water Co-op (5)	MRSF	Water Supply System Upgrade	09-Dec-20	3,000,000
Whitemouth (12), R.M.		Wastewater Lagoon Study	06-Nov-20	60,000
Winnipeg Beach (8), Town		Wastewater System Upgrades	28-Apr-20	600,000
Winnipeg Beach (9), Town	MRSF	Water Supply System Upgrade	09-Dec-20	250,000
			Total	<u>\$82,886,000</u>

*

MRSF - Manitoba Re-Start Fund

Project Management Services during 2020-21 were:

Project (Agreement)	*	Work Description	Estimated Project Costs
Conservation & Climate - Parks Branch			
Asessippi Park - MR1	MRSF	Water Treatment Plant Upgrades	\$ 97,750
Big Whiteshell (2)		Water Treatment Plant Upgrade Design	100,000
Big Whiteshell (3)		Water Treatment Plant Upgrade	940,000
Birds Hill (4)		Water Plant Upgrades	750,000
Brereton Lake (2)		Water Supply	304,208
Falcon Lake (2)		Wastewater Lagoon Repairs	700,000
Grand Beach - MR2	MRSF	Water Treatment Plant Upgrades	879,750
Grand Beach - MR3	MRSF	Lift Station & Forcemain	3,323,500
Grand Beach (3)		Wastewater Lagoon	7,815,000
Hecla/Grindstone (2)		Wastewater Treatment Plant Assessment	25,000
Hecla/Grindstone (3)		Water Treatment Plant Upgrade	700,000
Hecla/Grindstone (4)		Wastewater Treatment Plant Upgrade	260,000
Marchand Wildfire Base		Bunkhouse Water Supply & Sewer System	85,000
Paint Lake - MR4	MRSF	Lift Station Upgrade	1,400,000
Paint Lake		Lift Station Design	95,000
Paint Lake (2)		Water Treatment Plant Intake Upgrade	581,000
South Whiteshell - MR5	MRSF	Truck Haul Lagoon	<u>4,105,500</u>
			\$ 22,161,708
Indigenous & Northern Relations			
Cormorant South		Water Treatment Plant Feasibility Study	\$ 40,000
Duck Bay		Water Treatment Plant Repairs	30,000
INR - Northern Region		Water Treatment Plant Upgrade	1,281,500
INR(2) - Northern Region		Water Treatment Plant Upgrade (2)	880,000
Mallard Water		Water Supply Upgrades	100,000
Nelson House (3)		Wet Well Repairs	380,000
Public Water System		Water System Assessments - Various Areas	28,000
Seymourville (2)		Wastewater Treatment Lagoon Upgrades	2,500,000
Seymourville (3)		Water Treatment Plant Study	70,000

Project Management Services during 2020-21 continued:

Project (Agreement)	*	Work Description	Estimated Project Costs
Indigenous & Northern Relations continued			
Sherridon WTP (2)		Water Treatment Plant Upgrade	2,006,000
Thicket Portage		Wastewater Treatment Lagoon	3,004,000
Waterhen & Barrows		Wastewater Lagoon Assessment	<u>25,000</u>
			\$ 10,344,500
Special Initiatives			
Carman (8), Town	BCF	Regional Water Supply System	\$ 13,174,925
De Salaberry (3), R.M.	BCF	St. Malo Water & Sewer Renewal	1,900,000
Neepawa (22), Town	GMF	Phase 2 Wastewater Treatment Lagoon Upgrades	5,000,000
Selkirk (9), City	BCF	Wastewater Treatment Facility	<u>35,200,000</u>
			\$ 55,274,925
		Total	\$87,781,133
* BCF - Build Canada Fund			
MRSF - Manitoba Re-Start Fund			
GMF - Green Municipal Fund			

2.0 Project Management

The Board has 60 plus years of project management experience in the development of water and wastewater infrastructure. The Board, when requested and subject to availability of staff resources, agrees to act as Project Manager for other Provincial Departments and/or Municipalities. A memorandum of understanding (MOU) is signed with the requesting agency. All the project costs, including MWSB technical staff costs are recovered from the requesting agency.

2.1 Conservation and Climate – Parks and Protected Spaces Branch

A complete list of projects is shown on page 26.

2.2 Indigenous and Northern Relations

The Board also provided project management services as requested by Indigenous and Northern Relations. A complete list of projects is shown on pages 26 and page 27.

2.3 Special Initiatives

During 2020-21 the Board provided project management for 4 special initiative projects funded by Build Canada and the Green Municipal Fund. A complete list is shown on page 27.

2.4 Federal Provincial Programs

Canada and Manitoba entered into cost sharing arrangements on a number of water and wastewater projects to be funded from the Clean Water & Wastewater Fund (CWWF) and the Build Canada Fund (BCF).

Many of the municipalities receiving either CWWF or BCF funding have requested project management assistance from The Manitoba Water Services Board. The Manitoba Water Services Board has signed a number of agreements as indicated on the previous pages. In total, these projects will exceed \$200.0M when completed.

3.0 Sustainable Development

On July 1, 1998, the Province proclaimed *The Sustainable Development Act*. The Act requires all Crown Corporations to:

- prepare and adopt a code of practice by July 2003
- prepare and adopt procurement guidelines and goals by December 2002, and
- prepare and adopt financial management guidelines by July 2003

The Board presently has policy guidelines, which deal with all of the requirements of the Act.

The Board considers wastewater and water infrastructure as a basic amenity required to safeguard public health and to provide economic development opportunities for the sustainability of Manitoba's communities.



The Manitoba Water Services Board Management Report

The accompanying financial statements are the responsibility of management and have been prepared in conformity with the accounting policies noted in the financial statements. The statements are examined by MNP LLP Chartered Professional Accountants, whose opinion is included herein.

To fulfil this responsibility, management maintains internal control systems to provide reasonable assurance that the accounts and records accurately reflect all transactions, and that appropriate policies and procedures are established and respected.

MNP LLP has free access to the Board of Directors, with and without management present, to discuss the results of their audit and the quality of financial reporting of the Board.

“Original signed by Travis Parsons”

“Original signed by Cheryl Brigden”

T. Parsons, M.A.Sc., P. Eng.

C. Brigden

General Manager

Chief Financial Officer

September 21, 2021

To the Board of The Manitoba Water Services Board:

Opinion

We have audited the financial statements of The Manitoba Water Services Board (the "Board"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, change in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2021, and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Board for the year ended March 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on August 18, 2020.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Independent Auditor's Report - Continued

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Brandon, Manitoba

August 10, 2021

"Original signed by MNP LLP"

Chartered Professional Accountants

THE MANITOBA WATER SERVICES BOARD

Statement of Financial Position

As at March 31, 2021

	2021	2020
Financial assets		
Cash	\$ 3,943,512	\$ 2,500,394
Accounts receivable	11,064,770	14,511,955
Accrued interest	17,083	16,593
Unbilled construction costs to Municipalities (note 4)	3,945,299	11,062,873
	<u>18,970,664</u>	<u>28,091,815</u>
Liabilities		
Accounts payable and accrued charges	9,987,167	16,166,199
Advances from The Province of Manitoba payable on demand (note 11)	25,311,000	27,161,000
	<u>35,298,167</u>	<u>43,327,199</u>
Net debt	(16,327,503)	(15,235,384)
Non-financial assets		
Prepaid supplies	60,216	62,120
Accumulated surplus (deficit) (note 5)	\$ (16,267,287)	\$ (15,173,264)

Commitments (note 7)

Contingencies (note 8)

The accompanying notes are an integral part of these financial statements.

On behalf of Board:

"Original signed by Bruce Gray"

"Original signed by Kam Blight"

Chair

Chair

THE MANITOBA WATER SERVICES BOARD

Statement of Operations

For the year ended March 31, 2021

	Budget (note 12)	2021	2020
Revenues:			
Sale of water	\$ 6,400,000	\$ 6,579,377	\$ 6,013,744
Administrative expenses paid by the Province of Manitoba (note 6)	2,711,000	2,465,292	2,579,814
Strategic Municipal Investment Fund	15,824,000	15,801,526	14,646,311
Manitoba Restart	-	2,220,000	-
Interest	15,000	758	7,384
	24,950,000	27,066,953	23,247,253
Expenses:			
Direct expenses for water supply plants:			
Interest expense	1,200,000	468,577	1,220,151
Interest allocated to new construction	(1,500,000)	(458,560)	(1,300,899)
	(300,000)	10,017	(80,748)
Chemicals	702,000	806,163	778,774
Heat, telephone, light and power	1,700,000	1,740,294	1,627,277
Professional services	300,000	437,445	520,834
Salaries and benefits	1,800,000	1,795,669	1,838,445
Repairs and maintenance	1,400,000	1,538,223	1,200,433
Administrative (note 6)	2,711,000	2,465,292	2,579,814
	8,313,000	8,793,103	8,464,829
Grants to Municipalities	15,824,000	18,021,526	14,646,311
Annual surplus (deficit)	813,000	252,324	136,113
Accumulated deficit, beginning of year	(13,884,133)	(15,173,264)	(8,899,133)
Net disbursements to Municipalities (note 5)	(1,033,000)	(1,346,347)	(6,410,244)
Accumulated deficit, end of year	\$ (14,104,133)	\$ (16,267,287)	\$ (15,173,264)

The accompanying notes are an integral part of these financial statements.

THE MANITOBA WATER SERVICES BOARD

Statement of Change in Net Debt

For the year ended March 31, 2021

	Budget (note 12)	2021	2020
Annual surplus (deficit)	\$ 813,000	\$ 252,324	\$ 136,113
New construction costs	(90,000,000)	(59,496,838)	(88,023,604)
Funds recovered from:			
Strategic Municipal Investment Fund	15,823,600	15,801,526	14,646,311
Manitoba Restart	-	2,220,000	-
Municipalities	73,176,400	48,592,886	80,433,199
Change in unbilled construction costs	1,000,000	(7,117,574)	(7,055,906)
	-	-	-
Decrease (increase) in prepaid supplies	500	1,904	5,276
Tangible capital assets	-	-	10,310
Net disbursements to Municipalities	(5,730,000)	(1,346,347)	(6,410,244)
Increase in net debt	(4,916,500)	(1,092,119)	(6,258,545)
Net debt, beginning of year	(8,976,839)	(15,235,384)	(8,976,839)
Net debt, end of year	\$ (13,893,339)	\$ (16,327,503)	\$ (15,235,384)

The accompanying notes are an integral part of these financial statements.

THE MANITOBA WATER SERVICES BOARD

Statement of Cash Flows

For the year ended March 31, 2021

	2021	2020
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	\$ 252,324	\$ 136,113
Change in non-cash operating working capital:		
Accounts receivable	3,447,185	4,515,615
Prepaid supplies	1,904	5,276
Accounts payable and accrued charges	(6,179,032)	(210,464)
Accrued interest	(490)	58,705
Cash provided by (used in) operating activities	(2,478,109)	4,505,245
Financing activities:		
Advances received	3,700,000	17,200,000
Advances repaid	(5,550,000)	(22,820,000)
Cash provided by (used in) financing activities	(1,850,000)	(5,620,000)
Capital activities:		
New construction costs	(59,496,838)	(88,023,604)
Funding recovered from:		
Province of Manitoba	18,021,526	14,646,311
Municipalities	48,592,886	80,433,199
Increase (decrease) in unbilled construction costs	7,117,574	7,055,906
Tangible capital assets	-	10,310
Net disbursements to Municipalities	(1,346,347)	(6,410,244)
Cash provided by capital activities	5,771,227	655,972
Increase (decrease) in cash	1,443,118	(458,783)
Cash, beginning of year	2,500,394	2,959,177
Cash, end of year	\$ 3,943,512	\$ 2,500,394

The accompanying notes are an integral part of these financial statements.

Supplementary Financial Information

Interest paid \$468,577 (2020 - \$1,220,151)

Interest received \$458,560 (2020 - \$1,300,899)

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

1. Nature of operations:

The Manitoba Water Services Board (“the Board”) was established in July 1972 under The Manitoba Water Services Board Act to assist in the provision of water and sewage facilities to the residents of rural Manitoba. The Board assists municipalities with the development of sustainable water and wastewater works, including; water supply, treatment, storage and distribution; collection and treatment of sewage; the disposal of treated effluent and waste sludge in an environmentally sustainable manner and the provision of drought resistant, safe water supplies to rural residents for domestic and livestock needs.

2. Significant accounting policies:

(a) Basis of accounting:

The financial statements have been prepared using Canadian public sector accounting standards established by the Public Sector Accounting Board.

(b) Classification and measurement of financial instruments:

Financial instruments are classified into one of the two measurement categories: (a) fair value; or (b) cost or amortized cost.

The Board records its financial assets at cost or amortized cost, which include cash and cash equivalents, accounts receivable and accrued interest. The Board also records its financial liabilities at cost or amortized cost, which include accounts payable and accrued charges and advances from the Province of Manitoba.

Amortized cost is determined using the effective interest method.

Gains and losses on financial instruments measured at fair value are recorded in accumulated surplus as remeasurement gains and losses until realized. Upon disposition of the financial instruments, the cumulative remeasurement gains and losses are reclassified to the statement of operations. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the statement of operations in the period the gain or loss occurs.

The Board did not incur any remeasurement gains and losses during the year (2020 - nil).

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

2. Significant accounting policies (continued):

(c) Tangible capital assets and construction in progress:

Tangible capital assets are recorded at cost and amortization is calculated on a straight-line basis over the following terms:

Asset	Term
Plants constructed prior to January 1, 1972:	
Equipment	18 years
Buildings	35 years
Plants constructed after January 1, 1972:	
Equipment	20 years
Buildings	20 years

Unbilled construction costs represent costs incurred to date, net of recoveries, for capital projects managed by the board on behalf of municipalities. Financing costs are included in the unbilled construction costs amounts.

(d) Revenue recognition:

Revenue from the sale of water is recognized in the period when consumed by the town or municipality.

Revenue for the administrative reimbursements is recognized in the period when the expenses are recognized.

Revenue for the grants is recognized in the period when the corresponding amount is paid to the municipalities.

Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(e) Administrative expenses paid by the Province of Manitoba:

Administrative expenses are paid by the Province of Manitoba on behalf of the Board and recorded at the exchange amount agreed to by the related parties in the financial statements.

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

2. Significant accounting policies (continued):

(f) Pension costs and obligations:

The Board's employees are eligible for membership in the provincially-operated Civil Service Superannuation Plan. The pension liability for Board employees is included in the Province of Manitoba's liability for the Civil Service Superannuation Fund. Accordingly, no provision is recorded in the financial statements related to the effects of participation in the pension plan by the Board and its employees.

(g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of accounts receivable and tangible capital assets. Actual results could differ from those estimates.

3. Financial instruments and financial risk management:

Financial risk management - overview:

The Board has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk, and
- Interest rate risk

The Board manages its exposure to risks associated with financial instruments that have the potential to affect its operating performance. The Board's Directors have the overall responsibility for the establishment and oversight of the Board's objectives, policies and procedures for measuring, monitoring and managing these risks.

The Board has exposure to the following risks associated with its financial instruments:

Credit risk:

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject the Board to credit risk consist principally of accounts receivable and accrued interest.

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

3. Financial instruments and financial risk management (continued):

The maximum exposure of the Board's credit risk is as follows:

	2021	2020
Accounts receivable	\$ 9,409,636	\$ 12,549,756
Accrued interest	17,083	16,593
	\$ 9,426,719	\$ 12,566,349

Accounts receivable: The Board is not exposed to significant credit risk as the receivables are with Municipal and other government entities and payment in full is typically collected when it is due. Credit evaluations are done for each Rural Municipality.

The aging of accounts receivable are as follows:

	2021	2020
Current	\$ 2,520,495	\$ 6,505,615
30-60 days past billing date	6,889,141	4,503,840
60-90 days past billing date	-	1,535,772
90-120 days past billing date	-	4,529
	\$ 9,409,636	\$ 12,549,756

Accrued interest: The Board is not exposed to significant credit risk as the accrued interest relates to receivables with Municipalities for ongoing construction and payment is anticipated at the completion of the work.

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

3. Financial instruments and financial risk management (continued):

Liquidity risk:

Liquidity risk is the risk that the Board will not be able to meet its financial obligations as they come due. The Board manages liquidity risk by maintaining adequate cash balances and by appropriately utilizing working capital advances as required. The Board prepares and monitors detailed forecasts of cash flows from operations and anticipated investing and financing activities. Identified capital supply requirements are reviewed and approved by the Minister of Finance to ensure adequate funding will be available to meet the Board's obligations utilizing bridge financing through The Loan Act. The Board continuously monitors and reviews both actual and forecasted cash flows through periodic financial reporting.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to accounts receivable, accrued interest, accounts payable and accrued charges, and advances from the Province of Manitoba.

The interest rate risk on the above exposures is considered to be low because of their short-term nature.

4. Unbilled construction costs to Municipalities:

	2021	2020
Balance, beginning of year	\$ 11,062,873	\$ 18,118,779
New construction costs	59,496,838	88,023,604
	70,559,711	106,142,383
Funding recovered from:		
Municipalities	48,592,886	80,433,199
Province of Manitoba	18,021,526	14,646,311
	66,614,412	95,079,510
Unbilled construction costs to Municipalities	\$ 3,945,299	\$ 11,062,873

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

5. Accumulated surplus(deficit):

Accumulated surplus (deficit) consists of accumulated excess revenues over expenses pertaining to the water supply plants operated by the Board for the benefit of municipalities and pertaining to plants operated by the Board under agreements with municipalities. Separate equity accounts are maintained for each plant operated by the Board. Municipalities are responsible for any deficit balances and are given credit for surplus balances whenever plant operating responsibilities are transferred to the municipalities.

	No.	2021	No.	2020
Plants with deficit	9	\$ (16,512,878)	7	\$ (15,680,015)
Plants with surplus	1	145,591	3	406,751
Total funds retained (deficit), water supply plants	10	(16,367,287)	10	(15,273,264)
Interest and adjustment fund Account (note 6)		100,000		100,000
		\$ (16,267,287)		\$ (15,173,264)

The Board is responsible for all ongoing capital repairs and improvements necessary for the water plants it operates. Costs relating to this during 2020/2021 include capital works approved by the Board for regional systems operated by the Board including, Cartier Regional (\$608,665), South Central (\$80,107), Whitehead-Elton (\$449,337) and Yellowhead (\$208,238). There were no water plants transferred in 2020/2021, therefore the net disbursement to Municipalities totaled (\$1,346,347) (2020 - (\$6,410,244)).

Interest and adjustment fund account:

The Board allocates interest costs to construction projects and to the operations of water supply plants at a rate comparable to the Board's cost of borrowing. The interest allocated and the actual net interest costs incurred by the Board are recorded in the Interest Adjustment Fund Account. Board policy is to maintain a balance of \$100,000 in the Interest Adjustment Fund Account to absorb any shortfall in the allocation of actual net interest costs for the year. Interest costs were fully allocated for both the current and the preceding year.

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

6. Administrative expenses paid by the Province of Manitoba:

Administrative expenses paid by the Province of Manitoba and included in expenses are as follows:

	2021	2020
Professional services	\$ 11,600	\$ 19,133
Salaries and benefits	2,327,590	2,441,553
Telephone and utilities	18,767	20,747
Travel	100	684
Other administrative	107,235	97,697
	\$ 2,465,292	\$ 2,579,814

7. Commitments:

	2021	2020
Signed agreements and offers for construction of sewer and water systems for Municipalities and cooperatives	\$ 111,904,930	\$ 103,493,157

These commitments are expected to be funded as follows:

Subsidization of construction costs – Province of Manitoba	\$ 53,316,000	\$ 26,256,400
Recovery of construction costs – Municipalities and cooperatives	58,588,930	77,236,757
	\$ 111,904,930	\$ 103,493,157

8. Contingencies:

The Board is involved in legal proceedings arising in the normal course of business, the outcome of which cannot be predicted at this time. In the opinion of management, the disposition of these cases will not materially affect the financial position of the Board. Any settlement will be recognized in the year the settlement occurs.

9. Related party transactions:

The Board is related in terms of common ownership to all Province of Manitoba created Departments, Agencies and Crown Corporations. The Board enters into transactions with these entities in the normal course of operations and they are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

THE MANITOBA WATER SERVICES BOARD

Notes to Financial Statements

For the year ended March 31, 2021

10. Economic dependency:

The Board is economically dependent on the Province of Manitoba.

11. Advances from The Province of Manitoba payable on demand:

The Board finances construction in progress by borrowing advances from the Province through The *Loan Act*. The Board pays interest on these unfixed advances. Interest payable is set at prime less 0.75 percent. During 2020/2021, the rate of interest charged remained consistent at 1.70 percent on a quarterly basis. These advances are repaid once funding is received from the Municipalities and cooperatives for their share of the eligible project costs.

Abatement for the Loan Act Authority no longer required at March 31, 2021 was cancelled. Future financing to the Board for construction of municipal sewer and water facilities on behalf of Municipalities and cooperatives for 2021/22 have been authorized by way of loans through order-in-council.

12. Budgeted figures:

The budgeted figures presented in these financial statements have been derived from the estimates approved by the Board.

13. COVID-19 impact on operations:

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the federal, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. The Board's operations were impacted by COVID-19 due to closure of facilities to the public for normal operations. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Board as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

14. Comparative figures:

Certain comparative figures have been reclassified to conform with the current year presentation.



Parks – Big Whiteshell



INR Sherridon Water Treatment Plant



Grand Beach Water Treatment Plant



RM of Rhineland – Plum Coulee Reservoir



RM of Elton – Forrest Watermains



RM of Ritchot – Pipeline Twinning



City of Winkler Wet Well



Town of Carman - Reservoir



Town of Virden – Well Mech & Raw Water Pipeline



Town of Virden – Well Mech & Raw Water Pipeline



City of Brandon – Reservoir Pumphouse Roof Replacement



City of Winkler Forcemain