



Making a difference...together

510-1675 Douglas Street, Victoria, BC V8W 1R7

Core Area Wastewater Treatment Program Commission

Information Bulletin

For Immediate Release

July 12, 2013

Request for Proposals Released to Design and Construct McLoughlin Point Wastewater Treatment Plant Project

Victoria, BC - The Core Area Wastewater Treatment Program Commission announced today the release of the Request for Proposal (RFP) for the McLoughlin Point Wastewater Treatment Plant Project.

The Core Area Wastewater Treatment Program Commission is responsible for overseeing the CAWTP procurement process and developed the McLoughlin Point RFP over the last three months.

The RFP to design, build and partially finance the McLoughlin Point Wastewater Treatment Plant, Victoria Harbour Crossing and Marine Outfall asks proponents to minimize costs to taxpayers, consider the triple bottom line and encourages innovative design concepts. Three proponent teams were shortlisted and invited to submit proposals following a comprehensive Request for Qualifications process in spring 2013.

The proponents will also be required to work collaboratively with the Municipality of Esquimalt and the broader community to meet the design guidelines, develop a traffic management plan, and address impacts related to construction.

Proponent proposals will be submitted by January 2014 and the Commission expects to select a preferred proponent by spring 2014. Construction of the McLoughlin Point Wastewater Treatment Plant Project is anticipated to get underway in summer 2014 with completion in 2018.

The Core Area Wastewater Treatment Program consists of three components: the construction of the McLoughlin Wastewater Treatment Plant Project, a Biosolids Energy Centre and Conveyance Infrastructure, including upgrades to existing facilities.

The CRD Board reviewed the terms of the RFP and approved the principles of evaluation at its July 3, 2013 meeting.

To access the RFP, please visit www.crd.bc.ca.

The McLoughlin Point Wastewater Treatment Plant will provide enhanced primary and secondary treatment for the region's core area wastewater. The facility will be located at McLoughlin Point in Esquimalt, at the site of a former oil tank farm. Conveyance system upgrades (e.g. pipes and pump stations), will link the facility to a new marine outfall at McLoughlin Point and a Biosolids Energy Centre.

The new facility will be designed to include innovative wastewater treatment options, including heat recovery for the plant and administrative buildings. The administrative buildings will also be built to a LEED Gold standard. Design and architectural guidelines will be incorporated into the RFP following input from the municipalities of Esquimalt and Victoria.

The total capital cost of the CAWTP is estimated to be \$782.7 million, with the McLoughlin Point Wastewater Treatment Plant Project estimated at over one third of the total budget. The CAWTP is jointly funded by federal, provincial governments and the CRD. The total proposed federal contribution will be up to \$253.4 million, the total provincial contribution is a maximum of \$248 million and the CRD will provide the balance, estimated at close to \$281.3 million.

Once completed, the CAWTP will significantly improve the level of wastewater treatment, as well as reduce the volume and incidents of untreated wastewater discharge as a result of sewer overflows. The new facilities will be designed to satisfy British Columbia's *Wastewater Regulation* and the federal *Wastewater Systems Effluent Regulations*.

-30

For media inquiries, please contact:

Kim Van Bruggen, APR
Core Area Wastewater Treatment Program Commission,
Communications
Tel: 250.727.7464

Backgrounder:

McLoughlin Wastewater Treatment Plant Project: Request for Proposal

Purpose

The purpose of this request for proposals (RFP) is to invite selected proponents to submit proposals for the design and construction of the McLoughlin Wastewater Treatment Plant Project (Project).

Procurement Method

The Project will be procured using a design/build/finance model.

Design/Build/Finance

The integrated procurement process brings together the design/build/finance components of the Project in a single proposal. The successful proponent will be responsible for the design and construction of the project to meet the effluent discharge criteria and architectural design guidelines, and for providing financial security in lieu of traditional performance bonds. This integrated procurement process is a common method for the development of major infrastructure projects in British Columbia and other jurisdictions in North America.

Finance

The successful proponent will be required to have a financial stake in the project during construction and for two years after the project goes into operation. The financial component will be in lieu of traditional performance bonding. The funds at risk will be an incentive for the proponent to work efficiently and complete the project on time. The advantages of this approach include transfer of risk to the proponent and, in the event of default, immediate access to funds by the CRD and minimization of delays to completing the project. Accessing funds under performance bonds is more difficult to realize. The use of alternative security strategies ensured broad market interest and resulted in an international composition of the shortlisted proponent teams.

Innovation and Sustainability

The RFP allows for the proponents to propose innovative approaches and best practices to meet the effluent discharge criteria and architectural design guidelines. The RFP requires proponents to incorporate triple bottom line criteria (economic, environmental and social) in their proposals.

Shortlisted Proponents

The three proponent teams shortlisted to submit proposals for the Project demonstrated their experience and qualifications during a comprehensive Request for Qualifications process in spring 2013. The firms have demonstrated their expertise in designing and constructing similar sized wastewater treatment projects using technology with a proven track record of meeting the regulation effluent discharge criteria involving dry and wet weather flows.

Proponent Selection

The responses will be evaluated by the senior members of the project management office, their procurement, technical, legal and financial advisors and will be overseen by the Commission's fairness advisor. The Core Area Wastewater Treatment Commission will approve the proponent selection.

Ownership and Operation

The facility will be owned and operated by the CRD.

Funding

Funding is provided by British Columbia, Canada (Build Canada Fund) and CRD.