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**REPORT TO CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, JULY 13, 2016**

SUBJECT **Report from the Core Area Wastewater Treatment Project Board – July 2016**

ISSUE

To provide the CRD Board with an update on the work of the Core Area Wastewater Treatment Project Board and the Core Area Wastewater Treatment Project.

BACKGROUND

At its meeting held May 25, 2016, the CRD Board, by bylaw, established the Core Area Wastewater Treatment Project Board (“Project Board”) for the purposes of administering the Core Area Wastewater Treatment Project and adopted Terms of Reference for the Project Board.

As noted in the staff report establishing the Project Board, the Project Board is “*charged with preparing and submitting a project proposal and business case to the Board for submission to the Provincial Treasury Board by September 30, 2016. This timing also coincides with the funding extension from PPP Canada and the expectations of the provincial and federal governments in relation to securing funding. Once a business case is approved the Project Board would complete the procurement process and the implementation of the Project*”.

The Project Board wishes to update the CRD Board on the status of its work to date, summarized as follows:

1. The Project Board's work is underway and on track to deliver a program recommendation and business case for consideration by the CRD Board by Sept. 30.
2. The Project Board is reviewing past technical work and related public comment and input.
3. The Project Board will establish a due diligence committee that reports to the CRD Board and the Project Board.

IMPLICATIONS

The Project Board has met on three occasions. Work is well underway. The Board has established meeting procedures; a process to review previous work and community input; and a methodology to consider and evaluate alternative options in order to develop a program recommendation and business case for consideration of the CRD Board.

Procedures

At its first meeting CRD staff reviewed the CRD Procedures Bylaw and described the CRD Board practice with respect to meeting procedures. The Project Board decided to be as consistent as possible with the meeting practices of the CRD Board. The Project Board posts agendas and reports, receives delegations at each meeting, and if requested, will hear presentations.

Review of Previous Work

The Board has assembled the technical work undertaken by the CRD Committees. A review of this work is underway. In addition, the Board is reviewing the records of the extensive public commentary expressed at open houses, dialogues, meetings and hearings held over the past several years.

Development of a Business Case for a Recommended Program Option

The Board is in the process of reviewing, assessing and rating all program treatment options and sites including those that have been proposed to date. The results of this assessment process will form the basis of recommendations and a business case for consideration by the CRD Board. The various program options, the assessment process and outcomes, together with the recommendations will all be included in the final report.

The Board will be establishing a due diligence panel comprised of individuals (likely three) who have experience with development and delivery of large programs and waste water treatment. To be eligible the individuals must not have a conflict (for example, vendors of wastewater treatment process equipment would not be eligible), and must have no prior involvement in the project. The panel will be asked to provide a report on the Board's work, addressed to both the Project Board and the CRD Board. The report will include a review of the range of alternative options, the assessment process and outcome and an opinion on whether it was properly conducted and reasonable.

Further Reports

The Project Board will provide a further status report to the CRD Board in August. The business case for the recommended program option will be presented to the CRD Board in mid-September to meet the September 30 deadline for submission of a business case to the Provincial Treasury Board as contemplated in the Terms of Reference.

CONCLUSION

The Project Board has commenced its work in accordance with the Terms of Reference approved by the CRD Board. This report provides an update on that work.

RECOMMENDATION

That the CRD Board receive this report for information.

Submitted by:	Jane Bird, Chair, Core Area Wastewater Treatment Project Board
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