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**REPORT TO CAPITAL REGIONAL DISTRICT BOARD
MEETING OF WEDNESDAY, AUGUST 10, 2016**

SUBJECT **Report from the Core Area Wastewater Treatment Project Board**

ISSUE

To provide the Capital Regional District (CRD) Board with an update on the work of the Core Area Wastewater Treatment Project Board and the Core Area Wastewater Treatment Project.

BACKGROUND

The CRD established the Core Area Wastewater Treatment Project Board (“Project Board”) for the purposes of administering the Core Area Wastewater Treatment Project (the “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 3P 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 provided the CRD Board with an update at its meeting of July 13, 2016 noting that a further update would be provided at the August meeting of the CRD and that the final program recommendation and business case would be submitted for consideration at the September 14 meeting.

This report is the August update. In providing this update, the Project Board acknowledges the comments of some CRD directors at the July meeting, in particular that the final program recommendation and business case will be a significant amount of information to discuss at the September meeting; and the request that the CRD see information sooner, if possible. There are obvious challenges to providing early observations without the benefit of the full rationale, conclusions, and the final recommendation. However, in consideration of the tight timeline, and the reasonable interest of the CRD to have information sooner, the Project Board will provide an interim report to be circulated to the CRD Board and made available to the public on the Project Board website at www.coreareawastewater.ca during the week of August 22.

IMPLICATIONS

Project Status

1. The Project Board remains on track to deliver a final program recommendation and business case for consideration by the CRD Board on September 14 so that the result can be communicated to the Province for consideration and ultimately to the Federal government by Sept. 30, the Federal funding deadline. While two weeks is ambitious to seek Provincial and Federal approval, the Project Board Chair and Vice Chair have discussed the timelines with senior government staff and are cautiously optimistic that the recommendations can be considered within that time period.

2. The Project Board has completed its review of past technical work and related public comment and input. In addition, the Board heard several delegations at its meeting on August 4, and expects to hear delegations at its meeting of August 25.
3. As noted in the July report, the Project Board will establish a three-member due diligence panel to review the methodology and conclusions of the Project Board. The process to establish the panel was agreed by the Chair and Vice Chair of each of the CRD and the Project Board. The process and terms of reference were approved by the Project Board and referred to the CRD. In accordance with the process, a pool of candidates has been established, including names put forward by CRD members; from the pool, one member will be nominated by the CRD and one by the Project Board; the third will be nominated by those two nominees.

Prior to completion of the final report, members of the Project Board will be meeting with municipal staff of the Core Area municipalities and with the Esquimalt and Songhees First Nations in order to better understand their respective observations and processes. As noted, the Project Board has reviewed the extensive public commentary on the various options and has considered the key themes in their analysis. However, the Board felt it would be valuable to meet directly with staff of the municipalities and with the First Nations to ensure that we understand their current perspective.

CONCLUSION

The Project Board is continuing 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 Capital Regional District Board receive this report for information.

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