

November 1, 2016

Hon. Amarjeet Sohi,
Minister of Infrastructure and Communities

Dear Minister Sohi:

RE: CWWA positions on Infrastructure Renewal

The Canadian Water and Wastewater Association (CWWA) is so very pleased with your government's commitment to infrastructure renewal in Canada. Budgeting \$60 Billion for infrastructure was welcome news; especially the \$20 Billion dedicated to green infrastructure and the Canadian Water and Wastewater Fund. We truly appreciate your government's recognition that water and wastewater systems are critical to our country's economy and the health of our people.

The CWWA fully supports the Prime Minister's commitment to addressing climate change while promoting Canadian innovation. The CWWA has repeated the same message for years, that the two keys to addressing the infrastructure challenges are proper asset management and innovation. Asset management is just logical, good management that supports planning and allows you to fix the right things at the right times. Innovation offers new solutions that should be more efficient, effective and sustainable.

CWWA represents the municipal utilities and the water/wastewater professionals across Canada. Whenever the federal government, ministries or agencies, need technical input, they have called on the CWWA for reliable comment. As you develop Phase 2 of the Infrastructure Plan, we offer you that same reliable input as the water professionals dedicated to our communities and our country.

We have stated before that an infrastructure 'plan' must be more than just a grant 'program'. It is critical that, together, we build local capacity and sustainability that will move our communities away from grant dependency and toward self-sufficiency. We share your enthusiasm that so many goals can be met through this plan.

The following points are our recommendations to make a stronger, more effective infrastructure plan.

National Goals/Local Priorities:

- While we support the government's national, and international goals, we ask that you recognize that local governments understand the priorities of their community better and we ask that the federal government show great flexibility in working 'with' local communities to find the best projects that will provide the best value for money.

Climate Change:

- A recognition that water and wastewater projects can significantly address energy targets in four ways:
 - New treatment technologies and equipment that use less energy
 - Reduction of wasted energy by reducing water loss and infiltration
 - Water reuse to reduce treatment demand
 - massive potential for energy from waste and other resource recovery

Community Capacity Building:

- In order to qualify for federal funding, municipalities should have an asset management program and a full-cost pricing program in place or commit to the development of such programs
- Rather than just distribute the Community Capacity Building funds to communities, the federal and provincial governments can do much more by developing asset management templates, pricing models, training, staff support and other guidance tools to assist small and medium-sized municipalities create and implement local programs for their own sustainability.
- Genuine long-term sustainability of communities demands a genuine reconsideration of the tax distribution and taxation powers between the various levels of government to recognize the local responsibilities to the health and economy of Canada.

Value for Money:

- Our hope is for all of us to get the maximum impact from these funds and achieve the best 'value for money' by considering the 'big picture' in planning.
- Infrastructure projects must consider the full life-cycle of any asset; weighing not just the initial capital cost but the operating, maintenance costs for the expected lifespan of any asset.
- Optimizing the operation of an asset to reduce energy and resource consumption and draw maximum performance from an asset must be a key element in project agreements.
- System failure due to inadequate maintenance costs communities many more times in response than proper asset care and is a wasteful approach to the use of public funds. Like most P3 agreements, approved projects must commit to the recommended maintenance schedule, removing maintenance deferral as an option.

Flexibility:

- There must be a recognition that allowing a little more time in some cases could lead to a far better project proving greater impact and greater 'value for money'.
- There needs to be a mechanism in place to allow the review of individual projects and to allow an extended timeframe for those genuinely working to find a better solution.

WSER and other Regulations:

- Maximum flexibility is required on timelines to support the search for the best solutions and consideration of new technologies.
- We ask that the federal government be flexible and open to consider trade-offs that can achieve far greater results.

Innovation:

- A focus on the full life-cycle of an asset decision should support new innovation that can reduce long term operating costs and reduce energy consumption.
- Procurement processes cannot pre-select technology in a way that blocks innovative alternatives. Rather, procurement must be out-put based, opening the process to any and all federally/provincially approved solutions.
- We would support a federal agency review of all project applications to direct innovative solution firms toward appropriate projects.
- We ask that the federal government appreciate that municipalities have a high aversion to risk when it comes to the safety of our citizens (water consumers) and the use of significant public funds. If we are being asked to pilot or fully-install newer technologies, what support can the federal government provide to assist if technologies fail or do not work as planned?

We thank you for your consideration of these comments. The CWWA and our members, the local utility leaders, are your partners in this mission. We would be pleased to assist further in any way.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Hall", with a long horizontal flourish extending to the right.

Robert Hall,
Executive Director