

Procurement is a complex issue, with many components that need to be integrated into the Core Area Wastewater Program. There are a variety of options available to the CRD; each model has unique advantages and disadvantages. Residents are encouraged to learn as much as possible on the procurement issue before making a recommendation or submitting comments to the CRD. Below are some links which detail the pros and cons of procuring infrastructure through public or private means.

Further Information

Canadian Centre for Policy Alternatives www.policyalternatives.ca

Partnerships BC www.partnershipsbcc.ca/files/faqs.html

Canadian Council for Public Private Partnerships www.pppcouncil.ca

Public Private Partnerships www.p3canada.ca/faq.php

Canadian Union of Public Employees www.cupe.ca

Core Area Wastewater Treatment Project

Wastewater Treatment Procurement

Frequently Asked Questions

What is procurement?

Procurement is the way in which the wastewater program will be brought to life, through design, construction, operation and maintenance. Choosing a procurement model will involve determining whether a public or private body will complete these tasks. Procuring the project publicly will mean the CRD, or CRD contractors, would design, build, operate and maintain wastewater facilities. Private procurement would involve delegating these responsibilities to a private body.

What is a P3?

P3 stands for Public Private Partnership. This model of procurement works with private bidders to design, build, operate and maintain an infrastructure project.

Why is the CRD considering an option other than a publicly operated utility for the wastewater program?

The CRD will work with both the Provincial and Federal governments on funding for the wastewater program. Each government body will provide one third of the needed funding. Any provincially funded projects in BC exceeding \$50 million must comply with the requirements of the Province's Capital Asset Management Framework (CAMF). CAMF requires the CRD to review the use of alternative procurement methods in its business case, including public-private partnerships (P3).

Has the CRD chosen a procurement method for the Wastewater Program?

No. CRD staff and the Core Area Wastewater Management Committee want to make sure that every procurement option is evaluated objectively, so that the program may proceed in a manner which provides the best economic, environmental and social benefit to the region. There is no obligation to go with a P3 model in order to retain Provincial funding.

What options for procurement is the CRD considering for the Wastewater Program?

There are six models under consideration by the CRD. They were developed by the CRD's consultants, in tandem with stakeholder market sounding research. The models range from a fully public, traditional option to a privatized option. Hybrid combinations of these options could also be considered.

How do the different options actually work?

For a detailed description of all models under consideration, the best place to look is the wastewater treatment brochure on procurement, available at the Procurement Open Houses or online at www.wastewatermadeclar.ca. The various models offer greater or lesser CRD control over aspects of facility design, cost and operation responsibility.

Is it possible that more than one procurement option could be used?

A hybrid of two models could be used for procurement, which would use features from both.

How is the CRD evaluating procurement options?

CRD consultants Ernst and Young prepared a final draft discussion paper entitled "Potential Program Delivery Options" which outlines various procurement options and provides preliminary assessment criteria evaluating the environmental, social, environmental and financial issues of each procurement option. A draft of this discussion paper is currently available for public viewing on www.wastewatermadeclar.ca in the "Procurement Business Plan" folder in the Document Archive.

Additionally, the Committee has approved the use of a Business Case Peer Review Team to provide objective oversight in reviewing procurement options for designing, constructing and operating the region's wastewater treatment facilities. The new Business Case Peer Review Team members bring a fresh perspective to bear and none have any vested interest in the outcome of the project.

When will a final procurement decision be made?

The Peer Review Team will present their analysis on Feb 24th to the Core Area Liquid Waste Management Committee (CALWMC). CALWMC will then recommend a model to the CRD Board for approval. Procurement decisions will be finalized by April 2010.

How can residents find out more about procurement or give feedback and comments?

On February 10th and 11th, the CRD will host two Procurement Open Houses. These community events will provide information on the components of the Core Area Wastewater Treatment Program, the procurement options under consideration and the criteria developed to date to evaluate them for system construction and operations. They will also give residents a chance to ask questions of staff and provide feedback to the CRD and the CALWMC on the procurement issue.

What are some examples of public, hybrid and P3 procurements for a comparable infrastructure?

PUBLIC

- Whistler Wastewater Treatment Plant
- Pine Creek Wastewater Treatment Plant (Calgary)

HYBRID

- Sooke Wastewater Collection and Treatment System

P3

- Abbotsford Regional Hospital and Cancer Centre (ARHCC) Project
- The Vancouver Convention Centre Expansion Project (VCCEP)
- The Britannia Mine Water Treatment Plant