Public Presentation Review
Correcting the Record on Borrowing By-law 7-2026

This document responds directly to public comments made about proposed Borrowing By-law 7-2026 and the Regional Sewer System Expansion project made by a resident of St. Clements. The purpose is to separate statements that require correction, points that are accurate and should be acknowledged, and claims that have not been verified in the RM's project records. The intent is **not** to dismiss resident concerns, but to ensure residents have clear, factual information before the public hearing on August 26, 2026.

The information provided here does not respond to personal recollections, anecdotal comments, private conversations, market claims, or other statements that cannot be confirmed through the RM's engineering, planning, financial, or borrowing by-law records. These matters are outside the verified project record and should not be treated as established facts unless supporting documentation is provided.

It is also very important to recogonize, that residents are entitled to ask questions and raise concerns about a major borrowing by-law. At the same time, public discussion should be based on the actual project record. The project information shows that the key issue is biological treatment capacity and regulatory compliance, not simply the amount of physical space in the lagoon cells. The borrowing by-law also does not force immediate sewer connections, does not borrow the full project cost, and does not make St. Clements taxpayers responsible for East St. Paul's wastewater costs.

Points that Are Accurate and Should Be Acknowledged

Some points raised in the presentation are fair or technically accurate. The RM acknowledges these directly.

- Typographical Error in Bylaw Printing: The presenter noted that the printed text of the draft by-law lists the capital cost as $14,027,075. This is a verified clerical discrepancy of $400 (as the sum of the grant and borrowing ceiling equals $14,027,475).
- Typographical Error in Bylaw Text: The presenter correctly identified the draft typo where the phrase "the sum" was printed as "the not sum", which will be corrected prior to submission to the Municipal Board.

- Interest Repayment Totals: The presenter's claim that borrowing $8.15 million over 20 years at an estimated 6% interest rate will result in an additional $6 million in interest (bringing the total principal and interest to over $14 million) is mathematically correct. However, his presentation blends this local borrowing cost with the total capital cost of construction.
- Interim Letter of Intent: The presenter correctly noted that the current document in place with East St. Paul is a non-binding Letter of Intent (LOI) that does not create legally binding construction obligations. WSP and the RM explicitly state that the LOI is a planning tool, and a formal, binding Service-Sharing Agreement is imminent. Under Manitoba's *Municipal Act*, a municipality must secure borrowing authority *before* entering into binding, multi-million-dollar construction contracts.

Statements that Require Correction

The following statements are inaccurate, incomplete, or presented in a way that could leave residents with the wrong understanding of the project. Each item below sets out the public statement, the factual correction, and why the distinction matters.

1. Lagoon capacity: physical space is not the same as treatment capacity

- Statement in Video: The presenter claims the existing wastewater system is not overloaded, noting that the RM is only utilizing 45% of its physical storage capacity and that the lagoon cells are "fine".
- Factual Correction: This statement mixes hydraulic storage volume with biological/organic treatment capacity. It is true that the physical lagoon cells only utilize 45% of their hydraulic winter storage volume 97,009 m^3 out of 211,500 m^3 capacity. However, the biological treatment process (measured as organic loading, or BOD has hit a wall: our licensed limit is 216.3 kg-BOD/day and biological design capacity is 250 kg-BOD/day, but current estimated peak loading has reached 357.7 kg-BOD/day, which is 43% over design capacity and 65% over our licensed limit. The lagoon is biologically overloaded and in regulatory non-compliance, making the Phase 3 advanced tertiary treatment upgrade mandatory regardless of physical cell space.

2. Stopping external septic trucks would not solve the long-term capacity issue

- Statement in Video: The presenter claims that if St. Clements simply stopped accepting septic trucks from other municipalities (which he claims make up 66% of the hauled load), the biological load would drop to 50% capacity, making the expansion unnecessary.

- Factual Correction: Banning external septage haulers would reduce organic loading by 159.0 kg-BOD/day (66% of the 240.9 kg-BOD/day hauled load). This would lower the loading to 198.7 kg-BOD/day. While this is below the biological design, it leaves the lagoon operating at a high 79.5% of its biological design limit, not 50%.
- More importantly, restricting external haulers recovers only 256 ERUs of treatment capacity. St. Clements' own projected growth targets along Henderson Highway and East Selkirk require over 2,500 additional local ERUs (800 in East Selkirk and 1,730 in the HCA). A septage restriction is a temporary operational band-aid, but it does not provide the capacity needed for local growth, nor does it build the physically required Red River outfall pipeline or transition the system to year-round continuous discharge.

3. This is not an East St. Paul project funded by St. Clements taxpayers

- Statement in Video: The presenter claims St. Clements taxpayers are carrying an $8 million debt for a project designed to give away "half of its capacity" (1,000 out of 2,000 ERUs of expanded capacity) to East St. Paul.
- Factual Correction: Under the WSP Scenario 2 Medium-Term design (4,000 ERUs) which this borrowing by-law finances, the capacity is allocated as follows: St. Clements Piped Share is 2,095 ERUs (52.4%), Rural Septage Share is 1,405 ERUs (35.1%), and East St. Paul's interim share is capped at 500 ERUs (12.5%) or full buildout 1000 ERUs would be (25%). Under the Service-Sharing Framework, East St. Paul is legally required to pay connection fees specifically designed to recover past St. Clements capital investments, and all operating costs attributable to East St. Paul are funded through their utility rates, user fees, and developer contributions—not St. Clements property taxes. No general St. Clements property taxes will go toward treating wastewater from other municipalities.

4. The borrowing by-law does not force immediate sewer connections

- Statement in Video: The presenter tells residents that once the upgrade is complete, they will be immediately forced to decommission their septic systems and pay up to $20,000 to connect to the low-pressure sewer grid.
- Factual Correction: Proposed Borrowing By-law 7-2026 is strictly for Phase 3 treatment facility upgrades, the Red River outfall, and Lockport odour control. It

does not contain a municipal local improvement connection program. Existing properties with functioning septic systems are not required to connect immediately. Any future connection requirements would require their own independent municipal local improvement by-laws, public notice, and separate Council votes. Under provincial legislation, onsite septic systems in the Red River Corridor Designated Area (RRCDA) must connect within 10 years of a sewer main being built, but this is a provincial environmental law, not a forced immediate connection mandate under this by-law.

5. Engineering work has been completed and is part of the project record

- Statement in Video: The presenter claims that "no detailed engineering design" has occurred, only loose "boardroom studies".
- Factual Correction: Extensive, process-specific engineering design is complete. This includes WSP’s finalized *St. Clements Regional Water & Sewer System Capacity Study Update* (January 2026), the *Wastewater Management Plan Update* (June 2026), and WSP's finalized *East Selkirk Wastewater Treatment Lagoon Upgrade Options Technical Memorandum (Revision 3)* dated May 26, 2026. Furthermore, industry-leading process engineering firms Nexom (May 12, 2026) and Lemna Environmental Technologies (March 24, 2026) have submitted stamped, detailed technical equipment and structural proposals, complete with site layouts and mechanical specifications.

6. The federal grant and borrowing figures should be presented using the correct numbers

- Statement in Video: The presenter claims that "no contract has been signed" with the federal government and that the grant is "not a given". He also claims that the borrowing numbers do not add up on his slides.
- Factual Correction: The $5,875,000 federal grant under the Build Communities Strong Fund was formally confirmed and publicly announced by the Government of Canada on June 30, 2026. Like all major municipal infrastructure grants, it is subject to standard finalization of a contribution agreement. The math only failed on the presenter's slides because the presenter misquoted the federal grant as $5,785,000, committing a transposition error (switching the 8 and 7). When using the correct federal figure, the confirmed federal grant of $5,875,000 and the proposed municipal borrowing ceiling of $8,152,475 sum to exactly $14,027,475 (the Class D total cost).

7. First reading is not final approval
    - Statement in Video: The presenter claims that the RM plans to have a public hearing and "pass first reading the same night", meaning they are not genuinely listening to residents.
    - Factual Correction: The presentation notes explicitly state that "Council considers everything it hears" and that the proposed by-law still "requires Municipal Board approval before it can receive final passage". Under Manitoba's *Municipal Act*, a first reading is a standard legislative step that allows the by-law to be sent to the Municipal Board for formal review, no final decision is made at the hearing.

Quick Reference: Public Statement and Project Record

Public statement	**What the RM project record shows**
"The lagoon has plenty of room (pipes are only 45% full)."	Physical storage is 45% used, but the biological treatment process is 143% overloaded (357.7 kg-BOD/d peak vs 250 kg-BOD/d design).
"Banning external septic trucks solves the organic overload."	Banning external trucks recovers only 256 ERUs of capacity and leaves the lagoon at 79.5% capacity, providing no room for St. Clements' own projected growth of over 2,500 ERUs.
"East St. Paul gets half the capacity for free."	East St. Paul is allocated only 12.5% - 25% (500-1000 ERUs in Scenarios) and must pay capital connection fees and full operating rates.
"St. Clements is borrowing the whole $14 million."	The borrowing ceiling is up to $8,152,475 (58.1%). A confirmed federal grant covers $5,875,000 (41.9%).