



City of Port Alberni and Catalyst Paper reach agreement for wastewater treatment facility and land

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The City of Port Alberni and Catalyst Paper are moving forward with key strategic initiatives after reaching an agreement-in-principle for the purchase of the company's wastewater treatment facility and additional lands.

The agreement, valued at \$5.75 million consists of two parts: acquisition of the 13.4 hectare wastewater treatment facility located across the Alberni Inlet and secondly, 3.9 hectares of land combined with a road dedication (part of the Redford Street extension arrangement) to facilitate the development of an industrial truck route along the waterfront.

"This agreement with Catalyst Paper represents an investment in the long-term prosperity of our community," Mayor John Douglas said. "This sewage treatment facility will become an integral piece of our city's infrastructure, allowing us to meet the strict new federal and provincial waste water regulations and accommodate the continued growth of the City."

Due to mill upgrades, Catalyst's wastewater treatment facility is no longer required to support operations. The City's acquisition and planned upgrade of the facility will bring it into compliance with new federal environmental regulations at a considerable cost savings when compared to building a new facility.

"We are pleased to have reached an agreement that benefits the community of Port Alberni and our company," said Kevin J. Clarke, Catalyst Paper President and CEO. "This initiative allows the City to address a vital infrastructure requirement and it enables our business to focus on core operations as we exit creditor protection in the near term."

With the agreement in place the city will now finalize and be eligible to draw on the \$11.2 million grant provided by the federal government in January to make the necessary renovations and improvements to the lagoons. Once completed, the system will provide increased capacity and improved water quality in the Alberni Harbour and Somass Estuary.

Also included with the agreement are land and a road dedication to enable the City to pursue the development of an industrial road along the waterfront. The acquired land runs from the Redford Street entrance to the Catalyst Paper mill to the existing Harbour Road intersection with Argyle Street.

“The message has been clear from businesses and residents, industrial truck traffic is negatively impacting the livability and vibrancy of our City center,” Mayor John Douglas said. “I’m pleased by the fact that residents, businesses and industry will all be the beneficiaries of the new road once it’s built.”

The project has been identified as a strategic priority by Council and funding has been included in the 2012-2016 Five Year Financial Plan which was adopted in April.

“Reaching this agreement in the City’s centennial year is a great way to reinforce the cooperation that exists between our industry and the community and to provide for a positive long-term impact on developments going forward,” added Mr. Clarke.

Implementation of the transaction is subject to completion of formal documentation and obtaining any necessary governmental and third party consents and approvals that may be required. Catalyst and the City will be working toward satisfying these requirements in the near term.

FOR MORE INFORMATION

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