



Project rendering

North Shore Wastewater Treatment Plant Program

PROGRAM UPDATE

Jerry W. Dobrovolny, P.Eng., MBA

Commissioner / CAO

Cheryl Nelms, P.Eng., Phd

General Manager, Project Delivery

Chris Mealing, P.Eng.

Program Director, NSWWTP

District of West Vancouver Council Meeting – June 22, 2026
85719612

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MOMENTUM IS BUILDING AT THE NSWWTP

Project video

WHY WE'RE BUILDING A NEW TREATMENT PLANT

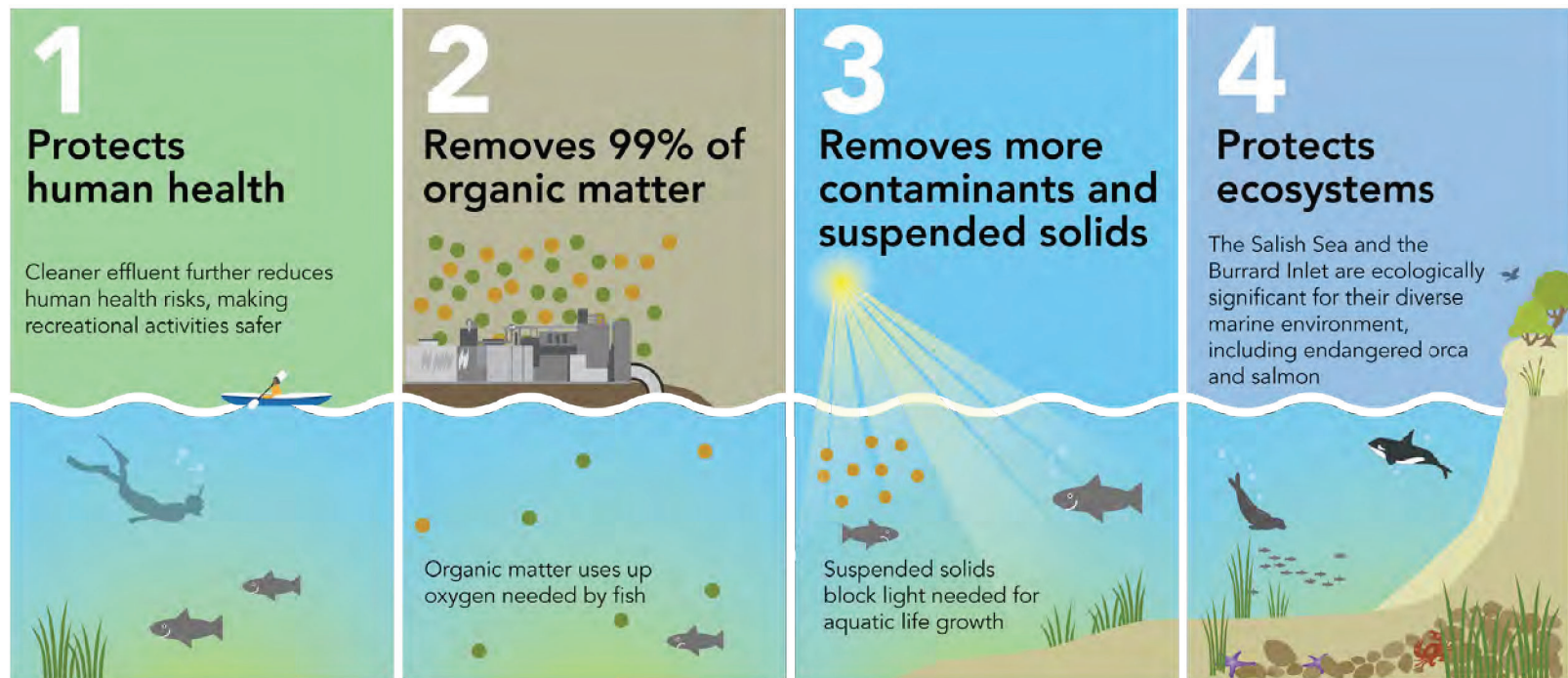
From primary treatment to tertiary filtration



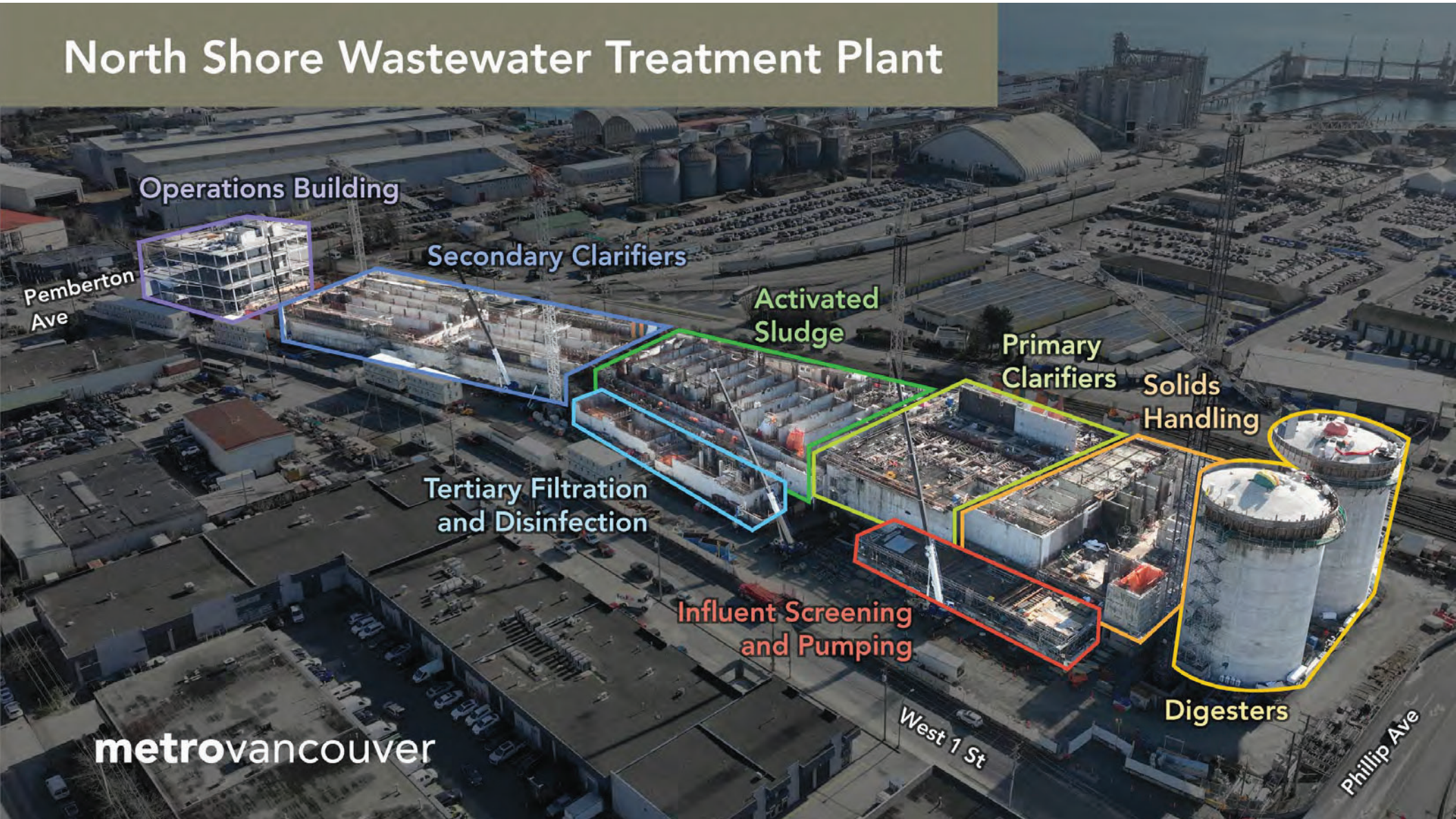
SECONDARY TREATMENT WITH TERTIARY FILTRATION

How much is removed by treatment?

Benefits of Secondary Wastewater Treatment with Tertiary Filtration at the North Shore Wastewater Treatment Plant



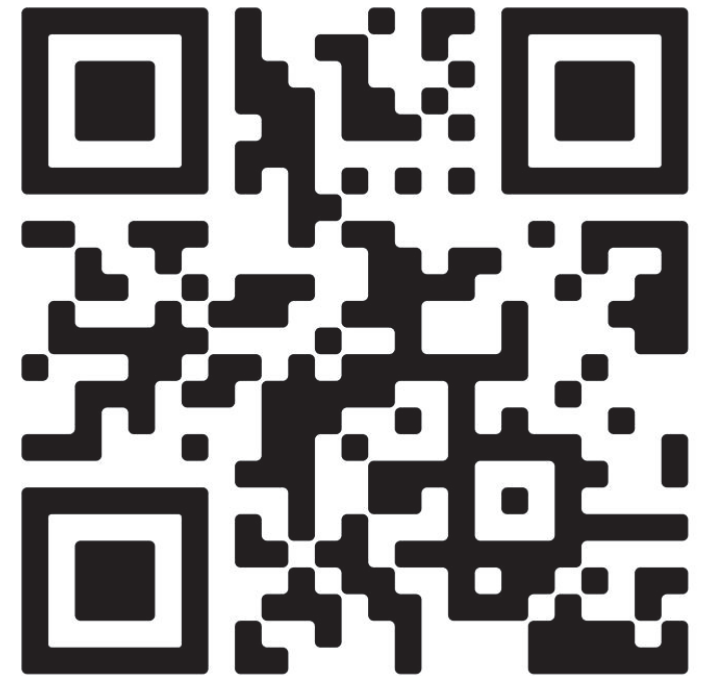
North Shore Wastewater Treatment Plant



TECHNICAL COMPLEXITY

KEY QUESTIONS

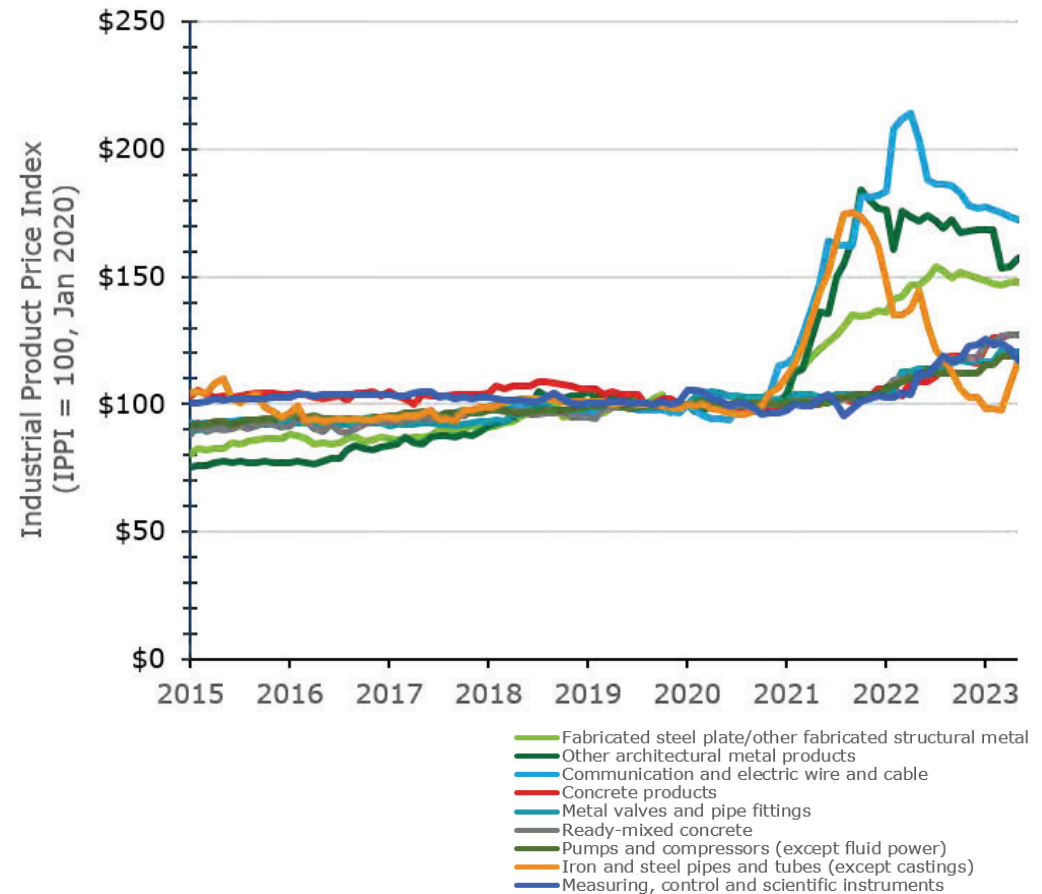
- How could the program cost estimate rise from \$700 million to \$3.86 billion?
- Is Metro Vancouver confident that \$3.86 billion is the right estimate to deliver the program by 2030?



HOW COULD THE COST RISE FROM \$700M TO \$3.86B?

Cost reset drivers

- Construction cost escalation since COVID-19
- Labour availability, productivity, capacity
- Construction market conditions
- Takeover project implications
- Schedule for completion from 2020 to 2030
- Delivery model shift



HOW COULD THE COST RISE FROM \$700M TO \$3.86B?

Market dynamics and procurement options

- Fixed price contracts generally no longer an affordable or available option for a project of this size, complexity, and takeover nature
 - Market has materially shifted – fixed price contracts not viable for contractors
 - Market escalation limits number of capable firms
 - Volume of projects and volatile market conditions means contractors don't want or need to bid lump sum
- Target cost model has become the preferred contract model for infrastructure projects over \$500M

ARE WE CONFIDENT THAT \$3.86B IS THE RIGHT ESTIMATE?

Three separate cost estimates

1. Independent – Completed by the Engineer of Record based on previous contractor bid numbers. Quantities were re-verified. Standard engineering-style estimate.
2. Independent – Completed by third-party construction estimators with significant experience working on major projects. This is a contractor-style estimate. The quantities align with current contractor's estimate.
3. Current Contractor – Developed in a similar manner to the second independent estimate produced for Metro Vancouver, based on craft hours, quantities, and other components.

OVERALL PERFORMANCE

Provides confidence in cost estimate

- Final design of the plant completed
- Approximately 85% of major equipment contracts awarded
- 15,000 m³ concrete poured under current contract, approximately 70% of overall facility now poured
- Installation of structural steel and major process equipment ongoing
- Over 450 tradespeople on site
- 1.5 million lost time injury free hours



Chemical tank lifted into site

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OVERALL PERFORMANCE

Schedule and budget

- Spend to date (as of end of April 2026): \$1.145 billion
 - Updated monthly on public webpage
- On track to be delivered within Board-approved program budget and schedule
- Rigorous forecasting and schedule review and proactive resolution ongoing
- Managing integration with previous construction, integration of complex design, delivery of equipment, and commissioning will remain challenging for program duration

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North Shore Wastewater Treatment Plant Program

Monthly Status Report | April 2026

PROGRAM STATUS UPDATES

Monthly public dashboard reporting

- On track – managing day-to-day operations
- Action required in near term to monitor, manage issue, and/or negotiate resolution
- Immediate action required to manage issue and/or negotiate resolution



	Key Objectives	Status
Scope	Project delivered the approved scope	●
Schedule	Project delivered within approved schedule	●
Budget	Project delivered within approved budget	●
Safety	Project work is performed safely and in compliance with applicable regulations, rules and policies	●

Process pipe lifted into site

PROGRAM STATUS UPDATES

Monthly public dashboard reporting

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Concrete pour in operations and maintenance building

	Key Objectives	Status
Quality	Quality is actively managed per best practices and Metro Vancouver’s quality standards	●
Environment	Project work is performed responsibly and in compliance with applicable regulations, rules and policies	●
Design	Provide design and technical oversight, coordinate and conduct compliance reviews	●
Equipment Procurement	Manage the procurement of Metro Vancouver-supplied equipment in alignment with program scope, schedule and budget objectives	●

PROGRAM STATUS UPDATES

Monthly public dashboard reporting

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Site overview – eastward

	Key Objectives	Status
Construction	Provide oversight, coordinate, and manage activities on site and conduct compliance reviews	●
Third Parties	Continue to build and maintain positive relationships. Secure agreements with Project partners and other third parties	●
First Nations	Continue to build and maintain positive relationships with First Nations	●
Public and Stakeholder Engagement	Continue to build and maintain positive relationships with the community and project stakeholders	●

OTHER AREAS OF FOCUS

Relationships and community engagement

Public

- Timely, transparent project information and updates
- Responses to questions and concerns
- Construction impact mitigation, e.g., noise

First Nations

- Labour opportunities for local First Nations
- Regular meetings and updates with Sḵw̱x̱wú7mesh Úxwumixw (Squamish Nation) and səliiwətał (Tsleil-Waututh Nation)

Third parties

- Coordination with District of North Vancouver for space on West First St
- Ongoing coordination with BC Hydro

DUE DILIGENCE COMMITTEE

Members bring decades of experience with major construction projects

Oversight group established to conduct due diligence reviews and provide advice to the Executive Committee

Monthly reviews with project team, biannual written reports

Members

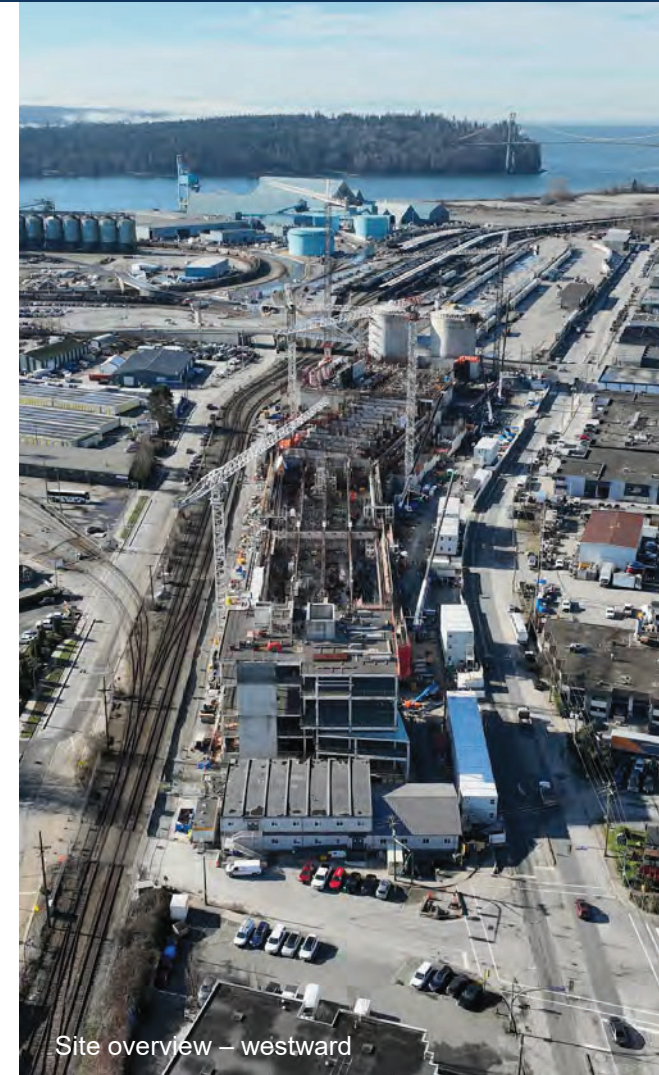
- **Tim Stanley, P.Eng.** – Former Executive VP, MMM Group
- **Frank Margitan, B.A.Sc.** – Former VP, Kiewit Canada
- **Barry Nazar, P.Eng.** – Construction manager advisor

Over 100 years combined experience

DUE DILIGENCE COMMITTEE

Report findings as of October 2025

- Readiness Review tasks completed, key project team positions filled
- PCL team is diverse with appropriate experience
- New work appears to be of good quality and built in a safe manner
- Some construction deficiencies from previous contractor are still being discovered and impacting progress
- To date, productivities for both concrete and structural steel activities are achieving targets
- Key issues being managed: addressing remaining construction deficiencies from previous contractor, transfer of major equipment contracts, interest and availability of subcontractors, impact of taxes/duties/tariffs



ADDITIONAL PROGRAM OVERSIGHT

- Organization-wide improvements since 2020
 - Creation of Project Delivery department, increased quality management and project controls
- PCL contract incorporates enhanced oversight and transparency
 - Open book principles
 - Clear reporting
 - Right to audit
 - Collaborative model
- Program Executive Committee

SETTLEMENT WITH ACCIONA, INDEPENDENT REVIEW

May 13, 2026 announcement

- GVS&DD and Acciona reached a mediated settlement wherein Acciona provided \$235 million to the GVS&DD
- Funds will be allocated to the NSWWTP Program
- Fulsome independent review will now proceed
 - Independent review team will operate at arm's length from Metro Vancouver, with full access to Metro Vancouver's documents

COST APPORTIONMENT

Allocation of Project Cost Increase

- To reduce impact, Metro Vancouver Board voted on special approach for allocating increase in cost
- Three Board workshops in spring 2024 to discuss
- All sewerage areas took on additional cost (\$10/per household)
- Result: 37% of the increased costs paid by North Shore, 63% paid by other sewerage areas
- Reduced average impact on North Shore households from \$725 increase to \$590 increase





NSWWTP Architectural Rendering

Thank you

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